

Department of Health
FY23 - Summary of Significant Budget Issues
(\$ thousands)

Item	Appropriation / Allocation	Description	Governor Request	Amount Enacted	Comment
1	Various	Executive Order 121	Total: \$734.9 \$733.7 I/A Rcpts (Other) \$1.2 CIP Rcpts (Other) 5 PFT Positions 3 TMP Positions	Total: \$734.9 \$733.7 I/A Rcpts (Other) \$1.2 CIP Rcpts (Other) 5 PFT Positions 3 TMP Positions	<p>Through Executive Order 121, the Department of Health and Social Services (DHSS) has been divided into two distinct departments. The new Department of Health (DOH) includes:</p> <ol style="list-style-type: none"> 1. Division of Public Health; 2. Division of Public Assistance; 3. Division of Behavioral Health; 4. Division of Health Care Services; and 5. Division of Senior and Disabilities Services. <p>The new Department of Family and Community Services (DFCS) includes:</p> <ol style="list-style-type: none"> 1. Division of Juvenile Justice; 2. Alaska Psychiatric Institute; 3. Alaska Pioneer Homes; and 4. Office of Children's Services. <p>In addition to reclassing a full-time network specialist position for \$42.3 I/A in the Health Care Services appropriation, the following new positions are being added in the DOH/Departmental Support Services appropriation:</p> <p>Public Affairs (\$131.7 Inter-agency Receipts) Full-time Information Officer, range 20, Anchorage</p> <p>Administrative Support Services (\$202.9 Inter-agency Receipts)</p> <ol style="list-style-type: none"> 1. Full-time Office Assistant 2, range 10, Juneau 2. Full-time Administrative Officer 2, range 19, Juneau <p>Information Technology (\$356.8.0 Inter-agency Receipts, \$1.2 CIP)</p> <ol style="list-style-type: none"> 1. Full-time Data Processing Manager 1, range 22, Juneau 2. Full-time Systems Programmer 1/2, range 20/22, Anchorage 3. Three non-permanent, on-call Microcomputer/Network Technician 1 positions, range 14, Anchorage/Fairbanks/Juneau. <p>Fiscal Analyst Comment: In addition to these changes in DOH, funding is</p>

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1	Various	Executive Order 121	Total: \$734.9 \$733.7 I/A Rcpts (Other) \$1.2 CIP Rcpts (Other) 5 PFT Positions 3 TMP Positions	Total: \$734.9 \$733.7 I/A Rcpts (Other) \$1.2 CIP Rcpts (Other) 5 PFT Positions 3 TMP Positions	(continued) also being added to DFCS (\$668.7 GF Match, \$454.0 I/A, and \$470.2 Federal Receipts).
2	Various	Multi-Year Language Appropriations Moving from DHSS to the Dept. of Health in FY23 Multi-year Language	Net Zero	Net Zero	Language included in Executive Order 121, splitting DHSS into DOH and DFCS, covered the majority of all funding authority transitioning to the two new departments. However, to ensure a smooth transition, multi-year language appropriations were handled with an additional step. For these items, funding was appropriated from DHSS to the Alaska Housing Capital Corporation (AHCC), as a "holding tank", effective June 30, 2022, then reappropriated from AHCC to DOH or DFCS (which did not exist on June 30, 2022), effective July 1, 2022.
3	Behavioral Health / Behavioral Health Treatment and Recovery Grants	Transition Behavioral Health Treatment and Recovery Grants to 1115 Medicaid Waiver	(\$790.0) GF/MH (UGF)	(\$790.0) GF/MH (UGF)	The legislature denied the Governor's decrement, however, funding was ultimately vetoed. The Department reports there will be no interruption in services with this decrement for transitioning services (previously provided through UGF grants) to services provided through the Medicaid 1115 waiver.
4	Behavioral Health / Various	Increase Funding for Behavioral Health Grants	n/a	\$1,106.2 GF/MH (UGF)	Additional GF/MH (UGF) was added by the legislature to increase capacity for behavioral health services not billable to Medicaid. Some providers say they are "square pegs in a round hole" and are unable to expand services and staffing in order to meet eligibility requirements for federal match through waivers or the Medicaid State Plan. The Department acknowledges there are important services not billable to Medicaid, and some grants are needed to supplement what Medicaid does not cover. The Division of Behavioral Health continues to work with providers during the Medicaid 1115 demonstration waiver project which has expanded the list of Medicaid eligible services by 23 since its implementation. Funding is intended to be dispersed equitably among providers currently

