



State of Alaska Department of Health

Division of Senior and Disabilities Services

FY2024 Budget Overview

Tony Newman | Acting Director

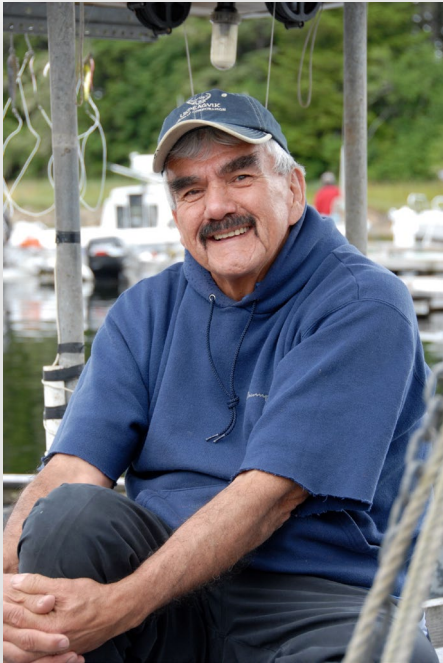
Nicole Wery | Administrative Operations Manager

Thursday, February 28, 2023



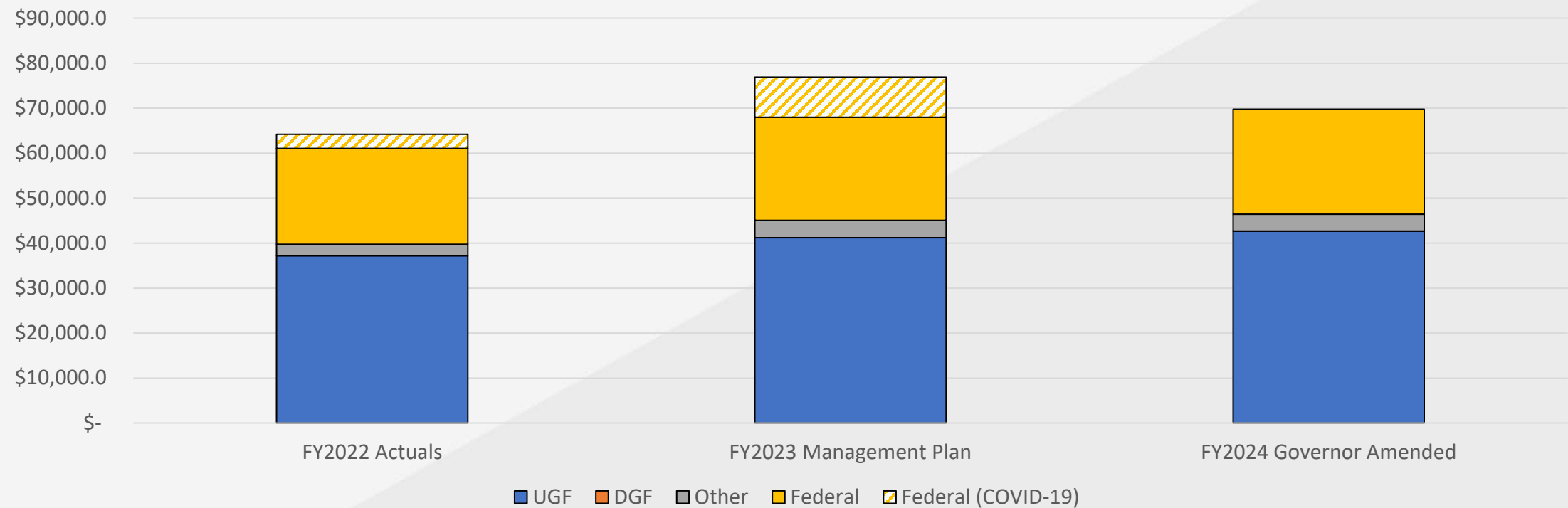
Division of Senior and Disabilities Services

Senior and Disabilities Services promotes health, well being, and safety for individuals with disabilities, seniors, and vulnerable adults by facilitating access to quality services and supports that foster independence, personal choice, and dignity.



