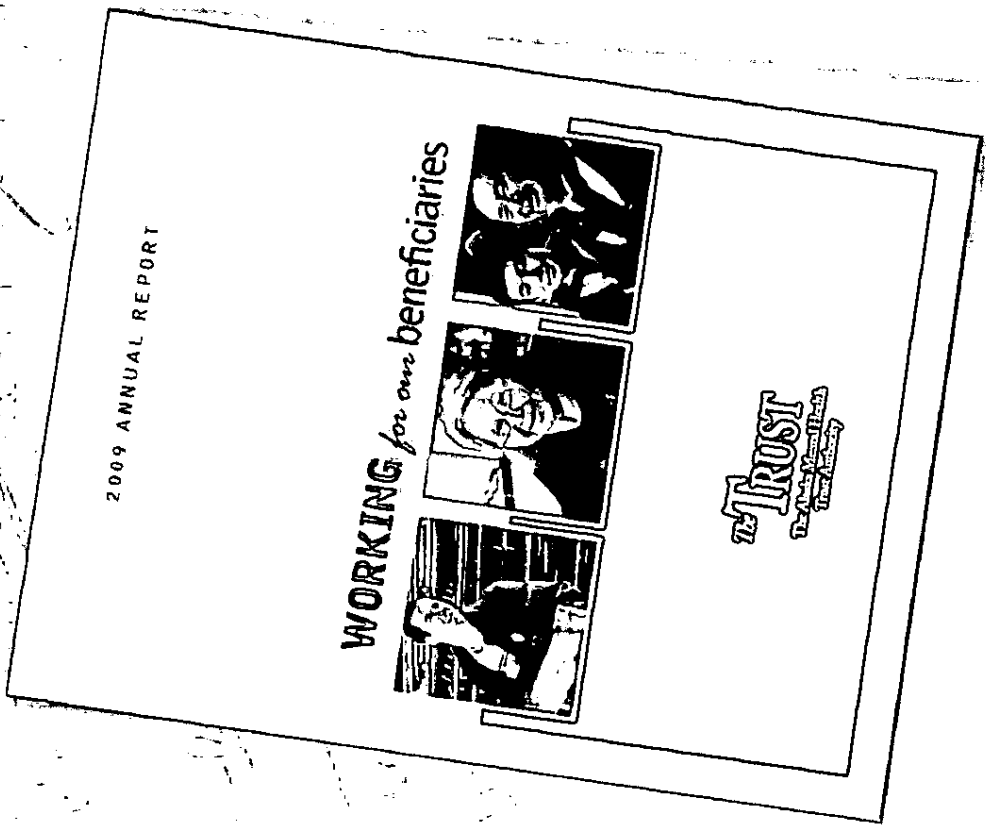


**2/4/10
OVERVIEW:
ALASKA
MENTAL
HEALTH
TRUST
AUTHORITY**

<target><bill></bill><subject>2-4-10 OVERVIEW ALASKA MENTAL
HEALTH TRUST AUTHORITY</subject><comm>HFIN26</comm></target>

House Finance
Committee
FY 2011 Budget



Alaska Mental Health Trust Authority

February 4, 2010

The TRUST
The Alaska Mental Health
Trust Authority

Trust Beneficiaries

- People with mental illness
- People with developmental disabilities
- People with chronic alcoholism
- People with Alzheimer's disease and other dementia



THE TRUST
The Alaska Mental Health
Trust Authority

Trust Advisors

- Alaska Mental Health Board
- Advisory Board on Alcoholism & Drug Abuse
- Governor's Council on Disabilities & Special Education
- Alaska Commission on Aging
- Commissioners of Health and Social Services, Natural Resources, Revenue, and Corrections
- Alaska Brain Injury Network
- Statewide Suicide Prevention Council

Trust Funding FY2011

Distributable Income

Trust Fund Payout 4.25%	\$ 17,739,095
Prior Year Lapse	\$ 3,931,279
Land Office Income	\$ 1,800,000
Interest	\$ 1,400,000
Total Projected	\$ 24,870,374

Joint FY2011 Legislative Priorities

- Increase adult dental Medicaid reimbursement cap
- Establish regular and periodic schedule of rate reviews for home and community-based services
- Support 10-year plan to reduce homelessness
- Fund community-coordinated transportation systems

Advisory Board on Alcoholism and Drug Abuse



Alaska Mental Health Board

Governor's Council on Disabilities and Special Education



Priorities shared by The Trust and its beneficiary advisory boards: Alaska Mental Health Board, Advisory Board on Alcoholism and Drug Abuse, Governor's Council on Disabilities and Special Education, and Alaska Commission on Aging

The TRUST
The Alaska Mental Health Trust Authority

Formula for Success

- Identify a problem or community need
- Collaborate with governmental agencies, advisory groups, non profits, service providers, philanthropic organizations and private sector
- Develop strategic, sharply focused solutions
- Make lasting system improvements for Trust beneficiaries

Committed Partners + Strategic Thinking = Results for Trust Beneficiaries

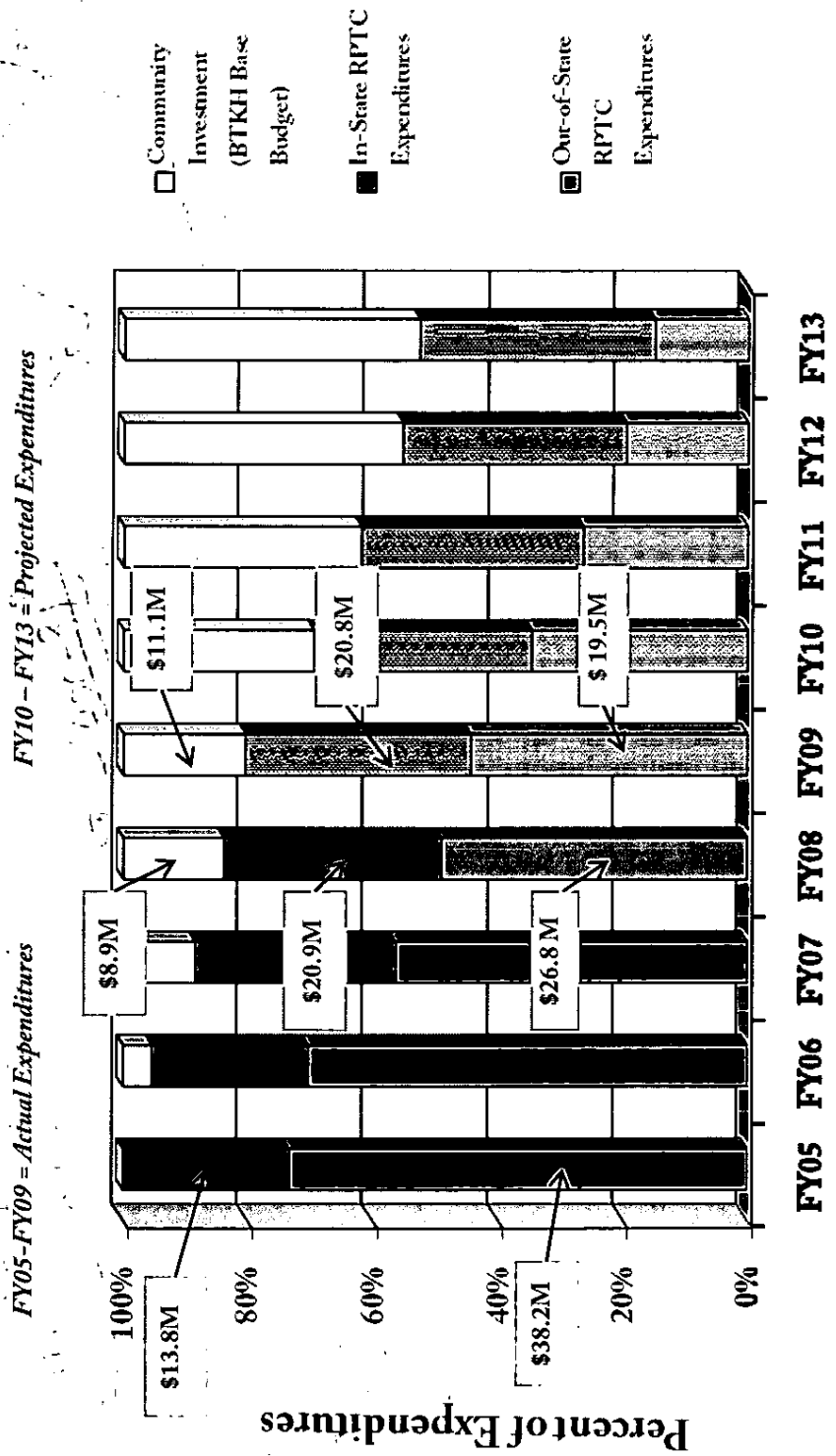
Five Program Focus Areas

- **Bring the Kids Home**
 - reforming Alaska’s mental health care for children and adolescents so they are diagnosed earlier and are treated as close to home as possible
- **Disability Justice**
 - reducing the involvement and recidivism of Trust beneficiaries in the criminal justice system
- **Workforce Development**
 - creating an available and competent workforce for Trust beneficiaries and service providers
- **Affordable, Appropriate Housing**
 - increasing a continuum of housing options for Trust beneficiaries
- **Beneficiary Projects Initiative**
 - supporting grassroots, peer-to-peer programs for Trust beneficiaries

Bring the Kids Home

- **Problem or community need**
 - FY06: 743 Alaskan children with severe emotional disturbances received service in out-of-state residential psychiatric treatment centers
 - separated from families, communities
 - length of stay varies from several months to multiple years
 - FY06: \$40 million for out-of-state Medicaid care
- **Committed partners**
 - DHSS, Denali Commission, Trust partner boards, Alaska Native health providers, other service providers, parents, advocacy groups, AHFC
- **Strategic thinking**
 - Each child treated at appropriate level of care as close to home as possible
 - Build appropriate treatment facilities in Alaska
 - Increase capacity/core competence for outpatient services
 - Provide family supports
 - Involve parents and youth in the solutions

Projected BTKH Reinvestment



\$52,115.3* \$56,895.5* \$65,192.8* \$55,648.6* \$51,400.0* * Total per year cost in thousands of dollars

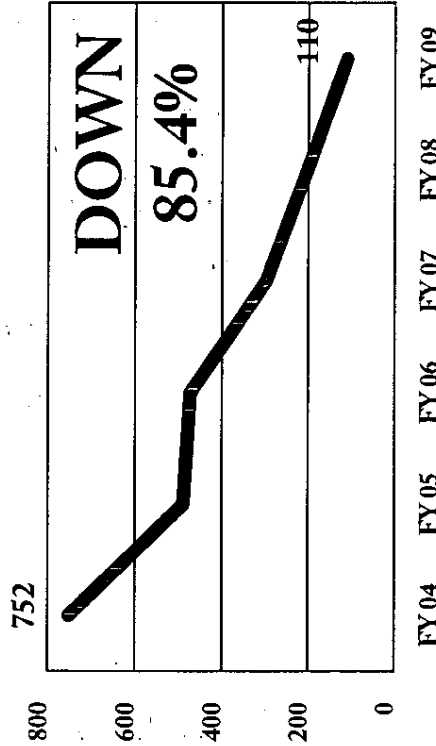
Data for FY05-09 are from Division of Behavioral Health based on paid claims for Medicaid data. Expenditure data for FY08 & FY09 are from Finance Management Services and includes all claims incurred and paid in FY08 and claims incurred in FY09 and paid in the first quarter of FY10.