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4	Behavioral Health / Various	Increase Funding for Behavioral Health Grants	n/a	\$1,106.2 GF/MH (UGF)	(continued) receiving behavioral health grants in the following allocations: Behavioral Health Treatment and Recovery Grants: \$859.5 GF/MH Behavioral Health Prevention and Early Intervention Grants: \$246.7 GF/MH
5	Behavioral Health / Behavioral Health Treatment and Recovery Grants	MH Trust: Crisis Now Continuum of Care Grants	\$900.0 GF/MH (UGF)	\$900.0 GF/MH (UGF)	Funding for this program was originally requested in the Behavioral Health Prevention and Early Intervention Grants allocation and transferred to the Behavioral Health Treatment and Recovery Grants allocation through a Governor's amendment. The Crisis Now model is intended to reduce the amount of law enforcement and emergency room utilization by individuals experiencing a mental health crisis. As envisioned, a crisis call center will accept calls from individuals in need of assistance and direct callers to the appropriate service. Alternatively, individuals in crisis could also be dropped off by law enforcement or walk into a local stabilization center, where available. In addition to a crisis call center, the model utilizes a Mobile Crisis Team, 23-Hour Crisis Stabilization Services, and Short-term Stabilization to create a behavioral health emergency network of services. Determination of the right level/type of treatment occurs through the behavioral health providers implementing the model. The Department is utilizing the 1115 Behavioral Health Medicaid Waiver to fund these crisis services which are allowable Medicaid expenses if the individual is Medicaid eligible and the provider is eligible to bill Medicaid. States that have implemented the model, including Arizona and Louisiana, report most individuals who contact the crisis call center have their crisis resolved over the phone. Individuals may be diverted initially to 23-Hour Stabilization services in communities that establish them. In addition, mobile crisis teams may be deployed to resolve behavioral health crises. In communities that do not have the full continuum, individuals may divert directly into short term crisis residential centers or utilize the current Title 47

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5	Behavioral Health / Behavioral Health Treatment and Recovery Grants	MH Trust: Crisis Now Continuum of Care Grants	\$900.0 GF/MH (UGF)	\$900.0 GF/MH (UGF)	(continued) civil commitment process that includes a hold in a hospital or other facility until admission to API or another Designated Evaluation and Treatment Center including Fairbanks Memorial Hospital, Mat-Su Regional Medical Center, or Bartlett Regional Hospital. The project will initially be stood up in Fairbanks, Mat-Su, Anchorage and Juneau.
6	Behavioral Health / Behavioral Health Treatment and Recovery Grants	Replace MET Funding with GF/MH to Support an Increase of MET Funding in Public Health for After School Programs	n/a	Net Zero \$750.0 GF/MH (UGF) (\$750.0) MET Fund (DGF)	Under AS 44.29.020(a)(17), 25% of the excise tax on the sale or transfer of marijuana is deposited into the Marijuana Education and Treatment (MET) fund, to be appropriated to the Department of Health for the MET program. For FY23, the Department of Revenue projects approximately \$33.2 million of marijuana excise tax will be collected, resulting in \$8.3 million (25%) of available MET funding. Within the DOH, MET funding has been allocated to both Behavioral Health (for treatment and recovery programs) and Public Health (for community based marijuana misuse prevention programs, primarily focused on youth). This fund change is necessary to maintain funding levels in the Behavioral Health Treatment and Recovery Grant allocation and support a \$750.0 increase of MET funding in the Public Health/Chronic Disease Prevention and Health Promotion allocation for after school programs. Items 6 and 15 are related.
7	Behavioral Health / Behavioral Health Administration	Expand Master of Social Work Degree Program	\$200.0 GF/MH (UGF) IncT	\$200.0 GF/MH (UGF) IncT	This increment represents DOH's contribution to a two-year effort to support expansion of the University of Alaska's Master of Social Work program from 35 to 85 students per year, including licensure.