Division of Senior and Disabilities Services

Operating Budget Comparison FY2022-FY2024 (in thousands)



	FY2022 Actuals	FY2023 Management Plan	FY2024 Governor Amended
UGF	\$ 37,192.6	\$ 41,228.9	\$ 42,693.9
DGF	\$ -	\$ -	\$ -
Other	\$ 2,554.6	\$ 3,831.3	\$ 3,725.3
Federal	\$ 21,284.7	\$ 22,941.1	\$ 23,315.8
Federal (COVID-19)	\$ 3,163.9	\$ 8,881.1	\$ -
Total	\$ 64,195.8	\$ 76,882.4	\$ 69,735.0

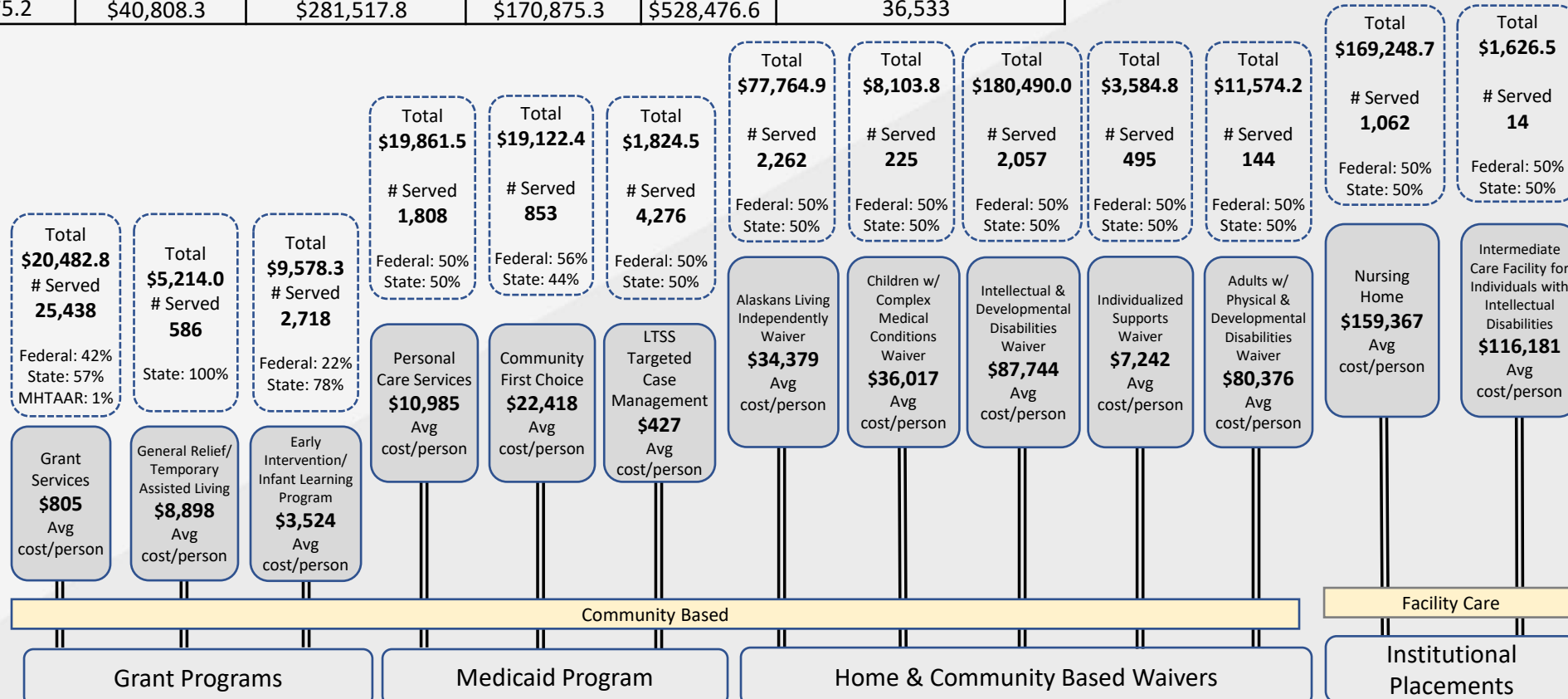


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Continuum of Care

SFY2022 Costs by Funding Source and Average Cost per Person by Service Type

Costs by Funding Source					Total # Served (Duplicated Counts Across some Service Types)
Grant Services	Medicaid Programs	Home & Community Based Waivers	Institutional Placements	Total Costs	