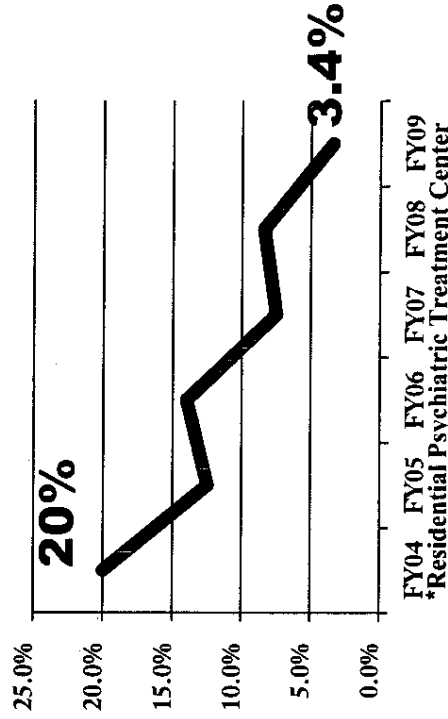
Results for Beneficiaries

Returning youth home & ensuring quality

Out of State Admits



RPTC* Recidivism Rate



- **HOME-BASED** services continue to increase during FY09
 - 500+ youth (300+ in FY08) received **INDIVIDUALIZED SERVICES**
 - 900+ youth (500+ in FY08) received services via new **COMMUNITY** behavioral health capacity

Ahead in FY2011

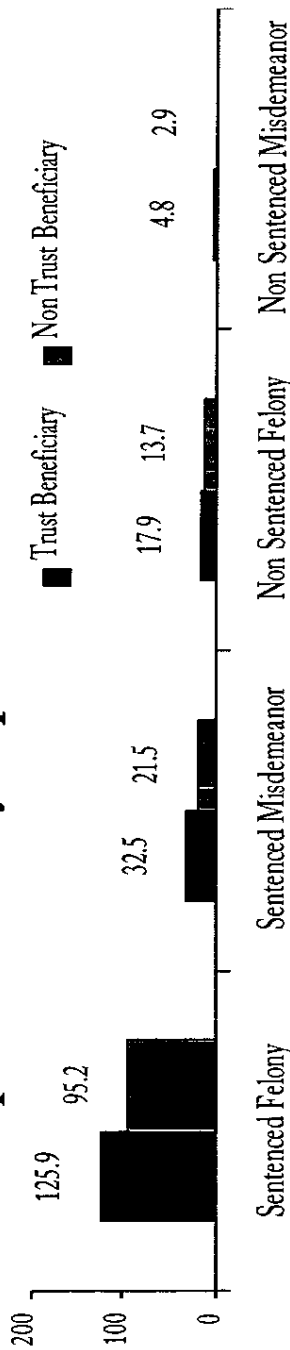
	<u>MHTAAR</u>	<u>GF/MH</u>	<u>Gov GF/MH</u>
<u>Transition into BTKH base budget</u>			
• Individualized services	\$ 100.0	\$ 600.0	\$ 300.0
• Behavioral health technical assistance		\$ 100.0	\$ 0.0
<u>Build capacity within BTKH base funding</u>			
• Community BH capacity development	\$ 450.0	\$ 700.0	\$ 500.0
• Crisis bed stabilization	\$ 150.0	\$ 400.0	\$ 0.0
• Tribal/rural system development	\$ 200.0	\$ 200.0	\$ 200.0
• Transitional-aged youth	\$ 100.0	\$ 100.0	\$ 100.0
• BRS rate increase		\$ 1,227.5	\$ 0.0
• Early childhood mental health	\$ 175.0	\$ 175.0	\$ 0.0
• School based services & toolkit	\$ 250.0	\$ 200.0	\$ 200.0
• Foster parent/parent services	\$ 275.0	\$ 275.0	\$ 150.0
• Strong family voice	\$ 50.0	\$ 0.0	\$ 0.0
• Peer navigation	\$ 175.0	\$ 275.0	\$ 0.0
• Child psychiatrist	\$ 50.0	\$ 50.0	\$ 0.0

Funding in thousands of dollars

Disability Justice

- **Problem/Community Need**
 - 42% of those incarcerated in DOC are Trust beneficiaries
 - incarcerated beneficiaries
 - have more difficulty adjusting to incarceration
 - are more likely to be victimized by other prisoners
 - spend a disproportionate amount of time in custody
 - hundreds of beneficiaries are incarcerated for “safety” because services not available

Comparison of Days Spent in Correctional Facilities



Strategic Thinking

- Partnerships with local governments, Alaska Native tribal entities, the Alaska Court System, the Departments of Administration, Corrections, Health and Social Services, Law and Public Safety, and community behavioral health treatment providers are focused on effective strategies to:
 1. prevent and reduce inappropriate or avoidable arrest, prosecution, incarceration, and criminal recidivism Trust beneficiaries;
 2. increase criminal justice system's ability to accommodate, support, protect, and provide treatment for victims and offenders who are Trust beneficiaries;
 3. reduce the use of jails and prisons for providing protective custody of Trust beneficiaries under Title 47 of Alaska's Statutes; and,
 4. improve community reintegration planning from the Department of Corrections back into Alaskan communities.

Outcome Driven Results

• Therapeutic Courts

- Combined institutional savings generated by *Anchorage Mental Health Court* almost two and one-half times program annual operational costs (\$293,000)
- Diverting participants into *Anchorage and Palmer Mental Health Courts* poses less risk to public safety than traditional adjudication
- *Anchorage and Palmer Mental Health Court* participants less likely to engage in new criminal conduct after exiting program than equivalent group of people experiencing mental illness and also involved in criminal justice system.

• Adult Guardianship Mediation project

- Participants reached agreement on some or all of the issues in 87% of cases mediated
- As many as 90 contested hearings over pilot period were avoided, reducing number of superior court cases and associated costs required to determine guardianship appointments.

Ahead in FY2011

MHTAAR Authority Grant

Training for Criminal Justice Personnel

- Anchorage & Fairbanks police CIT training \$ 65.0
- Deliver training for defense attorneys \$ 12.5

Sustain & Expand Therapeutic Models & Practices

- Fairbanks Juvenile Mental Health Court \$ 245.9
- Mental Health Court expansion in targeted community \$ 6.0
- Access to timely neuropsych evaluations \$ 5.0
- Flex funds for therapeutic court participants \$ 62.5
- ASAP therapeutic court case mgmt & monitoring - Barrow \$ 135.0
- Treatment funding for Therapeutic Court participants \$ 500.0

Transitional Planning for Beneficiaries Involved with Criminal Justice System

- APIC Discharge Planning Model \$ 210.0
- Increased mental health clinician capacity for juveniles \$ 189.2
- Social Services Specialist position - Bethel (PDA) \$ 138.8

Develop Alternatives to Incarcerations for Beneficiaries who Require Protective Custody (Nome)

- Pre-Develop alternatives to incarcerations for Title 47 Substance Abuse Protective Custody Holds \$ 100.0

Funding in thousands of dollars

Ahead in FY2011

MHTAAR GF/MH Gov. GF/MH

Sustain & Expand Therapeutic Models & Practices

- Co-occurring treatment for therapeutic court participants (Palmer) \$ 75.0 \$ 75.0
- Flexible forensic treatment team \$ 750.0 \$ 250.0

Transitional Planning for Beneficiaries Involved with Criminal Justice System

- Increased mental health clinician capacity \$ 164.0 \$ 164.0
- Increased capacity for IDP+ program \$ 99.4 \$ 0.0

Develop Alternatives to Incarcerations for Beneficiaries who Require Protective Custody (Bethel)

- Develop alternatives to incarcerations for Title 47 \$ 818.3 \$ 518.3
- Substance Abuse Protective Custody Holds (operating) \$ 475.0 \$ 0.0
- construction of Sobering Center (capital)

FY2011 Budget Increment Totals \$ 1,904.8 \$ 2,381.7 \$ 843.3

Funding in thousands of dollars

Workforce Development

- **Problem or community need**
 - shortage of health care workers in Alaska at a near-crisis level
 - health services industry fastest growing sector of Alaska's economy, more than 7% of workforce
 - burgeoning demand for increased health services for the state's steadily growing and aging population, some are Trust beneficiaries
 - need to increase pool of qualified employees in Alaska who serve Trust beneficiaries and keep adequately trained
- **Committed partnerships**
 - more than 20 partners -- service providers, Dept. of Health and Social Services, Dept. Labor and Workforce Development, Alaska Workforce Investment Board, non-profit and faith-based organizations, University of Alaska system
- **Strategic thinking**
 - key focus areas
 - Recruitment and retention
 - Wages and benefits
 - Training and education