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8	Various	(HB 265) HEALTH CARE SERVICES BY TELEHEALTH Fiscal Note	Total: \$240.0 \$120.0 Fed Rcpts (Fed) \$120.0 GF/Match (UGF)	Total: \$240.0 \$120.0 Fed Rcpts (Fed) \$120.0 GF/Match (UGF)	HB 265 (Health Care Services by Telehealth) is intended to make permanent the expanded telehealth flexibilities provided by the federal public health emergency; to expand access to telehealth services through payment parity and an expansion of the types of health care providers including behavioral health providers who can provide health care services through telehealth without an initial inperson consultation; and to specify and make permanent within state statute telehealth modalities, which are the means through which telehealth services are delivered. Of this funding, \$120.0 is allocated to Health Care Services / Medical Assistance Administration which processes non-behavioral health Medicaid claims; the other \$120.0 is allocated to Behavioral Health / Behavioral Health Administration to process behavioral health Medicaid claims.
9	Health Care Services / Medical Assistance Administration	Transition Pilot Health Home Project to Medicaid	(\$201.0) GF/Match (UGF)	(\$402.0) GF/Match (UGF)	Chapter 24 SLA 2016 (SB 74) provided a pilot care coordination demonstration program using 100% GF that paid the contractor a per member/ per month fee to case manage 5,000 patients. Due to differences between reporting capabilities and reporting requirements, the deliverables have been difficult to fulfill, and the Governor requested that the contract be reduced 50% in FY23 and the remainder eliminated in FY24. The legislature deleted all of the funding in FY23. The Department reports that services will be continued through the Medicaid section 1915(b) waiver. "Health Homes" is defined as a central location (home) for all medical and therapeutic resources to treat chronic conditions ("one-stop shop"). Fiscal Analyst Comment: Medicaid section 1915(b) waivers, commonly referred to as "freedom-of-choice" waivers, allow a state to require Medicaid patients to participate in managed care for some or all of their benefits (except for family planning). The Department will need to apply to the Centers for Medicare and Medicaid Services (CMS) for the 1915(b) waiver, and that turnaround is estimated to take approximately six months for approval. The application will be transmitted to CMS when the federal public health emergency ends.

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10	Public Assistance / Permanent Fund Dividend Hold Harmless	Permanent Fund Dividend Hold Harmless	\$13,500.0 PFD Fund (Other) IncOTI	n/a	The PFD Hold Harmless appropriation provides payments that replace Alaska Temporary Assistance, Adult Public Assistance, Supplemental Security Income, and Supplemental Nutrition Assistance Program (SNAP) benefits for individuals who would lose eligibility or whose benefits would be reduced if they received a Permanent Fund Dividend. The program has maintained \$17.7 million of budget authority for several years (FY15 to current); actual expenditures have averaged around \$14.9 million. This request was denied as unnecessary because funding for the October, 2022 payout is already included in the Department's base budget.
11	Public Assistance / Public Assistance Field Services	Delete Authority No Longer Needed for Devices	(\$215.0) GF/Match (UGF)	(\$215.0) GF/Match (UGF)	This reduction is associated with a reduction in core service costs resulting from the deletion of 121 positions in FY22. Items 11 and 12 are related.
12	Public Assistance / Public Assistance Field Services	CC: Add 20 Temp Positions to Support Application Processing (FY23-FY24)	n/a	Total: \$1,331.9 \$679.2 Fed Rcpts (Fed) \$652.7 GF/Match (UGF) 20 TMP Positions IncT	The legislature restored 20 temporary positions for FY23 and FY24 to ensure adequate support is available for potential increases in application processing associated with Medicaid redetermination and other public assistance programs. Fiscal Analyst Comment: The FY22 budget removed 121 positions from this component which included 20 positions added in FY19 on a temporary basis (to address an application backlog) and scheduled to be removed in FY22, plus 101 positions the Department planned to remove through attrition. The Department experienced a cyberattack in May, 2021 which impacted several processes and systems. Specifically, for DPA, the Ilinx system was off-line for several months, resulting in the reinstatement of manual processes. An unanticipated increase in staff resources has been needed to work through the recovery phase. Items 11 and 12 are related.