\$35,275.2	\$40,808.3	\$281,517.8	\$170,875.3	\$528,476.6	36,533



Data Source: State of Alaska Automated Budget System, Final Auth FY2022 report, Harmony and COGNOS

Notes: During FY2021, SDS Medicaid received a 6.2% FMAP increase due to the COVID pandemic. This increase was effective 1/1/20 and remained in effect through 2022



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Grant Programs

Total Cost \$35 million

Grant Services

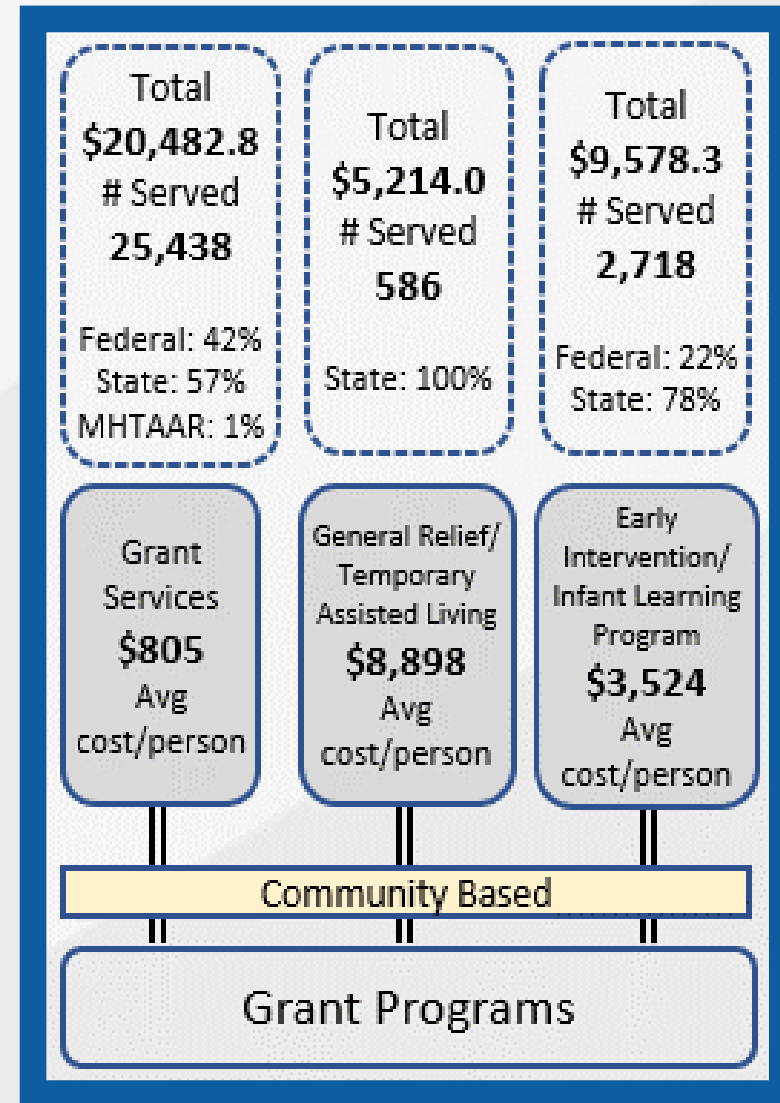
- 19 grant programs such as Nutrition, Transportation and Support services; Adult Day Services; Senior In Home; Senior Residential Services; Aging and Disability Resource Centers and Centers for Independent Living (CILs)
- \$1.49 million in Governor's proposed budget would support CILs and senior grant programs