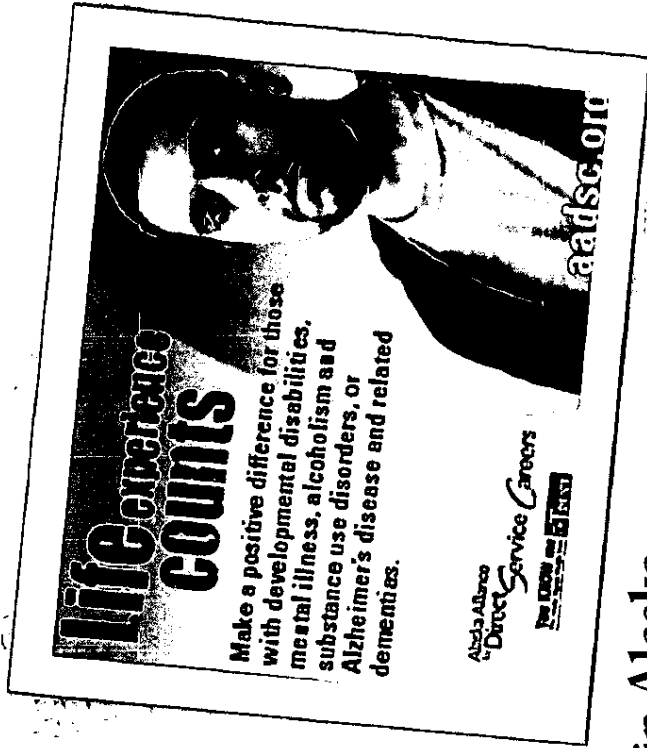
Results for Beneficiaries

- 1,060 professionals/providers across Alaska received training on behavioral health related topics through Trust Training Cooperative
- 575 participants trained through Gerontology Training Series & Geriatric Education and Training Mini Grants by Trust Training Cooperative on issues regarding Alzheimer's disease and related dementia
- 2,096 students in 117 Alaska communities received behavioral health training through University of Alaska, a 35% increase in enrollment in beneficiary related degree programs
- 550 professionals across Alaska received training through Training and Technical Assistance for Providers program, increasing number of professionals trained to respond to disability related abuse cases



Ahead in FY2011

- Beginning a psychiatric residency program in Alaska -- #1 health residency priority of DHSS and The Trust
- Expanding student loan repayment and other incentives strategies for health professionals
- Implementing a clinical PhD psychologist internship program in Alaska
- Supporting increments for University of Alaska health programs to continue progress in workforce development



Ahead in FY2011

MHTAAR Authority Grant

<u>Recruitment</u>	
• Develop "grow your own" strategy for youth	\$131.0
• Media campaign	\$100.0
<u>Retention of Qualified Employees</u>	
• Loan Repayment	\$200.0
• Vacancy Study	\$ 25.0
• Marketing, Recruitment & Conferences (Alaska Alliance for Direct Service	\$175.0
<u>Training & Education</u>	
• Trust Training Cooperative	\$559.0
• Increase Provider Capacity to Better Serve Cognitively Impaired Offenders	\$ 80.0
• Specialized Skills & Service Training on Serving Cognitively Impaired Offenders	\$ 55.0
• Training & Technical Assistance for Providers	\$210.0
• Alaska Core Competencies (Credentialing & Quality Standards)	\$150.0
• Autism Capacity Building	\$ 75.0
• Behavioral Health Alliance	\$ 25.0
• Ph.D. Clinical Internship Accreditation	\$ 87.7
• DBH/UAA/UAF Ph.D. Student partnership	\$ 50.0

Funding in thousands of dollars

Ahead in FY2011

	<u>MHTAAR</u>	<u>GF/MH</u>	<u>Gov. GF/MH</u>
<u>Training & Education</u>			
• Original Behavioral Health Initiative Partnership	\$300.0	\$ 200.0	\$ 0.0
• Children's Mental Health (Interdisciplinary Education) combined with certification	\$ 64.0	\$ 100.0	\$ 0.0
• Brain Injury Training for Providers		\$ 100.0	\$ 0.0
• Competency Experts Training		\$ 42.6	\$ 0.0
• API Psychiatry Residency Training		\$ 325.0	\$ 300.0
• Alaska Core Competencies - Curriculum		\$ 165.0	\$ 0.0
• AK-PIC (Ph.D. Internship Consortium)		\$ 100.0	\$ 100.0
• Tele-behavioral Health	\$ 87.5	\$ 87.5	\$ 0.0
<u>Recruitment</u>			
• Develop "grow your own" strategy for youth	\$ 10.0	\$ 64.0	\$ 0.0
<u>Retention of Qualified Employees</u>			
• OCS Marketing for Retention & Recruitment for CPS		\$ 100.0	\$ 0.0
• Wages & Benefits		\$ 100.0	\$ 0.0
<u>FY11 Budget Increment Totals</u>	\$2,539.2	\$1,384.1	\$ 400.0

Funding in thousands of dollars



Affordable, Appropriate Housing

- **Problem and community need**
 - 4,623 Alaskans homeless in HUD point-in-time survey January 2009¹
 - 1,507 people in families with children (494 households)
 - 697 persons met the definition of “chronic homeless”
 - 161 beds in the housing inventory target “chronic homeless”
 - Department of Corrections reports approx 8,000 people discharged each year with no identified housing arrangement²
- **Committed partners**
 - Alaska Council on the Homeless: Alaska Housing Finance Corporation, DHSS, DOC, DOL, Public Safety, Veterans
 - Housing development organizations and social service agencies
- **Strategic thinking**
 - Adapting programs for sustainability - replicating housing trust strategies in Alaska (Special Needs Housing and HAP)
 - Replicating *housing first* in numerous settings

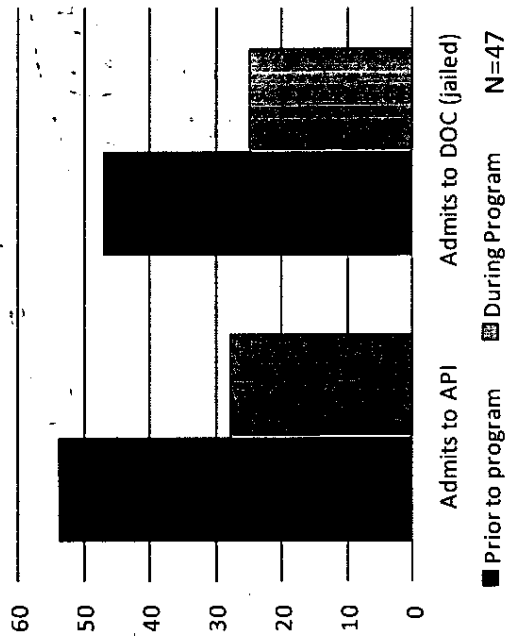
1. http://www.ahfc.state.ak.us/iccimages/grants/hmhs2009w_ak_all.pdf

2. Department of Corrections and HUD point-in-time survey report (2007); AHFC and DOC estimates.

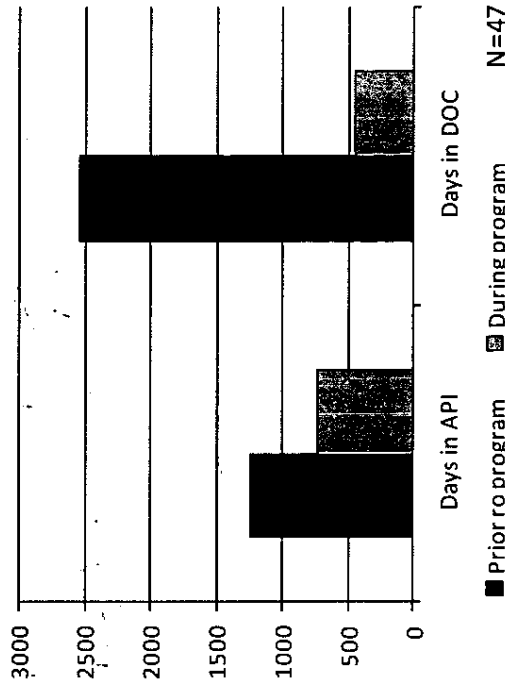
Results for Beneficiaries

Bridge Home program outcomes

API* & DOC** Admits



Days in API* & DOC**



*API = Alaska Psychiatric Institute **DOC = Department of Corrections

- Outcomes one year prior to participation and one year during participation
- Rates of incarceration continued to drop for post program participants

Ahead in FY 2011

- **Policy - Governor's Council on the Homeless**
 - interagency collaboration
 - 10-year homeless plan and budget recommendations
- **Budget - \$10 million in Governor's capital budget to begin implementing 10-year plan**
 - The Trust, AHFC, GF/MH and other sources
 - Units requested through Special Needs Housing grant program increased 52% in response to new program configuration
- **Housing First implementation projects**
 - Trust/DHSS Bridge Home pilot project expansion to serve most challenging of individuals cycling through API and DOC.
 - Replication of *housing first* to serve beneficiaries who are homeless with alcohol addiction
 - Replicating programs that have successfully housed this population: Seattle's Downtown Emergency Services Center: 1811 Eastlake (JAMA outcome study 2009)
 - Engagement happens over time while maintaining housing rather than requiring program criteria in advance of housing
 - Resulted in cost reductions in Seattle of \$4 million (56% in Medicaid reductions, sobering center down 87%, homeless shelter use down 92%) in a 12 mo period
 - Drinking down 30% due to engagement and assistance with goal setting/compliance while stable in housing

Ahead in FY2011

	<u>MHTAAR</u>	<u>GF/MH</u>	<u>AHFC</u>	<u>Other*</u>	<u>Gov's Budget</u>
<u>Homeless Assistance Programs</u>					
• Base Homeless Assistance Program	\$1,150.0	\$ 500.0	\$3,350.0	\$5,000.0	\$10,000.0
• Special Needs Housing Grant Program			\$1,750.0		\$ 1,750.0

Resources assisting beneficiaries leaving institutions

• DOC Discharge Incentive grants	\$ 350.0				
• Bridge Home pilot program	\$ 750.0				
• Assisted Living training	\$ 100.0	\$ 100.0			\$ 0.0

Technical assistance and business planning resources

• Office of Integrated Housing	\$ 200.0				
• Rural Long Term Care Development (SDS)	\$ 140.0				
• Aging and Disability Resource Centers	\$ 125.0	\$ 200.0			\$ 0.0

FY2011 Budget Increment Totals

	\$2,815.0	\$ 500.0	\$6,750.0	\$5,000.0	\$11,750.0
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Support service programs: important resources to assist beneficiaries in maintaining stability

- Housing modifications program (DHSS)
- Behavioral Health grants and Individualized Services Agreement funding (Behavioral Health)
- Personal Care Assistance and in home support services (SDS)