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13	Senior Benefits Payment Program / Senior Benefits Program	Supplemental Fund Change to Utilize ARPA Revenue Replacement Supplemental	n/a	Net Zero (\$15,000.0) Gen Fund (UGF) \$15,000.0 ARPA Rev R (UGF)	The FY22 supplemental budget uses \$15 million of American Rescue Plan Act (ARPA) revenue replacement in DOH. One of the allowable uses for the State's allocation from the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) within ARPA is replacing revenue lost due to the COVID-19 pandemic. This funding can be used for any cost of state government that is within the scope of normal government operations. To avoid distorting the budget, funds used for revenue replacement are appropriated to the general fund, and a UGF tracking code (1271) is used for activities that fit the federal requirements, adding up to the total amount of revenue replaced. Since 1271 is simply a UGF tracking code, there is no impact on the agency's operations.
14	Public Health / Nursing	Recruitment and Retention Bonuses	n/a	\$520.0 Gen Fund (UGF)	During this session, the legislature focused attention on how employee bonuses are handled. The closer examination raised concerns that some union member bonuses have not been included in the monetary terms of the collective bargaining agreements and have been paid out using existing funds in accordance with a subsequent <i>letter of agreement</i> (between the bargaining unit and the State). To improve legislative visibility, language was added to the operating bill approving the payment of bonuses for union members and requiring the administration to provide all letters of agreement to the legislature. In addition to this recruitment and retention bonus funding for nurses, intent language was added that bonuses include \$5,000 for sign-on and \$5,000 for relocation support.
15	Public Health / Chronic Disease Prevention and Health Promotion	Increase MET Funding for Public Health Prevention Programs	n/a	\$750.0 MET Fund (DGF)	\$750.0 of MET funding, provided through the fund change in item 6, is being used to expand after-school programs focused on the prevention of marijuana misuse. Items 6 and 15 are related.
16	Public Health / Chronic Disease Prevention and Health Promotion	Funding to Support Statewide Dementia Awareness	n/a	\$404.5 GF/Match (UGF) 1 PFT Position	Increased GF Match to support implementation of a statewide public education dementia awareness campaign was provided through both a fiscal note HB 308 (Dementia Awareness and Healthcare Capacity) and a regular sub-committee increment as follows:

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16	Public Health / Chronic Disease Prevention and Health Promotion	Funding to Support Statewide Dementia Awareness	n/a	\$404.5 GF/Match (UGF) 1 PFT Position	(continued) HB 308 Fiscal Note \$2.5, travel \$280.0, contractual services \$2.0, commodities Increment \$120.0 and 1 PFT, Public Health Specialist II
17	Senior and Disabilities Services / Senior and Disabilities Community Based Grants	\$1,498.2 UGF to Increase Funding to Senior and Disabilities Services Grants	n/a	n/a	Vetoed Legislative Addition - Increased grant funding to providers serving seniors and disabled individuals was intended to partially address the impacts of inflation, wage pressure, and population growth. Services supported by SDS Community Based Grants include (but are not limited to) congregate and home delivered meals, adult day, transportation, case management, chore, and other support services that allow senior and disabled individuals to remain in their homes. Funding to these providers has remained relatively flat in recent years while the population they serve has been growing steadily. Additionally, corresponding intent language was added to specify that, in addition to the FY22 level of grant funding, \$586,000 of the increment be directed to the Centers for Independent Living while the remaining \$912,200 be distributed to SDS Community Based Grant recipients providing services to Alaskan seniors.
18	Senior and Disabilities Services / General Relief/Temporary Assisted Living	Increase Funding for General Relief / Temporary Assisted Living	n/a	\$3,418.5 Gen Fund (UGF)	This increment increases the general relief reimbursement rate from \$70.00 per day (set in 2002) to \$104.30 per day, an increase of 49%. General Relief funds are used to pay for residential services for Alaskans with highly complex behavioral health problems, cognitive impairments, and intellectual disabilities who can't afford to pay for their own care in assisted living homes and are not eligible for Medicaid. Frequently, these individuals are being referred from API, other hospitals, Department of Corrections (DOC), or the Office of Public Advocacy (OPA). Some would-be-eligible Alaskans have experienced long wait times before