General Relief Assisted Living Home Program

- Temporary housing assistance for Alaskans in financial distress

Early Intervention/Infant Learning Program

- Services for children birth to age 3 at risk for or experiencing a developmental delay

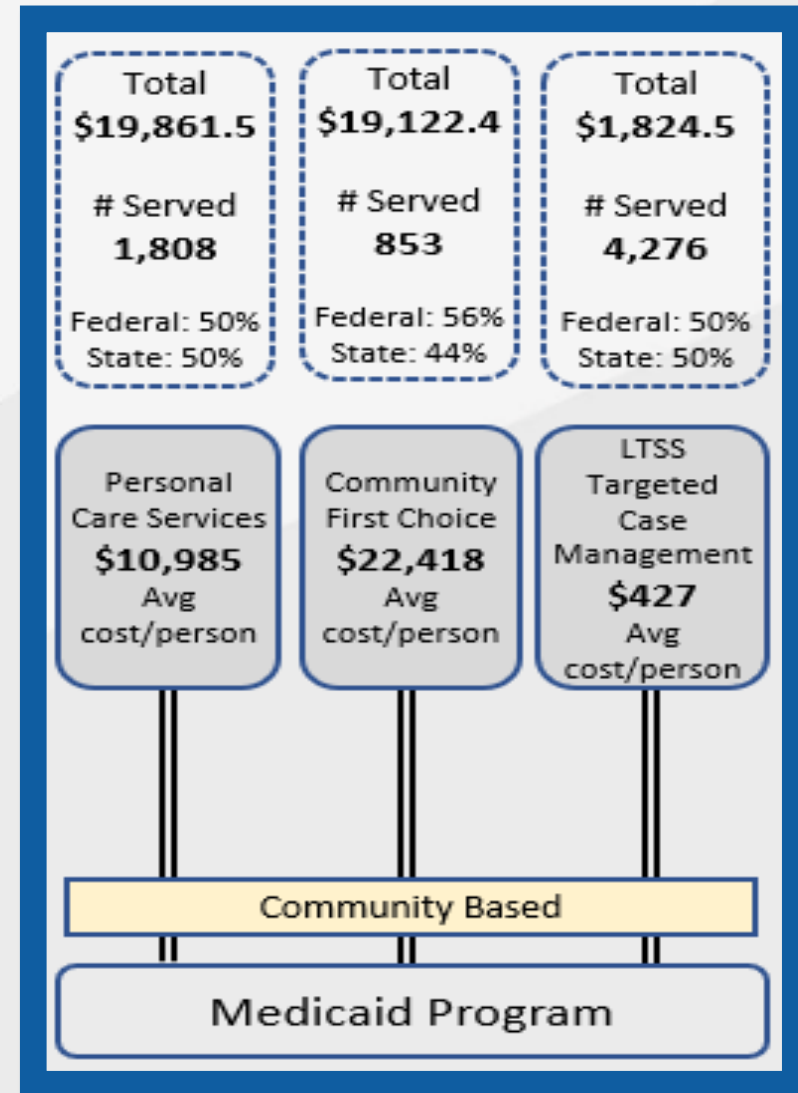


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Medicaid State Plan Services

Total Cost \$40.8 million

- State Plan Personal Care Services
 - Community First Choice Services (“1915(k) option”)
 - Targeted Case Management
 - All are State Plan Services provided by private businesses and agencies
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- State Plan Personal Care Services and Targeted Case Management have a 50% Federal and 50% General Fund Match
 - Community First Choice is a 56% Federal and 44% General Fund Match