*Other = AIDEA and HUD funds

Funding in thousands of dollars

Trust Beneficiary Projects Initiative

- **Community need:**
 - consumers active in defining and delivering recovery support
 - beneficiaries/families want consumer-driven services yet need expertise and training
 - peer services, benefit of lower cost, prevention
- **Partners:**
 - 27 beneficiary grantees since 2006
 - Alaska Peer Support Consortium
 - Division of Behavioral Health, Rasmuson Foundation, Division of Vocational Rehabilitation, UAA-Center for Human Development
 - Partner Boards - Advisory Board on Alcohol and Drug Abuse, Alaska Mental Health Board, Governors Council on Disabilities and Special Education
- **Strategic thinking:**
 - Funding/technical assistance to support safety, effectiveness and sustainability
 - Mini grants to improve beneficiaries' quality of life
 - \$742,272 in FY09 to 647 individuals
 - Small projects grants for small, beneficiary-directed projects
 - \$250,000 annually

FY2009 Beneficiary Mini Grants

Beneficiary Group	Number of Beneficiaries	Amount Awarded
Developmental Disabilities	202	\$157,079
Mental Illness	200	\$298,695
Alzheimer's Disease & Related Dementia	174	\$194,486
Chronic Alcoholism	71	\$ 92,012
Total	647	\$742,272

Maximum grant = \$2,500 per person per year

Results for Beneficiaries

- Promotes recovery, stability and wellness
- Provides sense of empowerment
- Reinforces consumer choice in managing recovery
- Wide range of beneficiary-led programs serving Trust beneficiaries through:
 - peer-support services
 - recovery community support programs
 - clubhouses
 - drop-in centers
 - community outreach and engagement
 - illness self-management
 - alternatives to residential treatment
 - supported employment
 - training and education
- State-wide presence

Ahead in FY2011

	<u>Authority Grant</u>	<u>GF/MH</u>	<u>Other*</u>	<u>Gov. GF/MH</u>
<u>Grant Funds for Projects</u>				
• BPI Program Grants	\$1,500.0			
• Peer Operated Support Services		\$200.0		\$ 0.0
• Mental Health Block Grant			\$200.0	\$ 0.0
• DSDS Peer Operated Services	\$ 50.0	\$100.0		\$ 0.0
<u>Technical Assistance (TA)</u>				
• TA for beneficiary groups & agencies	\$ 265.0			
• Partners in Policymaking	\$ 200.0			
<u>Program Management</u>				
• Initiative Administrative	\$ 100.0			
• Beneficiary & family leadership conference	\$ 130.0			
• Evaluation	\$ 50.0			
<u>Consumer choice & expanded services</u>				
• Mini grants for beneficiaries – mental illness	\$ 388.9			
• Mini grants for beneficiaries – ADRD	\$ 260.3			
• Mini grants for beneficiaries - DD	\$ 227.5			
• Mini grants – chronic alcoholism	\$ 320.7			
• Small Project Grants	\$ 250.0			
• Micro-Enterprise Capital	\$ 100.0			
FY2011 Budget Increment Totals	\$3,842.4	\$300.0	\$200.0	\$ 0.0

*Other = DHSS Illness Self Management and Recovery Block Grant
Funding in thousands of dollars



Thank You

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Alaska State Legislature
HOUSE FINANCE COMMITTEE

Agenda
9:00 AM

9:10:03

Thursday, February 4, 2010

HB 300 APPROP: OPERATING BUDGET/LOANS/FUNDS
HB 302 APPROP: MENTAL HEALTH BUDGET

Alaska Mental Health Trust Authority

- Jeff Jessee, Chief Executive Officer
- Dr. William Doolittle, Chairman, Board of Trustees
- Laraine Derr, Vice Chair, Board of Trustees

2009 ANNUAL REPORT

WORKING *for our* beneficiaries



PROMOTING self-sufficiency



TRAINING tomorrow's workforce



ADVOCATING for services

The TRUST

The Alaska Mental Health
Trust Authority

Board of Trustees

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Trust Advisors

Advisory Board on Alcoholism and Drug Abuse
Alaska Mental Health Board
Governor's Council on Disabilities and Special Education
Alaska Commission on Aging
Commissioner of Corrections
Commissioner of Health and Social Services
Commissioner of Natural Resources
Commissioner of Revenue

Beneficiaries of The Trust

People with mental illness
People with developmental disabilities
People with chronic alcoholism
People with Alzheimer's disease and related dementia

REVIEWING 2009 results

TRUSTEES RESPOND TO ECONOMY

The economic downturn that hammered the U.S. in 2009 also had a profound impact on the assets of the Alaska Mental Health Trust Authority, dealing the Trust Fund the worst investment year since the corporation was established in 1995. Yet, despite the loss of more than \$90 million, The Trust weathered the economic storm better than many other philanthropic organizations, some of which were forced to sharply curtail their grantmaking during the year.

The Board of Trustees responded quickly to the financial shortfall by decreasing proposed spending by \$2.45 million and reallocating \$2.1 million from unspent grant funds in prior years to make up a budget deficit of approximately \$4.6 million. The total budget during FY2009 was approximately \$24 million to support programs for Trust beneficiaries, who include people with mental illness, chronic alcoholism, developmental disabilities and Alzheimer's disease and related dementia.

We attribute our ability to successfully weather the economic storms of 2009 to the flexibility of our asset management philosophy and practices, which are focused on protecting The Trust's cash and non-cash assets while maximizing spending to improve the lives of Trust beneficiaries. The Trustees have adopted an asset management policy statement (AMPS) that helps Trustees effectively supervise, monitor and evaluate the investment and management of The Trust's cash and non-cash assets for future growth. The AMPS allows the board to respond rapidly to financial changes when necessary, but keeps the focus on long-term solvency through the use of an income reserve account, which allows for disbursements during market downturns.

As a result of our prudent asset management system, despite the huge market losses in FY2009, at the close of the year we were able to fund a payout for FY2010, confirming the validity of our financial model. And, because the market has shown improvement in FY2010, we are expecting the FY2011 payout to be similar to FY2010 funding. Details of our financial performance are included later in this report.

HOW TRUST FUNDS ARE SPENT

Equally, if not more important, is how the Trustees spend available income on behalf of the beneficiaries. The Trust occupies a unique place in Alaska state government. While we are a state corporation, we operate much like a private foundation, using our resources to fund projects and activities that promote system change and improvement in Alaska's mental health continuum of care. We do this through capacity building, demonstration projects, funding partnerships, technical assistance, and other activities that will improve the lives and circumstances of Trust beneficiaries.

A majority of The Trust's annual budget provides ongoing support for the state's mental health program and funds projects in five focus areas that address issues with significant impact on Trust beneficiaries. These focus areas include reforming the Alaska mental health system of care for children; increasing the availability of a continuum of housing options for Trust beneficiaries to reduce homelessness; reducing the involvement and recidivism

of Trust beneficiaries in the criminal justice system; supporting grassroots, consumer-driven programs; and creating an available and competent workforce for Trust beneficiary service providers. Each focus area is described in detail later in this report along with the successes we have achieved by working with our many partners throughout the state.

OUR PARTNERS

In many instances, we directly engage beneficiaries and family members for guidance and feedback in the work we do. We also depend on input regarding funding and policy recommendations from the advisory boards that serve as a link between The Trust and individual beneficiaries, their families, caregivers and legal guardians. These boards are the Advisory Board on Alcoholism and Drug Abuse, Alaska Mental Health Board, Governor's Council on Disabilities and Special Education, and Alaska Commission on Aging. In addition, we rely on participation and collaboration from a number of other state agencies, advisory groups, tribal entities, service providers, community partners and stakeholders to help reform and improve the systems that serve Trust beneficiaries.

The Trustees and Trust staff are committed to working with Governor Parnell, the Legislature and all our partners on behalf of Trust beneficiaries to make the systemic changes needed for long-term improvements in Alaska's mental health program.



Jeffrey L. Jessee

Jeffrey L. Jessee
Chief Executive Officer



William Doolittle

William Doolittle, M.D.
Chair, Board of Trustees

GROWING our workforce

Alaska is experiencing a workforce crisis in the sectors that serve people with mental illness, developmental disabilities, chronic alcoholism, and Alzheimer's disease and related dementia. The main issues impacting this segment of the workforce are wages and benefits, recruitment and retention, and training and education. Challenges are found in paraprofessional and professional fields and across the multitude of settings in which they work, such as individual homes, hospitals, community-based residential group homes, public schools, nursing homes and the community at large in rural and urban settings.

In 2004, in response to this crisis, The Trust, the University of Alaska System and the Alaska Department of Health and Social Services formed the Behavioral Health Initiative Project (BHIP) to address workforce issues affecting services to Trust beneficiaries. Then, in FY 2007, The Trust expanded the partnership by creating the Trust Workforce Development Focus Area. Its goal is to ensure service providers across the state have access to a capable, culturally competent workforce to serve Trust beneficiaries, their families and communities. Other partners who joined the focus area include The Trust's beneficiary advisory boards, Alaska Department of Labor and Workforce Development, Alaska Native Tribal Health Consortium, Alaska Behavioral Health Association, Alaska Association on Developmental Disabilities and AgeNet.

TRAINING OPPORTUNITIES

During FY2009, approximately 2,100 individuals from entry-level personnel to paraprofessionals and professionals from 112 Alaska communities participated in academic, non-academic and outreach educational programs to develop or enhance their skills to work in jobs that serve Trust beneficiaries.

MARKETING CAMPAIGN

Marketing efforts in FY2009 focused on getting youth, Alaskan Natives, military veterans, and "empty nesters" to work part time or full time in the health and social services field. The campaign consisted of three print ads and two television spots that ran in media outlets across the state with the slogan "Life Experience Counts." The campaign featured the personal stories of an empty nester, an Alaska Native elder and five military veterans who used their various experiences as building blocks for jobs that serve people with mental illness, developmental disabilities, alcoholism, or Alzheimer's disease and related dementia.

STUDENT LOAN REPAYMENT

With funding from The Trust, Alaska is recruiting workers into jobs in behavioral health, primary care and dental services, all of which have been identified in a statewide job vacancy study as having high vacancy rates. In exchange for working in Alaska for two years, professionals who graduated from an accredited college or university with a

master's degree or higher are eligible for loan repayment. A total of \$1.2 million is available for loans, including \$400,000 from The Trust, and a \$600,000 grant from the federal Health Resources and Services Administration. The loans will be administered by the Department of Health and Social Services, which is scheduled to begin awarding loans in mid FY2010. See <http://hss.state.ak.us/dhCS/healthplanning/primarycare/loans/aslrp.htm> for details.



A 2009 study shows many jobs for clinicians and therapists go unfilled in Alaska, especially in rural areas.