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18	Senior and Disabilities Services / General Relief/Temporary Assisted Living	Increase Funding for General Relief / Temporary Assisted Living	n/a	\$3,418.5 Gen Fund (UGF)	(continued) getting off the General Relief waitlist. In some instances, individuals end up waiting to be discharged from a hospital or nursing home because they cannot receive services until a placement for them has been identified. The current \$70.00 per day rate is reportedly not enough for most Assisted Living homes to provide services, which makes placement determination challenging. Intent language and funding is intended to improve the capacity of care and reduce pressure on API, DOC, OPA, as well as impacted hospitals.
19	Senior and Disabilities Services / Governor's Council on Disabilities and Special Education	MH Trust: Governor's Council on Disabilities and Special Education	\$50.0 GF/MH (UGF)	\$50.0 GF/MH (UGF)	Additional funding will address a small gap to support the Governor's Council on Disabilities and Special Education (GCDSE) Research Analyst 3 position. A review of the GCDSE's operating budget and fund sources determined that the federal funds they receive need to be reallocated to ensure federal compliance, resulting in a small gap. This \$50.0 GF/MH increment addresses that gap and makes the GCDSE's operating budget whole.
20	Departmental Support Services / Various	GF Match Replacement to Meet Federal Match Requirements	Net Zero \$1,778.6 GF/ Match (UGF) (\$1,220.0) Gen Fund (UGF) (\$558.6) GF/MH (UGF)	Net Zero \$1,778.6 GF/ Match (UGF) (\$1,220.0) Gen Fund (UGF) (\$558.6) GF/MH (UGF)	Replacing other UGF authority with general fund match authority will ensure match requirements are met for the federal programs utilized in Public Affairs, Commissioner's Office, Administrative Support Services, Information Technology Services, and State Facilities Rent components. In prior years, divisions transferred administrative positions to Departmental Support Services along with funding associated with the transferred positions. Departmental Support Services had no mechanism to utilize all types of funding (unique to divisions) being transferred for federal match. The following technical changes into general fund match resolve that issue: Public Affairs: \$67.1 GF Match, (\$67.1) UGF 1004 Commissioner's Office: \$284.9 GF Match, (\$76.3) UGF 1004 and (\$208.6) GF/MH Admin Support Services: \$254.8 GF Match, (\$254.8) UGF 1004 Info Tech Services: \$1,025.1 GF Match, (\$725.1) UGF 1004 and (\$300.0) GF/MH

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20	Departmental Support Services / Various	GF Match Replacement to Meet Federal Match Requirements	Net Zero \$1,778.6 GF/Match (UGF) (\$1,220.0) Gen Fund (UGF) (\$558.6) GF/MH (UGF)	Net Zero \$1,778.6 GF/Match (UGF) (\$1,220.0) Gen Fund (UGF) (\$558.6) GF/MH (UGF)	(continued) State Facilities Rent: \$146.7 GF Match, (\$96.7) UGF 1004 and (\$50.0) GF/MH
21	Departmental Support Services / Commissioner's Office	Homeless Management Information Systems	Total: \$750.0 \$375.0 Gen Fund (UGF) \$375.0 Stat Desig (Other) IncOTI	Total: \$750.0 \$375.0 Gen Fund (UGF) \$375.0 Stat Desig (Other) IncOTI	<p>As part of the Governor's "People First Initiative," one-time funding will support the creation of a new database on homelessness which will be inclusive of the elements in the existing Homeless Management Information System database, but with additional data elements that will allow for improved services to individuals experiencing homelessness and better insight into the challenges of addressing this issue.</p> <p>Fiscal Analyst Comment: This initiative picks up from the discontinued Safety First Initiative program which began in 2016 as a collaboration with the Anchorage Community Development Authority and the Anchorage Downtown Partnership. The original program was discontinued on January 1, 2022 as the overwhelmed safety ambassadors patrolling downtown Anchorage began encountering more situations requiring Anchorage Police Department (APD) involvement. The safety ambassadors still patrol downtown Anchorage as the "eyes and ears" for APD. Statutory Designated Program Receipts will be collected from other agencies supporting those experiencing homelessness statewide.</p> <p>Items 21 and 22 are related.</p>