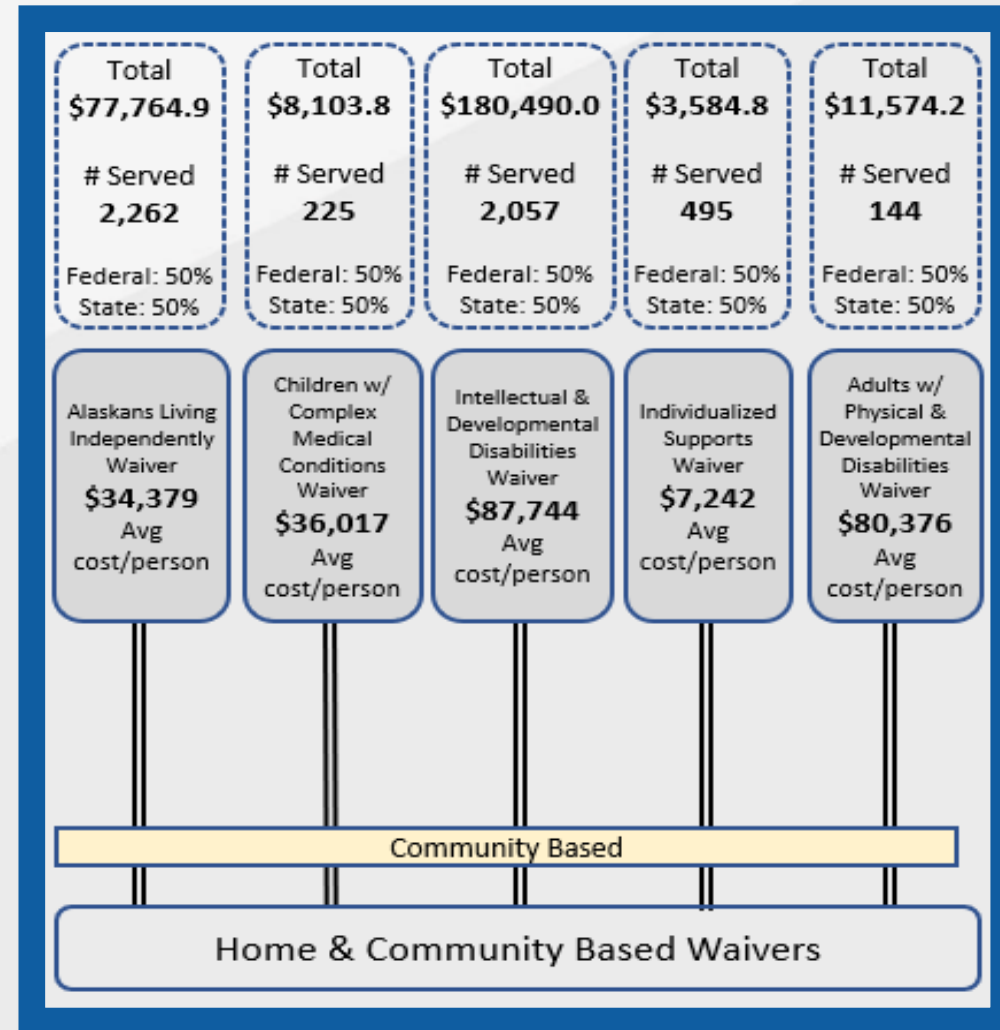


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Medicaid Home and Community Based Waivers

Total Cost \$281.5 million

- Allow people with disabilities and seniors to remain in their homes in local communities while otherwise they would require more expensive institutional care
- Home and Community Based Waivers receive a 50% Federal and 50% General Fund Match