Students participating in classes provided by the University of Alaska Anchorage School of Social Work.

2009 Vacancy Rates by Occupational Group and Labor Region

Sample = 764

Occupational Group	Anchorage/Mat-Su	Gulf Coast	Interior	North	Southeast	Southwest
Physicians	8.3%	14.0%	11.1%	68.2%	6.3%	24.8%
Other Clinicians/Therapists	7.5%	20.5%	7.7%	39.3%	16.7%	32.8%
Behavioral Health	8.2%	6.2%	12.7%	14.5%	12.2%	18.6%
Allied Health	3.5%	8.7%	5.0%	20.7%	9.2%	7.8%
Community/Wellness	8.2%	9.1%	23.5%	7.0%	9.3%	7.9%

The 2009 Alaska Health Workforce Vacancy Study was conducted by the Alaska Center for Rural Health - Alaska's AHEC and the Institute for Social and Economic Research. It was funded by the Alaska Mental Health Trust Authority, Alaskan's for Access to Health Care, University of Alaska Fairbanks, Tanana Valley campus Telemedicine Program, and University of Alaska Anchorage Community and Technical College and the School of Nursing.

BUILDING housing opportunities

The Affordable Appropriate Housing Focus Area is working to reduce the rates of homelessness and displacement of Trust beneficiaries. The Trust and its more than 150 partners, including state agencies, non-profit service organizations and housing advocates, have adopted the theme "Opportunity Begins with a Home." During 2009, The Trust and its partners concentrated on simplifying, streamlining and coordinating the state's housing and social support programs and increasing the assistance available for housing providers serving individuals with a disability, chronic addiction or mental illness.

Retooling these programs allows for adequate supportive services and rental subsidies so Trust beneficiaries and other vulnerable Alaskans can afford housing that provides a safe, healthy environment. With implementation of these strategies in the core housing programs at Alaska Housing Finance Corporation (AHFC) and in the Department of Health and Social Services, Alaska is poised to make a real impact on the growing number of homeless families and adults with disabling conditions.

HOMELESS ASSISTANCE INCREASED

The Trust, AHFC, the Alaska Council on the Homeless, housing providers and advocates gained legislative support in 2009 for an additional \$2.5 million to retool AHFC's ongoing Homeless Assistance Program to better serve the state's most challenging populations. The Trust committed \$1 million to the program. With state and federal funding, the overall funds available for homeless assistance in FY2009 totaled more than \$8 million and assisted more than 13,000 Alaskans.

SPECIAL NEEDS HOUSING IMPROVED

The Special Needs Housing Grant program administered by AHFC assisted approximately 250 Trust beneficiaries with intensive needs in FY2009. During the year, the program offered the following components necessary for project sustainability:

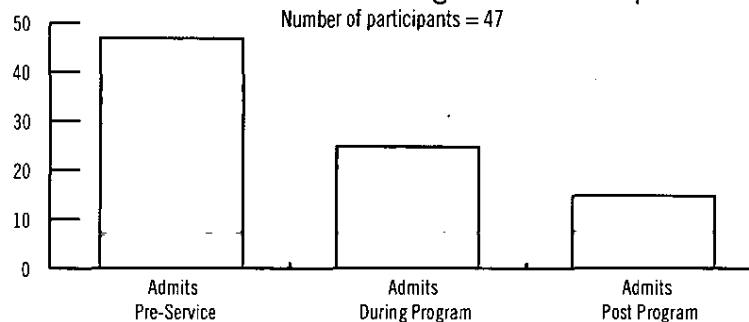
- **A three-year renewal** cycle to allow housing providers more planning time and the ability to create infrastructure for future supported housing projects.
- **Financial assistance** in the construction or remodeling of 53 units.
- **Operations assistance** to 50 units to help with recurring expenses (rent, utilities and building operation), bringing the rent for each unit to an affordable level while maintaining the safety of the residents.

- **Social services assistance** for 230 units to ensure there are social services available to assist residents with financial issues, social-skill building, problem solving and crisis management, thereby preventing evictions and promoting stability and safety for residents.

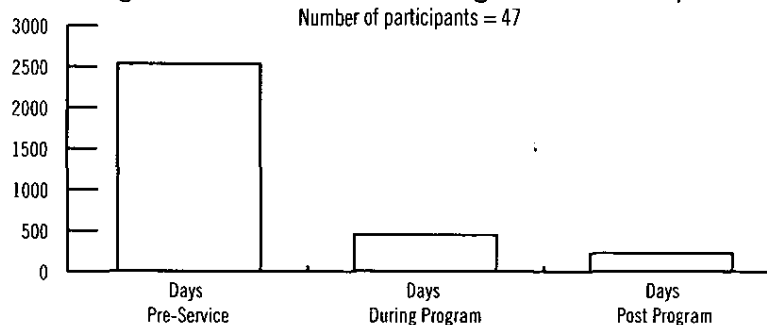
BRIDGE HOME CONTINUED SUCCESSES

One of The Trust's main projects in the housing focus area is the Bridge Home program, which is aimed at stabilizing Trust beneficiaries who have been cycling through the Department of Corrections, Alaska Psychiatric Institute, emergency facilities and other higher cost services by creating a safe, affordable housing environment with support services. In an FY2009 analysis of 47 program participants, admissions and lengths of stay to Alaska Psychiatric Institute and the Department of Corrections were reduced (see charts below for details).

Incarceration Rates for Bridge Home Participants



Length of Incarceration for Bridge Home Participants



SEEKING justice for beneficiaries

Trust beneficiaries have an increased risk of involvement with the criminal justice system both as defendants and as victims because of their disabilities. Each year hundreds of beneficiaries are incarcerated, though they have committed no crime, because adequate service alternatives are not available to provide for their safety and treatment. Many more are arrested, prosecuted and incarcerated for minor offenses that result from their mental disabilities rather than criminal intent. The Disability Justice Focus Area is working to reduce the involvement and recidivism of Trust beneficiaries in the criminal justice system while increasing the system's ability to effectively accommodate victims and offenders who are Trust beneficiaries.

FAIRBANKS JUVENILE TREATMENT COURT

Alaska's first juvenile therapeutic court accepted its first participant in September 2008, and by the close of FY2009 there



Members of the Fairbanks Juvenile Treatment Court team.



A new detox treatment center opened in 2009 on Trust land in Fairbanks.

were 11 participants and one program graduate. The Fairbanks Juvenile Treatment Court (FJTC) is a voluntary therapeutic court, targeting juvenile offenders whose mental illness likely contributed to the commission of their offense. The core belief of the FJTC team is youth who are challenged with mental illness and substance abuse issues that receive appropriate diagnosis and treatment early in their juvenile justice experience have a far greater chance of avoiding further criminal activities. The Trust-funded FJTC is a collaborative partnership between the Alaska Court System, the Department of Law, the Public Defender Agency, Department of Health and Social Services, and tribal and private human services agencies. Long-term goals for the program are to reduce inappropriate incarceration of juvenile Trust beneficiaries and promote their well-being; relieve the burden on the Division of Juvenile Justice presented by juveniles who are Trust beneficiaries; and reduce repeated criminal activity among juvenile Trust beneficiary offenders.

OFFENDER RE-ENTRY PILOT

FY2009 marked the second year the Department of Corrections (DOC) operated a re-entry pilot project focused on Trust beneficiaries. The project is being piloted in Anchorage, Fairbanks, Juneau and the Mat-Su Valley. It is patterned after the evidence-based practice Assess, Plan, Identify, and Coordinate (APIC). The goals of the project are to ensure continuity of care for Trust beneficiaries transitioning from the correctional system to the community, maintaining public safety, and reducing recidivism. The partnerships established between DOC and local treatment providers as a result of this project have proven to be the key to successful transition of beneficiaries back into their communities.

Although the project has yet to be formally evaluated, preliminary FY2009 data indicates 100 percent of the participants were connected to a community treatment provider upon release from a DOC institution and 88 percent had an intake assessment within ten days of release; 67 percent of the participants were released to supervised or supported housing; and, of the 56 participants who completed APIC by March 2009, 68 percent had not been re-incarcerated as of November 2009.

ADULT GUARDIANSHIP/MEDIATION

Beginning in FY2006, The Trust partnered with the Alaska Court System in a 4-year pilot project to provide mediation in adult guardianship and conservatorship cases. The goal of the Adult Guardianship Mediation Program was to use mediation to preserve the autonomy and dignity of these adults, while assisting and enabling family to resolve problems, which if left unresolved could result in the affected adult's loss of independence and rights, institutionalization, or financial exploitation, neglect or abuse.

Program participants reached agreement on some or all of the issues in 87 percent of the cases mediated and 91 percent were satisfied with the agreements. As a result of mediation, the court system avoided as many as 90 contested hearings over the pilot period, reducing the number of superior court cases and associated costs required to determine guardianship appointments. The success of this program led the legislature in 2009 to appropriate funding in the FY2010 budget to continue the program, transitioning it from Trust funding to the State's general fund/mental health budget.

ENGAGING beneficiaries

In FY2009, The Trust authorized \$3.8 million for the Beneficiary Projects Initiative Focus Area, which supports and funds grassroots, beneficiary-driven, peer-to-peer programs. It also includes a grants program that improves the lives of Trust beneficiaries with support for individual services, one-time projects and adult dental care. Since its inception in 2005, this focus area has supported development and stabilization of more than 20 consumer-operated programs that allow beneficiaries to actively engage in their recovery and long-term wellbeing.

PEER SUPPORT TRAINING

Peer-to-peer support is a common element across most consumer-run organizations. Often those involved are entry-level workers who require training and education to successfully fulfill this job. To assist providers in training this workforce, The Trust funded a consumer focused education conference in May 2009, which drew more than 275 attendees.

TECHNICAL ASSISTANCE

In 2009, The Trust funded 12 consumer organizations that provided a broad range of peer support, services and training to Trust beneficiaries. To ensure these programs provide safe, stable and effective services, The Trust funds a technical assistance program that offers guidance and training related to organizational development, non-profit management and consumer-operated programs. During FY2009, 12 grantees and five new and developing consumer organizations from across the state received a range of assistance. With technical assistance support, 66 percent of the grantees diversified their funding, receiving additional support through competitive state grants, federal funding and donor contributions.

MINI GRANTS

The Trust annually funds three mini-grant programs, which award up to \$2,500 to individual beneficiaries for treatment, equipment or services that directly improve their quality of life and increase independent functioning. In 2009, The Trust awarded \$742,272 in mini grants to 647 Trust beneficiaries.