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22	Departmental Support Services / Commissioner's Office	Initiative to Address Homelessness	Total: \$382.3 \$46.3 Fed Rcpts (Fed) \$336.0 GF/Match (UGF) 1 PFT Position	Total: \$382.3 \$46.3 Fed Rcpts (Fed) \$336.0 GF/Match (UGF) 1 PFT Position	Base funding will support one position to manage the new database on homelessness (see above item) and provide \$250.0 for additional database management. Items 21 and 22 are related.
23	Departmental Support Services / Commissioner's Office	Funding for Health Payment and Utilization Database for Reporting & Data Mgmt in Coordination with DCCED	n/a	Total: \$4,049.8 \$2,024.9 Fed Rcpts (Fed) \$2,024.9 GF/Match (UGF)	In an effort to implement a health payment and utilization database for reporting and data management, funding was appropriated to the Dept. of Commerce, Community and Economic Development (DCCED) and the DOH as follows: DCCED 1. One-time funding of \$1.5 million UGF to procure the database; 2. Intent language to provide a report to the legislature outlining the projected operating and capital costs for procurement, maintenance, and administration of the database. DOH 1. One-time funding of \$1,644.1 Federal Receipts and \$1,644.0 GF/Match to build and validate new interfaces in the Medicaid Management Information System to meet the data collection standards created by DCCED/Division of Insurance; 2. Ongoing funding of \$380.8 Federal Receipts and \$380.9 GF/Match to update the database on a continual basis; 3. Intent language that Medicaid and AlaskaCare, along with Trustees and Retirees, convert claims data to a common layout and provide that data to DCCED.
24	Medicaid Services / Medicaid Services	Match Requirement for Increased Medicaid Utilization	\$45,000.0 GF/Match (UGF)	\$22,000.0 GF/Match (UGF)	\$45 million UGF was requested in the Governor's initial budget which restored \$35 million decremented in FY22 and added another \$10 million to Medicaid's FY23 base budget. At the time of the budget release, the Department estimated an actual shortfall of \$72 million; however, the intention was to utilize a variety of cost-saving measures and reduce the need down to \$45 million. The

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24	Medicaid Services / Medicaid Services	Match Requirement for Increased Medicaid Utilization	\$45,000.0 GF/ Match (UGF)	\$22,000.0 GF/ Match (UGF)	<p>(continued)</p> <p>legislature approved this amount, however, the Governor then vetoed \$23 million due to updated projections based on both increases and decreases to the Medicaid budget. Significant factors contributing to fluctuating projections include:</p> <p>Increases</p> <ol style="list-style-type: none"> 1. Increased utilization - as the pandemic passed its full two year mark, individuals are seeking care that they may have delayed earlier in the pandemic; 2. Inflation has increased the cost of care. <p>Decreases</p> <ol style="list-style-type: none"> 1. The 6.2% increase to the regular Medicaid Federal Medical Assistance Percentage (FMAP) will end with the federal Public Health Emergency. State savings associated with the enhanced FMAP have been quantified at approximately \$17 million per quarter; 2. Once the PHE and the enhanced FMAP end, Medicaid eligibility redetermination will resume and the Department anticipates approximately \$17 million of savings through that effort; 3. \$6.5 million - Implementation of "Section 1945 Health Homes". Section 1945 Health Home Services are patient centered medical homes, authorized during SLA 2016 (Ch. 25, SB 74); 4. \$3.5 million - estimated pay for performance incentive for hospitals. This incentive to encourage hospitals to report their costs is intended to provide an entry point to move from fee for service towards managed care; and 5. \$4.64 million - estimate to expand Tribal Reclaiming to the Administrative Services Organization for the Division of Behavioral Health. <p>Items 24 and 25 are related.</p>
25	Medicaid Services / Medicaid Services	Sec 67(a), HB 281 FY23 Open Ended Federal Receipt Authority	Net Zero	Net Zero	The legislature approved open-ended federal authority in FY20, FY21, and FY22 in response to COVID-19. FY23 authority is approved for both COVID and non-COVID activities.