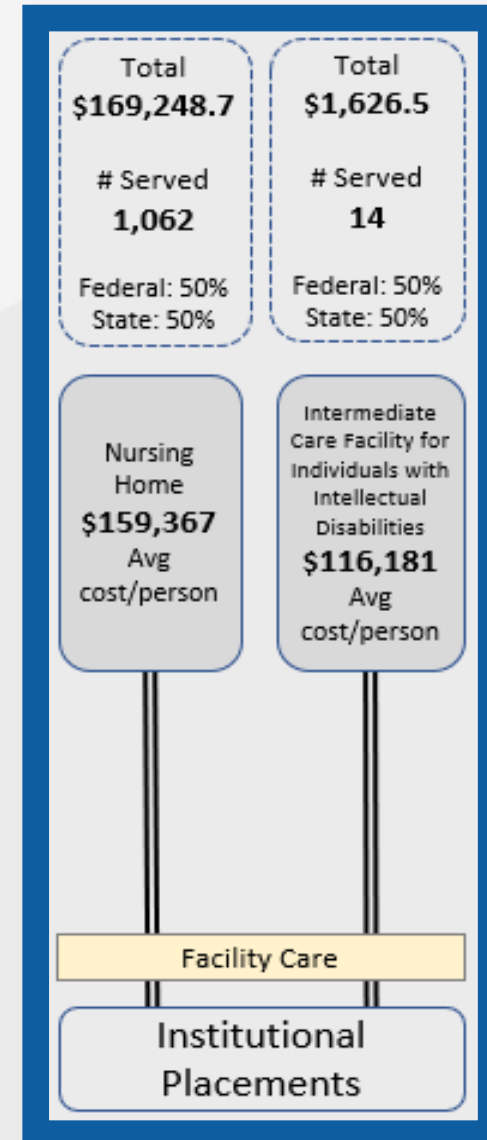


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Institutional Placement

Total Cost \$170.8 million

- Individuals who meet level of care for placement in these facilities also qualify for home and community based waiver services
- Institutional Placements receive a 50% Federal and 50% General Fund Match



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Cost of Institutional Care without Home and Community Based Waiver Services Options

SFY2022 Costs by Funding Source and Average Cost per Person by Service Type

Program	# served	Avg cost per person	Total costs
Home & Community Based Waivers			
ALI Waiver	2,262	\$34,379	\$77,764,964
APDD Waiver	144	\$80,376	\$11,574,210
CCMC Waiver	225	\$36,017	\$8,103,784
IDD Waiver	2,057	\$87,744	\$180,490,001
ISW Waiver	495	\$7,242	\$3,584,838
TOTAL HCB Waivers	5,115		\$281,517,789
Institutional Placements			
Nursing Home	1,062	\$159,368	\$169,248,745
ICF/IID	14	\$116,181	\$1,626,539
TOTAL Institutional Placements	1,076		\$170,875,284
TOTAL HCB Waivers and Institutional Placements			\$452,393,082

Institutional Placements if no HCB Waiver services existed – FY2022		Total cost based on average cost per person for NH and ICF/IID services	
Nursing Home + ALI, APDD and CCMC Waiver service recipients	3,679		\$586,314,628
ICF/IID + IDD and ISW Waiver service recipients	2,526		\$293,474,106
TOTAL if HCB Waivers did not exist and individuals eligible for Nursing home or ICF/IID care received services in Institutional Placements (ICF/IID is based on current out of state placement).			Fed/State \$879,788,734

Data Source: FY2022 Final Auth Report, COGNOS and number of people for whom services were rendered, State of Alaska Automated Budget System



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CURRENT INSTITUTION AND COMMUNITY BASED WAIVER COSTS:

\$452,393,082

COST OF INSTITUTIONAL CARE IN ALASKA IF THERE WERE NO WAIVERS:

\$879,788,734

THANKS TO HOME AND COMMUNITY BASED WAIVERS, ALASKA AVOIDS SPENDING:

\$427,395,652



Waitlist Elimination Plan for the Intellectual and Developmental Disabilities Waiver



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House Bill 281 (2022)

“It is the intent of the legislature that the department develop a five-year plan, in collaboration with stakeholders, to eradicate the waitlist for the Intellectual and Developmental Disabilities waiver and to prevent waitlists for other Home and Community Based Waivers, and submit the plan to the Co-Chairs of the Finance Committees and the Legislative Finance Division by December 20, 2022.”