Individuals experiencing mental illness, chronic alcoholism and traumatic brain injury received 42 percent of the grants. People with Alzheimer's disease and related dementia received 27 percent of the grants, which were administered by the Alzheimer's Disease Resource Agency of Alaska. Individuals with developmental disabilities received 31 percent of the funds, which were administered by the Department of Health and Social Services Division of Senior and Disability Services.

SMALL PROJECTS

In FY2009, The Trust awarded 32 small project grants totaling \$238,451 to various organizations serving Trust beneficiaries. These grants provide organizations with up to \$10,000 to create innovative new programs, substantially improve or supplement existing activities, or significantly increase the quality of ongoing projects.

ADULT DENTAL

In FY2009, The Trust completed a 3-year commitment of \$4.2 million in matching funds for the Adult Dental Medicaid Program, which provided preventive and restorative dental services for adult Medicaid recipients. The program was reauthorized as a permanent program by the 2009 legislature and the total cost of the program was transitioned from Trust funding to the Department of Health and Social Services general fund/mental health budget for FY2010.



Juneau's Polaris House became the first organization in Alaska to receive clubhouse certification.



Participants in the Alaska Women's Recovery Project.

FY2009 Mini-Grants by Beneficiary Type

Beneficiary Group	Amount Awarded	Number of Beneficiaries
Alzheimer's Disease and Related Dementia	\$194,486	174
Developmental Disabilities	\$157,079	202
Mental Illness	\$298,695	200
Chronic Alcoholism	\$ 92,012	71
Total	\$742,272	647

CARING for Alaska's youth

Bring the Kids Home began in 2005 as an initiative to return children with severe emotional disturbances from out-of-state residential facilities to treatment in Alaska and to keep additional children from moving into out-of-state care. The Bring the Kids Home Focus Area is reforming Alaska's mental health care system for children and adolescents. Current priorities include increasing community-based services, providing early detection and intervention, and coordinating with families and schools to promote healthy learning environments.

Funded by The Trust and the Department of Health and Social Services, this initiative is a good example of how The Trust uses its resources to affect systemic change on behalf of Trust beneficiaries. In addition to improving children's recovery at the lowest level of appropriate care, the

State expects to benefit from this initiative by gaining better control of the future cost for children's mental health care.

OUT-OF-STATE PLACEMENTS REDUCED

The number of children admitted into out-of-state psychiatric treatment facilities dropped 46 percent, from 202 in FY2008 to 110 in FY2009. That is an overall 78 percent decline from the 489 kids who were admitted into out-of-state residential programs when the initiative began in 2005.

IN-STATE RESIDENTIAL INCREASED

In order for children in out-of-state treatment facilities to come home, there must be treatment available in Alaska. The number of residential beds in Alaska increased from 899 beds in FY2008 to 962 beds in FY2009, an increase of 7 percent. That is an overall increase of 32 percent over the 653 beds in 2005. The emphasis

of this effort is increasing capacity at lower, less costly levels of care than psychiatric treatment facilities.

IN-STATE SERVICES INCREASED

An important aspect of the initiative has been to increase home and community-based services so that youth can receive services in or near their home communities. Use of home and community-based services increased 82 percent from 519 youth in FY2008 to 944 youth in FY2009. In addition, 129 of the youth who received services in FY2009 were diverted from out-of-state residential care. Treating youth at or near their home communities allows for earlier interventions and more family involvement. Often it results in more success with troubled youth in a less costly manner, replacing expensive residential treatment.

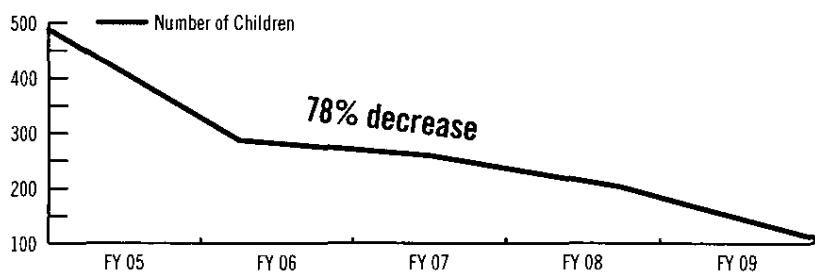


Family Centered Services of Alaska completed a new therapeutic family home in Fairbanks called "Spirit Court."

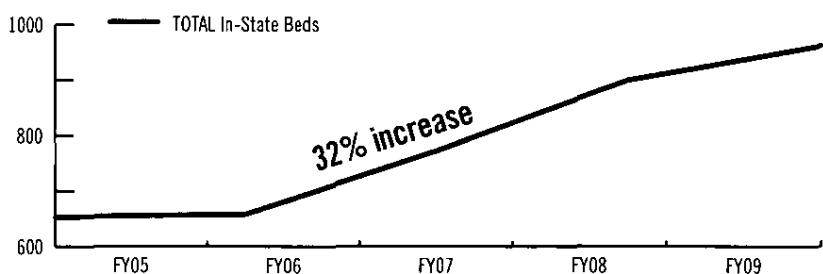


A new five-bed group home opened in Dillingham.

Children Admitted into Out-of-State Residential Treatment Facilities



Residential Treatment Capacity in Alaska



MANAGING Trust non-cash assets

The Trust Land Office (TLO) is a 14-person unit in the Department of Natural Resources that manages approximately one million acres of land and other non-cash assets throughout Alaska on behalf of the beneficiaries of the Alaska Mental Health Trust. Gross revenue in FY2009 totaled about \$5.6 million, of which about \$2.8 million was Spendable Income and about \$2.8 million was Principal.

Revenue-generating uses of Trust land include land leasing and sales; commercial timber sales; mineral exploration and production; coal, oil and gas exploration and development; sand, gravel and rock sales; and other general land uses. Rents, fees and 15 percent of timber revenue from Trust land uses are considered "Spendable Income" and are available to The Trust for use in the following fiscal year. Land Sale revenue, hydrocarbon and mineral royalties, and 85 percent of timber revenue are considered "Principal" and are deposited in The Trust corpus, which is held and managed by the Alaska Permanent Fund Corporation.

HIGHLIGHTS OF 2009

- Received a royalty of \$832,676 from Fairbanks Gold Mining Inc. for 2009 production from its mine on Trust land north of Fairbanks.
- Initiated due diligence on proposed construction of a 144,000-square-foot office building in Juneau on Trust property known as The Subport. If the project goes forward, the Department of Administration has proposed relocating state employees from five agencies into the new building.
- Developed the first "in-house" Internet-based land sale Web site to showcase The Trust's 2009 annual land sale. In the first week \$500,000 of real estate was sold.

- Granted the Municipality of Anchorage two public-use easements in the University-Medical District as part of the 40th Avenue Extension Project and Transit and Pedestrian Improvements and received \$652,000 in land use fees.
- Focused on the cleanup of Trust lands in southeast, northern and southcentral Alaska, resolving trespass issues, and conducted remedial reclamation and removed abandoned vehicles and trash.
- The Trust has leased essentially all of its Livengood mineral interest to International Tower Hill Mines, Ltd. (ITHM) and anticipates receiving royalty income from future operation of a mine. ITHM has actively explored for gold at Livengood since 2003 and the project has progressed to one of the larger exploration projects in Alaska.
- Representatives from The Trust, Alaska Department of Administration and U.S. Bureau of Land Management signed the Mental Health Land Entitlement closeout agreement in May 2009. The agreement identifies specific land that will satisfy the Land Entitlement Act as provided by Congress in 1956 to the Territory of Alaska.

FUTURE FOCUS

The TLO will continue developing long-term plans for its natural resource portfolio and will work with local communities and individuals to increase public awareness of Trust lands and our mission. Key projects will include:

- Ongoing due diligence and funding request to facilitate construction of a proposed office building in Juneau;
- Seeking new business opportunities in timber product manufacturing;

- Continuing pursuit of new mining, coal, and oil and gas projects on Trust lands;
- Exploring commercial and residential real estate development projects in Ketchikan, Eagle River, Anchorage and other communities.



Steve Peavey of Meyers Chuck provides TLO Resource Manager Don Koenigs water transport to Trust land on Meyers Island.



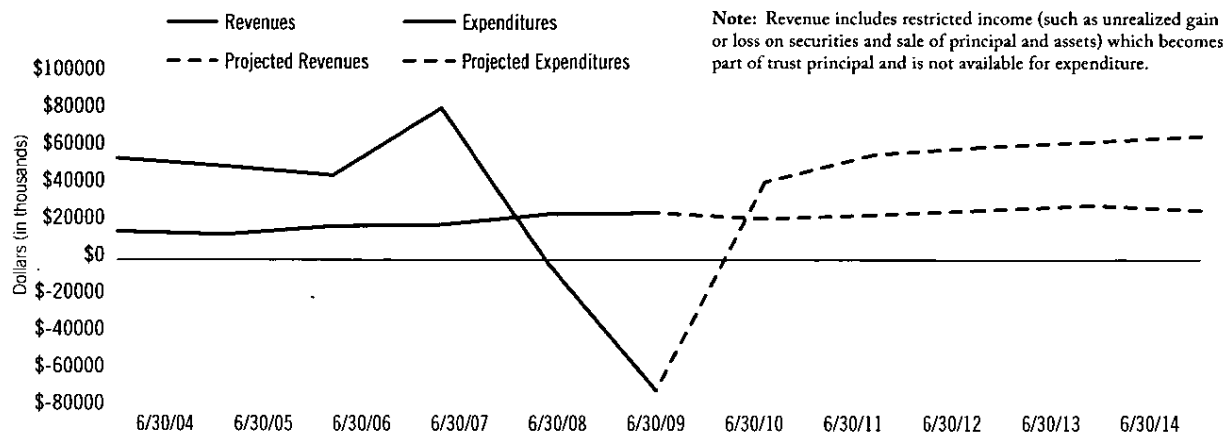
Accompanied by several Trustees, Jeff Jessee, CEO for The Trust, signs documents to make final land selection and close out the 1956 Land Entitlement Act.



Growth rings on harvested trees on Trust land near Tolstoi Bay, show rapid growth due to the premium site conditions on Price of Wales Island in Southeast Alaska.