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25	Medicaid Services / Medicaid Services	Sec 67(a), HB 281 FY23 Open Ended Federal Receipt Authority	Net Zero	Net Zero	(continued) Items 24 and 25 are related.
26	Various	Increase the Draw from the Individual Developmental Disabilities Waiver Waitlist in FY23	n/a	Total: \$1,741.8 \$870.9 Fed Rcpts (Fed) \$870.9 GF/Match (UGF)	As part of a continuing effort to increase the draw from the Intellectual and Developmental Disabilities (IDD) waiver waitlist, funding and intent language were added to the following appropriations: Medicaid 1. \$1,741.8 (\$870.9 Federal Receipts and \$870.9 GF/Match) to fund approximately 20 additional participants to the IDD waiver program in FY23 (currently, between 50-70 individuals are drawn annually from the waitlist); 2. Intent language that the Department should draw a minimum of 70 new individuals from the IDD waiver waitlist in FY23 and submit a waiver amendment, if necessary, to the Centers for Medicare and Medicaid Services to ensure costs for this increased draw are matched with federal dollars. Senior and Disability Services Intent language that the Department should develop a five-year plan, in collaboration with stakeholders, to eradicate the waitlist for the IDD waiver and to prevent waitlists for other HCBS waivers. Fiscal Analyst Comment: In FY22, the legislature appropriated \$1,890.0 (\$945.0 Federal Receipts, \$945.0 GF/Match) towards increasing the draw from the IDD waitlist.
27	Medicaid Services / Medicaid Services	Funding to Support Increased Wages for Personal Care Attendants	n/a	Total: \$32,875.0 \$16,568.1 Fed Rcpts (Fed) \$16,306.9 GF/Match (UGF)	Inceased funding to the Medicaid reimbursement rate is intended to provide the equivalent of a 5% increase to FY22 home-based grant amounts, plus an additional 5% for FY23. A portion of the adjusted rate is intended to be used by provider agencies to increase Personal Care Attendant (PCA) worker wages by 10%, and the remainder used for other provider costs. Corresponding intent language was also included to emphasize additional funding should support a 10% increase in wages for workers providing home-based and personal care attendant services through the following employer

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27	Medicaid Services / Medicaid Services	Funding to Support Increased Wages for Personal Care Attendants	n/a	Total: \$32,875.0 \$16,568.1 Fed Rcpts (Fed) \$16,306.9 GF/ Match (UGF)	(continued) entities: 1. Home and Community Based Services; 2. Personal Care Assistants (Medicaid State Plan); 3. Community First Choice (1915k waiver); and 4. Long-Term Services and Supports, Targeted Case Management.
28	Medicaid Services / Medicaid Services	Decrement \$350.0 UGF and Add Conditional Language Relating to Abortions	n/a	(\$350.0) Gen Fund (UGF)	For several years, the legislature has consistently decremented the UGF amount expended on Medicaid abortions in the previous fiscal year. Based on that methodology, this budget cycle's decrement would have been \$120.8 UGF (the amount expended in FY21); the decrement approved this session was for a larger amount of \$350.0 UGF. Additionally, conditional language was added as follows: <i>No money appropriated in this appropriation may be expended for an abortion that is not a mandatory service required under AS 47.07.030(a). The money appropriated for the Department of Health may be expended only for mandatory services required under Title XIX of the Social Security Act, unless a U.S. Supreme Court decision provides new precedent, and for optional services offered by the state under the state plan for medical assistance that has been approved by the United States Department of Health and Human Services.</i>
29	Various	Replace Authority Unavailable due to Alaska Constitution Article IX Section 17(d)	Net Zero \$6,936.5 UGF (\$6,936.5) DGF	Net Zero \$6,936.5 UGF (\$6,936.5) DGF	The Recidivism Reduction Fund, Marijuana Education and Treatment Fund, and Tobacco Education and Cessation Fund are subject to transfer to the CBR. The following appropriations previously appropriated money from these funds and were replaced with unrestricted general funds in FY23 to continue to provide existing service levels: Behavioral Health \$3,791.2 1037 GF/MH UGF (\$243.2) 1180 A/D T&P Fund DGF (\$1,042.3) 1246 RcdvsmFund DGF