ALASKA DEPARTMENT OF HEALTH
PLAN FOR ERADICATING THE
INTELLECTUAL AND DEVELOPMENTAL
DISABILITIES (IDD) WAITLIST
December 20, 2022

Created in compliance with House Bill 281 (2022) and submitted to the
Alaska Legislature by December 20, 2022

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Quick Primer on the IDD Waiver Waitlist

- AS 47.80.130 requires the department to maintain a waitlist of persons who experience a developmental delay who would be eligible to receive state funded services when there is not adequate funding to meet all needs
- Highest needs people receive highest priority
- The Individualized Supports Waiver created in 2018 to provide limited services to those awaiting IDD services
- 459 individuals on the IDD waiver waitlist as of 2/8/23

INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES Registration and Review Report

Fiscal Year 2022
July 1, 2021 through June 30, 2022



PREPARED BY:

SENIOR AND DISABILITIES SERVICES STAFF:

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FOR:

The DEPARTMENT OF HEALTH

AND

THE ALASKA LEGISLATURE

**“How much would it
cost to eliminate the
waitlist?”**



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For the new plan we factored in:

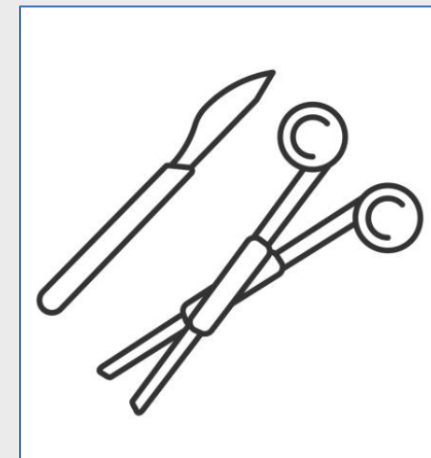
- Current number of people on the waitlist
- Number of people on the Individualized Supports Waiver who want to go on the IDD waiver
- Number of people who might be eligible but are not yet on the waitlist
- Costs for new people compared with costs for current participants
- Pace at which people will seek to get on the IDD waiver
- Savings that could be achieved through cost-control changes
- State staff costs and other needs



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Two Approaches to Eliminating the Waitlist

1. Eliminate the waitlist by providing funding for all needed services.
2. Adopt a resource allocation approach that uses resources more efficiently and better reflects beneficiaries' needs, strengths, and choices.



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1. Eliminate the waitlist

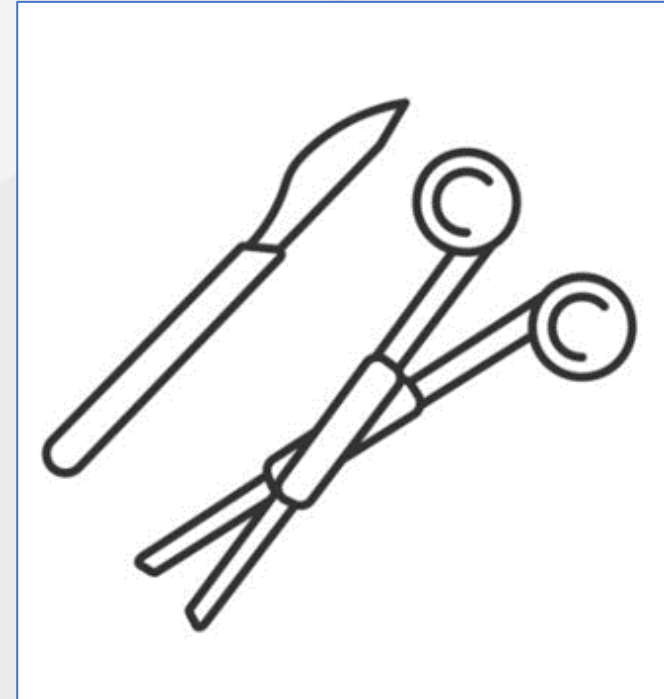
- Provide funding for all needed services
- Anticipate “Woodwork Effect” and other factors which will impact waiver participation
- Eliminates the need for the Individualized Supports Waiver