WEATHERING the economic storm

Revenues and Expenditures



The slowdown in the economy in FY2008 turned into a full-blown recession in FY2009, resulting in the largest annual decline in net assets in The Trust's history. The loss from Alaska Permanent Fund Corp. (APFC) investments was \$73,443,000 for FY2009 compared to a loss of \$14,683,000 for FY2008.

The Budget Reserve is set at 400 percent of the annual payout to allow for disbursements during market declines. The Budget Reserve investment is split between the Alaska Permanent Fund and the Treasury Division of the Alaska Department of Revenue. The Treasury Division Budget Reserve investments were also impacted by the economic downturns. The loss on this portion of the Budget Reserve was \$4,733,371 in FY2009, compared to a loss of \$1,914,206 in FY2008.

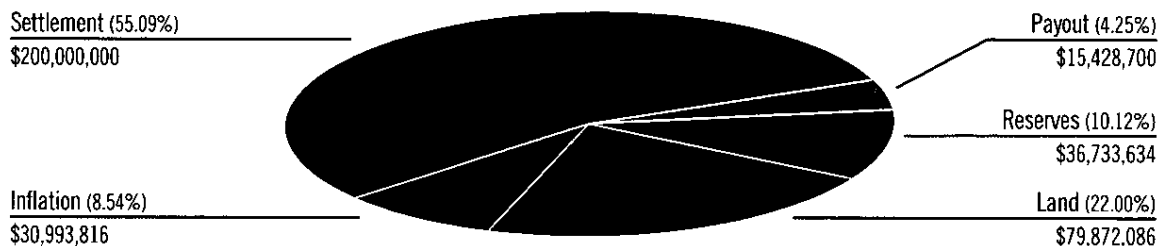
The Trust's payout rate, which is used to calculate the disbursement (or payout) for the annual Trust budget, remained at 4.25 percent. This rate is applied to the balance in the Trust Fund (Principal and Budget Reserve) at the end of a fiscal year to calculate the payout for the subsequent year. Despite huge market losses in FY2009, we are able to fund a payout for FY2010, confirming the validity of our financial model. We are expecting FY2011 funding to be less than FY2009 but similar to FY2010 funding.

Beginning with FY2011, the payout will be calculated on a four-year-average balance, which will smooth out volatility in the payout amount from year to year. The amount available to fund our budget will be proportionately decreased, but will be impacted less by any one year's income.

The following financial performance from FY2009 is available for funding in FY2010:

- Disbursement (payout) rate of 4.25 percent, for a payout of \$15,428,700;
- Resource management revenue allocated as income was \$2,164,028;
- Interest on the Income Account at Treasury Division was \$1,183,429;
- Lapsed funds from prior fiscal years were \$4,049,000;
- Reallocation of prior year Authority Grants was \$2,100,500;
- Total funding available for FY2010 is \$24,925,657. This is a 11 percent decrease from FY2009.

Trust Cash Assets at End of FY2009



BUDGETING for FY2011

Each year the Board of Trustees makes recommendations to the governor and the Legislature regarding expenditure of Trust funds and other state dollars to help pay for Alaska's Comprehensive Integrated Mental Health Program. These recommendations comprise the Mental Health Budget Bill. During the 2010 legislative session, The Trust will seek approval of our FY2011 operating and capital budgets.

Most of The Trust's annual operating and capital funds are spent on programs recommended by The Trust's five focus area workgroups and on programs initiated by The Trust's advisors through an annual request process. Additionally, about \$1 million of The Trust's operating budget is available annually for grants to non-profit groups, providers, tribal entities, governmental agencies and other organizations that directly serve Trust beneficiaries.

Following are some highlights of the projects and programs planned for the next fiscal year in each focus area.

WORKFORCE DEVELOPMENT

- Partnering with several state agencies and boards to create a five-year state plan for health workforce;
- Implementing the state's first doctoral-level psychology internship program;
- Working with the state and other partners to support an expanded loan repayment and incentives program;
- Pursuing funding for Alaska's first psychiatric residency program to address a statewide workforce crisis in this discipline.

DISABILITY JUSTICE

- Partnering with the Bethel community and several state agencies to develop and implement a community public safety and treatment response for individuals requiring protective custody because of intoxication or incapacitation due to drugs or alcohol;
- Expanding therapeutic courts to additional Alaska communities;
- Partnering again with the Anchorage and Fairbanks police departments to continue providing training to law enforcement across the state on disorders experienced by Trust beneficiaries and appropriate intervention techniques.

APPROPRIATE AFFORDABLE HOUSING

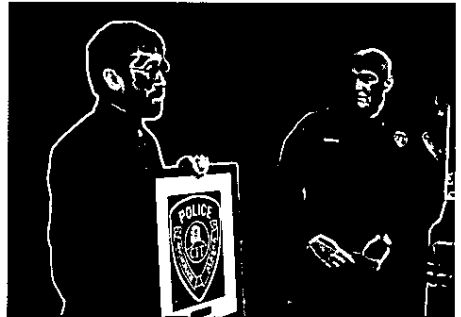
- Partnering again with the Alaska Council on the Homeless and Alaska Housing Finance Corporation to gather baseline data regarding homelessness and housing and implement the first strategies in the Statewide 10 Year Plan to Reduce Homelessness;
- Seeking \$4 million in state funding to continue support for improved housing programs.

BRING THE KIDS HOME

- Expanding the capacity to work with youth and families at home to avoid residential treatment;
- Focusing on youth who are transitioning from children's services to the adult service system in a way that accommodates their special needs;
- Enhancing school-based services to support mental wellness and support youth working on recovery while remaining in school.

BENEFICIARY PROJECTS INITIATIVE

- Articulating the role and place of consumer organizations within Alaska's continuum of care for Trust beneficiaries with input from key stakeholders, Trust advisory groups and partner agencies;
- Facilitating the 2011 Alaska Behavioral Health Consumer Recovery Conference for Trust beneficiaries, family members and peer providers.



Jeff Jesse and former Anchorage Chief of Police Rob Huen at a Crisis Intervention Team (CIT) training.



The Trust supported a new 30-bed domestic violence crisis shelter that opened in Bethel in December 2009.



The Trust and its partners are collaborating on a recruitment program to attract workers into the behavioral health field, which experiences high vacancy rates across the state.

FINDING a home changes lives

Early in FY2010, The Trust and its housing partners, including a special task force named by Anchorage Mayor Dan Sullivan, began seeking solutions to reduce homelessness. The goal is to find solutions that could be put into place relatively quickly and that would make a significant difference, especially among chronically homeless, alcohol-dependent individuals. The approach The Trust and its partners want to emulate is described as “housing first” or “low barrier” housing and has been successfully implemented in two Washington state projects. This simple, intuitive approach involves first stabilizing someone in housing, then coordinating the person’s social service needs and treatment.

In South King County, Washington, a “housing first” program at Sound Mental Health reported a 68 percent housing retention rate among its residents in a 1-year period, with 90 percent of the

individuals connecting to behavioral health services such as substance abuse treatment, mental health counseling and personal skill development. During this period, residents experienced a 67 percent increase in income and 76 percent reduction in jail bookings.

In Seattle, Washington, the city’s “housing first” program reported more than a 50 percent reduction in the community’s cost of care for chronically homeless individuals after the first six months. The residents also reduced their alcohol consumption over time in this study, even though there was no requirement that residents limit their drinking to reside in the housing units.

Several organizations in Alaska already operate housing programs using the “housing first” model, including Rural Alaska Community Action Program, Inc. (RurAL CAP), a private, statewide, nonprofit organization that assists low-income Alaskans. The Trust, RurAL CAP and Alaska Housing Finance Corporation teamed up in mid-FY2010 to produce a public information media campaign aimed at educating the public about the need for supportive housing programs and the “housing first” concept. The campaign appeared on six TV stations around the state, including the statewide satellite system ARCS, and in nine rural and urban newspapers. The ads feature a case manager from RurAL CAP and a program graduate who since completing the program has found a stable home and steady job, and has remained sober for nine years.



SUPPORTING safe housing

The TRUST

The Alaska Mental Health
Trust Authority

3745 Community Park Loop, Suite 200 | Anchorage AK 99508
Tel. (907) 269-7960 | Fax (907) 269-7966
www.mhtrust.org

TRUSTEES

Dr. William Doolittle . . . Chair
Laraine Derr Vice Chair
Paula Easley Secretary/Treasurer
Dan Hoffman Trustee
Mary Jane Michael . . . Trustee
Larry Norene Trustee
Timothy Schuerch . . . Trustee

TRUST STAFF

Jeff Jessee Chief Executive Officer
Delisa Culpepper Chief Operating Officer
Marie Trueblood Chief Financial Officer
Bill Herman Senior Program Officer
Nancy Burke Program Officer
Katie Johnson Program Officer
Steve Williams Program Officer
Miri Smith-Coolidge . . Program Special Assistant
Lucas Lind Grants Administrator
Michael Baldwin Grants Accountability Manager
Marilyn McMillan . . . Budget Coordinator
Keith Applegarth . . . Information Technology Manager
Vivian Hamilton Communications Manager
Jody Thomas Administrative Manager
Vickie Scaife Administrative Assistant
Jeannie Hall Administrative Assistant

INFORMATION

To learn more about The Trust, its focus areas and funding opportunities, visit www.mhtrust.org or call 907-269-7960.

The TRUST

The Alaska Mental Health
Trust Authority

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July 2009

AN OVERVIEW OF The Trust



The TRUST

The Alaska Mental Health
Trust Authority

A Catalyst For Change And Improvement



The Trust is a perpetual endowment that uses its resources to ensure Alaska has a comprehensive integrated mental health program to serve Trust beneficiaries.

TRUST FUNDING

The Trustees adopt operating and capital budgets in two-year cycles, but by state statute must submit annual recommendations to the governor and legislature regarding expenditures of Trust income and other state funds to support the state's Comprehensive Integrated Mental Health Program. These expenditures comprise the Mental Health Budget Bill and must be approved by the legislature.

Trustees also set aside a portion of The Trust's annual budget for authority grants, which are grants administered directly by The Trust. Authority grants are available for partnerships, small projects and mini-grant programs for behavioral health conditions, developmental disabilities and Alzheimer's disease and related dementia. These grants are awarded at the discretion of the Board of Trustees or Trust staff and are available to non-profit organizations, service providers, tribal entities, governmental agencies and other groups that serve Trust beneficiaries. Individuals, by regulation, are not eligible to receive grants from The Trust.

For more information, see Grant Opportunities at www.mhtrust.org or call the Grant Administrator at 907-269-7999.