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29	Various	Replace Authority Unavailable due to Alaska Constitution Article IX Section 17(d)	Net Zero \$6,936.5 UGF (\$6,936.5) DGF	Net Zero \$6,936.5 UGF (\$6,936.5) DGF	(continued) (\$2,505.7) 1254 MET Fund DGF Public Health \$2,672.8 1004 UGF (\$2,672.8) 1168 Tob ED/CES DGF Medicaid Services \$97.5 1004 UGF \$375.0 1037 GF/MH UGF (\$97.5) 1168 TobED/CES DGF (\$375.0) 1246 RcdvsmFnd DGF Total \$6,936.5 UGF (\$6,936.5) DGF
30	Various	Mental Health Trust Authority Authorized Receipts Funding	\$3,324.2 MHTAAR (Other)	\$3,324.2 MHTAAR (Other)	The Mental Health Trust Authority submits a "zero-based" budget for Mental Health Trust Authority Authorized Receipts - meaning that all MHTAAR funding in State agencies is removed from the adjusted base and reconsidered by the Mental Health Trust Authority each fiscal year. The Trust then makes recommendations to the legislature. For FY23, the legislature approved the following MHTAAR appropriations for various mental health efforts: Behavioral Health: \$1,002.3 Public Health: \$745.6 Senior and Disabilities Services: \$1,576.3 Items 30 and 31 are related.

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(\$ thousands)

Item	Appropriation / Allocation	Description	Governor Request	Amount Enacted	Comment
31	Various	Restore GF/MH Mental Health Trust Recommendations Approved by the Legislature in FY22 and Vetoed by the Governor	\$545.5 GF/MH (UGF)	\$545.5 GF/MH (UGF)	<p>In addition to MHTAAR funding (see item 30), the Mental Health Trust Authority also makes recommendations involving general funds (GF/MH). In FY22, the legislature approved the Trust's GF/MH recommendations, however, the Governor vetoed them. This year, the Governor put forward, and the legislature approved, all of the Trust's FY23 GF/MH recommendations. GF/MH items vetoed in FY22 and restored in the FY23 request are listed as follows:</p> <p>Behavioral Health / Behavioral Health Administration</p> <p>1. Peer Support Certification: \$50.0 (a lower amount of \$20.0 GF/MH was approved in FY22)</p> <p>2. Zero Suicide Initiative: \$62.5 (a lower amount of \$53.5 GF/MH was approved in FY22)</p> <p>Public Health / Emergency Programs</p> <p>DHSS Comprehensive Program Planning Coordinator: \$75.0</p> <p>Public Health / Chronic Disease Prevention and Health Promotion</p> <p>Beneficiary Mental Health Status Data Collection: \$45.0</p> <p>Senior and Disability Services (SDS)</p> <p>1. SDS Grants / Maintain Aging and Disability Resource Centers: \$250.0</p> <p>2. SDS Administration / IT Application/Telehealth: \$63.0</p> <p>Items 30 and 31 are related.</p>
32	Various	Cross-appropriation Transfer Authority up to \$15 million	Net Zero	Net Zero	<p>\$15 million of the requested \$20 million in cross-appropriation transfer authority was approved for the new Department of Health (up to \$10 million was approved for the new Department of Family and Community Services). The exception that no funding may be transferred out of the Medicaid appropriation was also included, consistent with recent years.</p>

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Item	Appropriation / Allocation	Description	Governor Request	Amount Enacted	Comment
33	Various	FY22 Supplemental Funding Requested by the Governor Supplemental	Total: \$2,664.0 \$314.0 Fed Rcpts (Fed) \$1,850.0 GF/ Match (UGF) \$500.0 Gen Fund (UGF)	Total: \$2,664.0 \$314.0 Fed Rcpts (Fed) \$1,850.0 GF/ Match (UGF) \$500.0 Gen Fund (UGF)	FY22 funding levels for the Department of Health and Social Services were increased through the following supplemental appropriations: Behavioral Health / Behavioral Health Administration Address Backlog Resulting from Cyberattack: \$500.0 UGF Public Assistance / Public Assistance Field Services Address Backlog Resulting from Cyberattack: \$1,850.0 GF Match Public Assistance / Energy Assistance Program (Infrastructure Investment and Jobs Act) Low Income Home Energy Assistance Program: \$314.0 Federal Receipts

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