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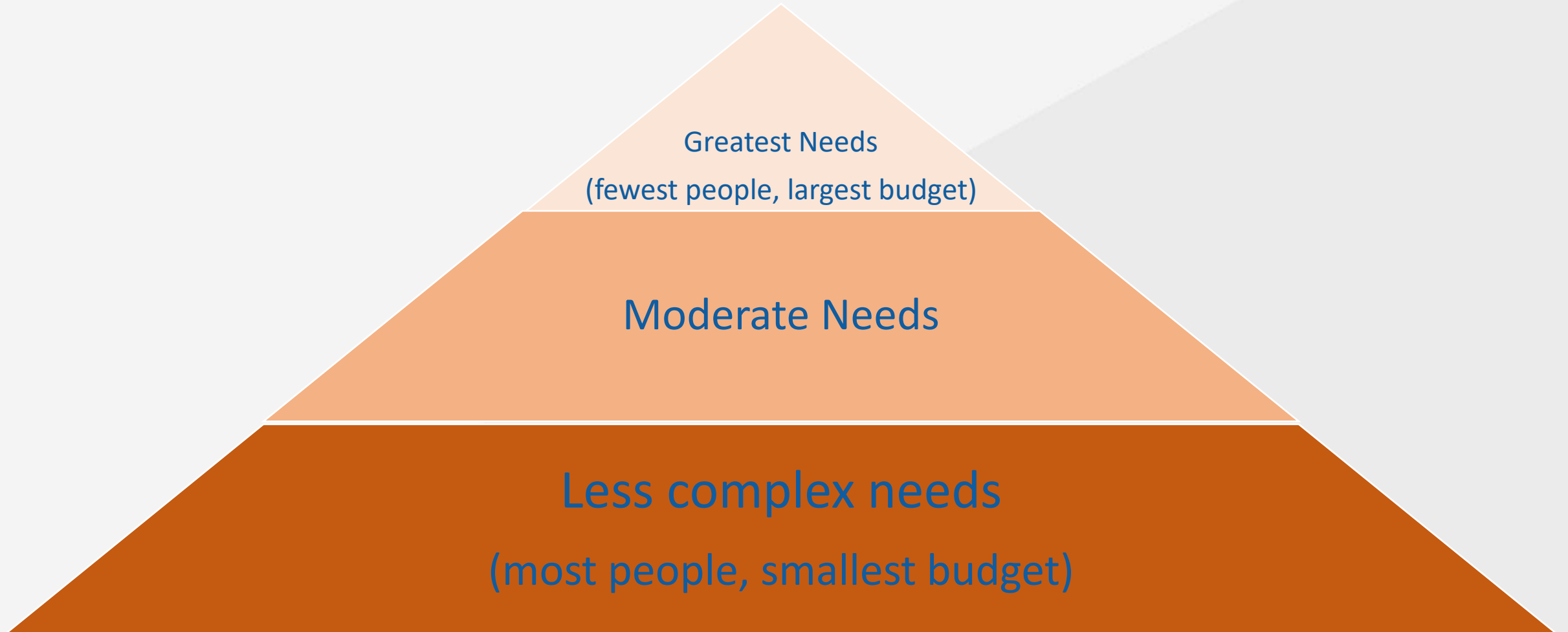
2. Adopt “Resource Allocation”

- Assign service levels based on need that provide better predictability of budget needs, more flexibility and enhanced beneficiary choice and self-direction
- Use a new assessment tool that has demonstrated inter-rater reliability among assessors through standardized training and application



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Resource Allocation

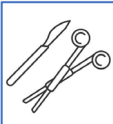


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Estimated Costs for the Waitlist Elimination Plan (in thousands)*

	Year 1	Year 5	Year 10
Number of People Served	2,250	3,374	4,167
State Funds Needed for Services	\$6,464.2	\$37,643.6	\$51,751.7
State Funds Needed for Cost Allocation Infrastructure	\$647.8	\$1,443.5	\$1,394.7
Total State Funds Needed With Cost Allocation Infrastructure	\$7,112.0	\$39,087.2	\$53,146.4
Total State Funds Needed w/o Cost Allocation Infrastructure	\$6,849.8	\$54,165.2	\$91,541.5

*Does not include inflationary adjustments; does not assume Medicaid rate increases for providers or other funding for increasing the workforce necessary to meet the increased need.



Division of Senior and Disabilities Services

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