TRUST FOCUS AREAS

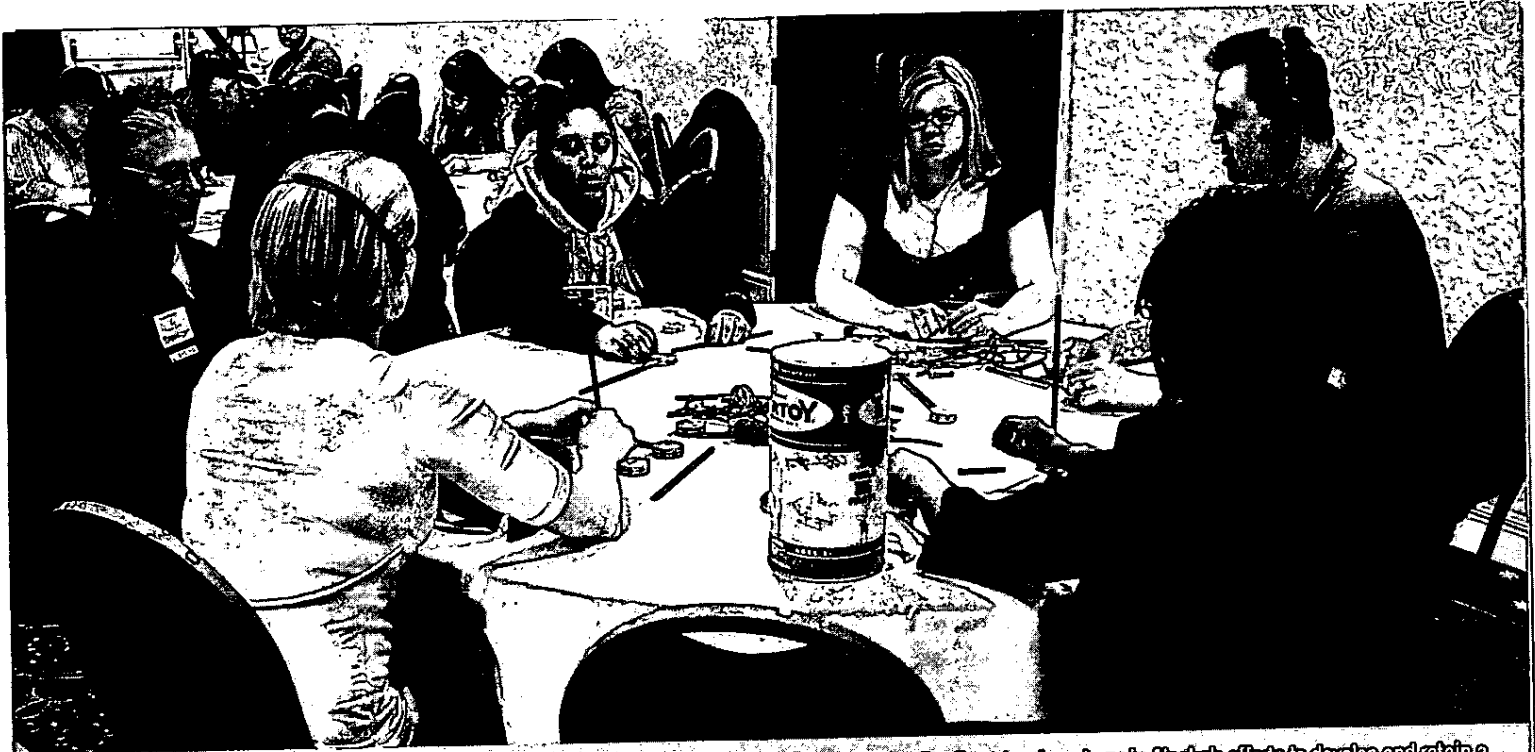
The Trust, with input from its many stakeholders, selects several programmatic areas on which to focus planning, development and funding that will have broad and long-term impacts on the systems that serve beneficiaries. Workgroups with representatives from beneficiary-related advisory boards, state agencies and service providers develop strategic plans and funding proposals in each focus area for approval by the Board of Trustees at its annual budget meeting in September. The approved proposals, along with other Trust funding priorities, form the basis for recommendations for funding as part of the state's Comprehensive Integrated Mental Health Program.

Currently The Trust is focusing on five program areas that address issues with significant impact on beneficiaries:

1. Bring the Kids Home – reforming Alaska's mental health care for children and adolescents so they are diagnosed earlier and are treated closer to home;
2. Affordable Appropriate Housing – increasing a continuum of housing options for Trust beneficiaries;
3. Disability Justice – reducing the involvement and recidivism of beneficiaries in the criminal justice system;
4. Beneficiary Projects Initiative – supporting grassroots, peer-to-peer programs for Trust beneficiaries;
5. Workforce Development – creating an available and competent workforce for beneficiary service providers.



The Trust is working with stakeholders around the state to reform Alaska's mental health system of care for children and adolescents.



The Trust is a key player in Alaska's efforts to develop and retain a capable, competent workforce for providers who serve Trust beneficiaries.

THE TRUST

The Alaska Mental Health Trust Authority is a state corporation that administers the Mental Health Trust. The Trust is a perpetual endowment that operates much like a private foundation, using its resources to ensure that Alaska has a comprehensive integrated mental health program for Trust beneficiaries. The mission of The Trust is to act as a catalyst for change and improvement in the systems that serve Trust beneficiaries.

BENEFICIARY GROUPS

Trust beneficiaries include the following individuals:

- people with mental illness,
- people with developmental disabilities,
- people with chronic alcoholism and
- people with Alzheimer's disease and related dementia.

ADVISORS

Trustees and Trust staff work closely with four advocacy boards that represent Trust beneficiaries:

- Advisory Board on Alcoholism and Drug Abuse,
- Alaska Mental Health Board,
- Governor's Council on Disabilities and Special Education and
- Alaska Commission on Aging.

The Alaska commissioners of Health and Social Services, Natural Resources, Revenue and Corrections are also advisors to The Trust, providing input about issues within their departments that relate to Trust beneficiaries.

COMPREHENSIVE INTEGRATED MENTAL HEALTH PROGRAM

The Trust acts as a catalyst for change and improvement in the systems that serve the beneficiaries. Trustees and Trust staff provide leadership in advocacy, planning, implementing and funding of the state's Comprehensive Integrated

Mental Health Program. The Trust and the Alaska Department of Health and Social Services jointly convene other state agencies, beneficiary advisory groups and key stakeholders to develop and revise a Comprehensive Integrated Mental Health Plan for delivering services to Trust beneficiaries. The plan is a tool that focuses the funds and programs of the state, The Trust and its partners. It is reviewed and updated in five-year increments to ensure the plan is addressing the needs of Trust beneficiaries.

The plan looks at the current status of Trust beneficiaries and seeks to make long-term changes in four areas: health, safety, quality of life and economic security. The plan also examines current service delivery systems and any service gaps that may exist. Finally, the plan is useful in indicating avenues for future program efforts.

HISTORY

Prior to statehood, there were limited services available in the Territory of Alaska for individuals who experienced mental illness or developmental disabilities. Instead, these individuals were sent by the federal government to live in an institution in Oregon. During Alaska's transition to a state, Congress passed the Alaska Mental Health Enabling Act of 1956 to help bring these individuals home. The act transferred the responsibility for providing mental health services from the federal government to the Territory of Alaska and, ultimately, the State of Alaska by creating the Alaska Mental Health Trust. To fund The Trust, the state selected one million prime acres of land that would be managed to generate income to pay for a comprehensive integrated mental health program.

Though the Alaska Legislature held a fiduciary responsibility to manage the land on behalf of Alaskans with mental disabilities, it did not do so. Instead, by 1982, only about 35 percent of the land remained in state ownership when Vern Weiss filed a lawsuit on behalf of his son, who required mental health services that were not available in Alaska. Other beneficiary groups joined Weiss v. State of Alaska in a class action suit. The case was ruled on in 1984 by the State Supreme Court, which ordered that the original trust be restored. Ten years later, in 1994, a final settlement reconstructed The Trust with 500,000 acres of original Trust land, 500,000 acres of replacement land and \$200 million.

GOVERNANCE

The 1994 Trust settlement established a seven-member, independent Board of Trustees to manage the Trust fund. Trustees are appointed by the governor and confirmed by the Legislature for five-year, staggered terms. Trustees are officers of the corporation and have a fiduciary responsibility to enhance and protect The Trust's financial assets.

TRUST ASSETS

The Trust employs the expertise of several organizations to manage its cash and non-cash assets. The Alaska Permanent Fund Corporation and the Alaska Department of Revenue Treasury Division manage The Trust's cash assets. The Trust contracts with the Trust Land Office within the Alaska Department of Natural Resources to manage its land and other non-cash assets, such as buildings, timber, minerals, and coal, oil and gas developments.



The Trust contracts with the Trust Land Office to manage its cash and non-cash assets, such as buildings, timber, minerals, and coal, oil and gas developments.



Alaska continues to Bring The Kids Home

It's true:

- Most of the children ARE home (or at least, back in Alaska)
- We have most of the residential resources that we need
- Successful strategies are in place
- We hope to "end" BTKH by FY2013

*We invite Legislators, Legislative Staff, and the Public to
two events to find out more and get an update!*

What still needs to be done?

- **What:** Buffet lunch, courtesy of the Alaska Mental Health Trust Authority
- **Where:** Cathedral of the Nativity of the Blessed Virgin Mary, 416 Fifth St., Juneau
- **When:** Tuesday, Feb. 16, lunch served 11:45; presentations 12–1 p.m.

*Meet youth, parents, providers, state staff and other
Bring The Kids Home stakeholders*

- **What:** Social: snacks, courtesy of the Alaska Mental Health Trust Authority
- **Where:** Pizzeria Roma, 2 Marine Way, #104 (in Merchants Wharf Mall)
- **When:** Tuesday, Feb. 16, 5–7 p.m.

For more information about Bring The Kids Home, the next quarterly meeting is Feb. 16–17 at the Cathedral of the Nativity of the Blessed Virgin Mary, 416 Fifth St., Juneau. There will be a discussion of BTKH outcomes, projects, plans and budget increments. To review a draft of the agenda, please go to: http://www.mhtrust.org/calendar/index.cfm?fa=ShowEvent&Classid=75&event_id=615. For background documents and reports, go to: <http://www.hss.state.ak.us/commissioner/btkh/reports.htm>.

