

**2/02/12**  
**BUDGET**  
**OVERVIEW:**  
**ALASKA MENTAL**  
**HEALTH TRUST**  
**AUTHORITY**

<TARGET><BILL></BILL><SUBJECT>2-02-12 BUDGET OVERVIEW  
ALASKA MENTAL HEALTH TRUST  
AUTHORITY</SUBJECT><COMM>HFIN27</COMM></TARGET>

2/2/12

# House Finance Committee FY13 Budget



**Alaska Mental Health Trust Authority**

February 2, 2012

*The* **TRUST**  
The Alaska Mental Health  
Trust Authority



# Trust Beneficiaries

- **People with mental illness**
- **People with developmental disabilities**
- **People with chronic alcoholism and other substance related disorders**
- **People with Alzheimer's disease and related dementia**
- **People with traumatic brain injury**

# Guiding Principles

- **To improve the lives of Trust beneficiaries, The Trust is committed to:**
  - **Education of the public and policymakers on beneficiary needs;**
  - **Collaboration with consumers and partner advocates;**
  - **Maximizing beneficiary input into programs;**
  - **Prioritizing services for beneficiaries at risk of institutionalization;**

# Guiding Principles - continued

- **Useful and timely data for evaluating program results;**
- **Inclusion of early intervention and prevention components;**
- **Provision of reasonably necessary beneficiary services based on ability to pay.**

# Trust Advisors and Partners

- **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 FY13

## Distributable Income

<b>Trust Fund Payout 4.25%</b>	<b>\$17,630,000*</b>
<b>Prior Years Lapse</b>	<b>3,740,000</b>
<b>Land Office Income</b>	<b>2,480,000</b>
<b>Interest</b>	<b>810,000</b>
<b>Total Projected</b>	<b>\$24,660,000</b>

\*Payout based on four-year average principal and reserve balances of \$415M.  
The TLO has generated more than \$90M in principal since inception.

# Formula for Success

**Committed partners + Strategic thinking = Results for Trust beneficiaries**

- **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**

# 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
- **Affordable, Appropriate Housing**
  - increasing a continuum of housing options for Trust beneficiaries
- **Workforce Development**
  - creating an available and competent workforce for Trust beneficiaries and service providers
- **Beneficiary Projects Initiative**
  - supporting grassroots, peer-to-peer programs for Trust beneficiaries

# Bring the Kids Home

- **Problem**

- **FY06: 743 Alaskan children with severe emotional disturbances received out-of-state residential psychiatric treatment services**
  - separated from families and communities
  - difficult transitions back to Alaska
  - length of stay varied from several months to multiple years
  - cost = \$40 million Medicaid paid to out-of-state providers

- **Committed partners**

- **DHSS, behavioral health service providers, parent and youth advocates, Trust partner boards, Alaska Native health providers, Dept. of Education, Denali Commission and others**

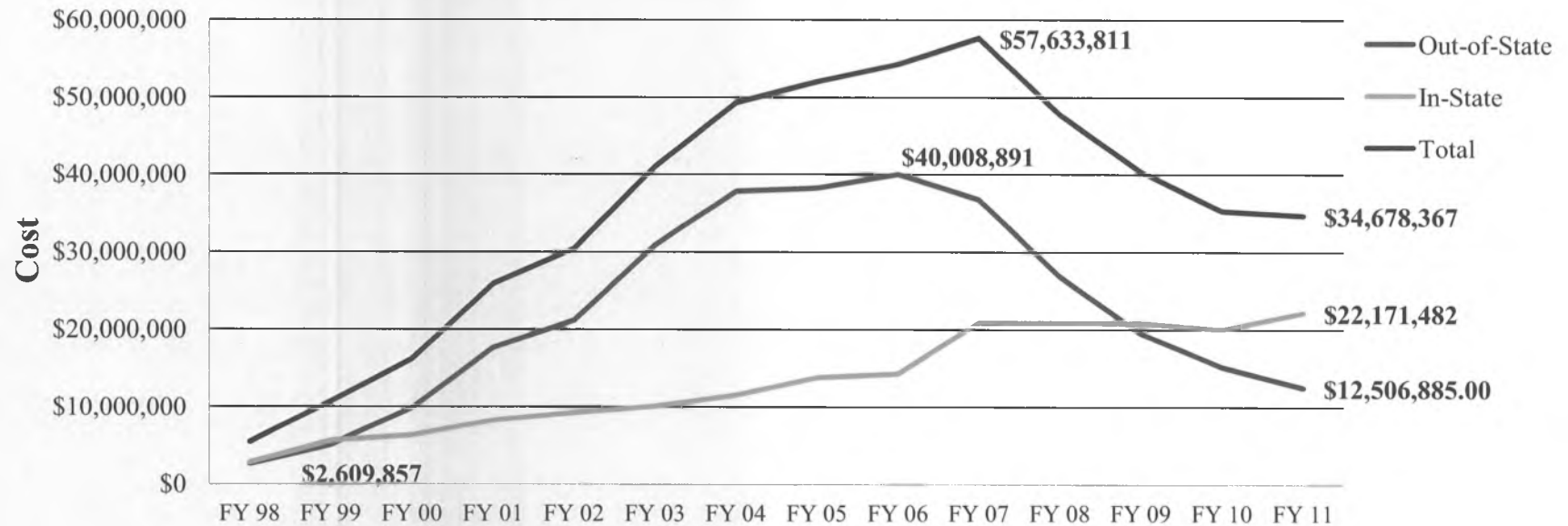
- **Strategic thinking**

- **Intervene earlier, more intensively and more effectively**
- **Engage and treat the family**
- **Target use of residential resources carefully**
- **Expand implementation of effective practices**
- **Develop in-state capacity to serve youth with complex needs**

# BTKH Reinvestment

**Shift: decreased claims overall, increased in-state claims**

## Residential Psychiatric Treatment Center (RPTC) Medicaid Claims



\* Data provided by DHSS, Division of Behavioral Health, Policy and Planning

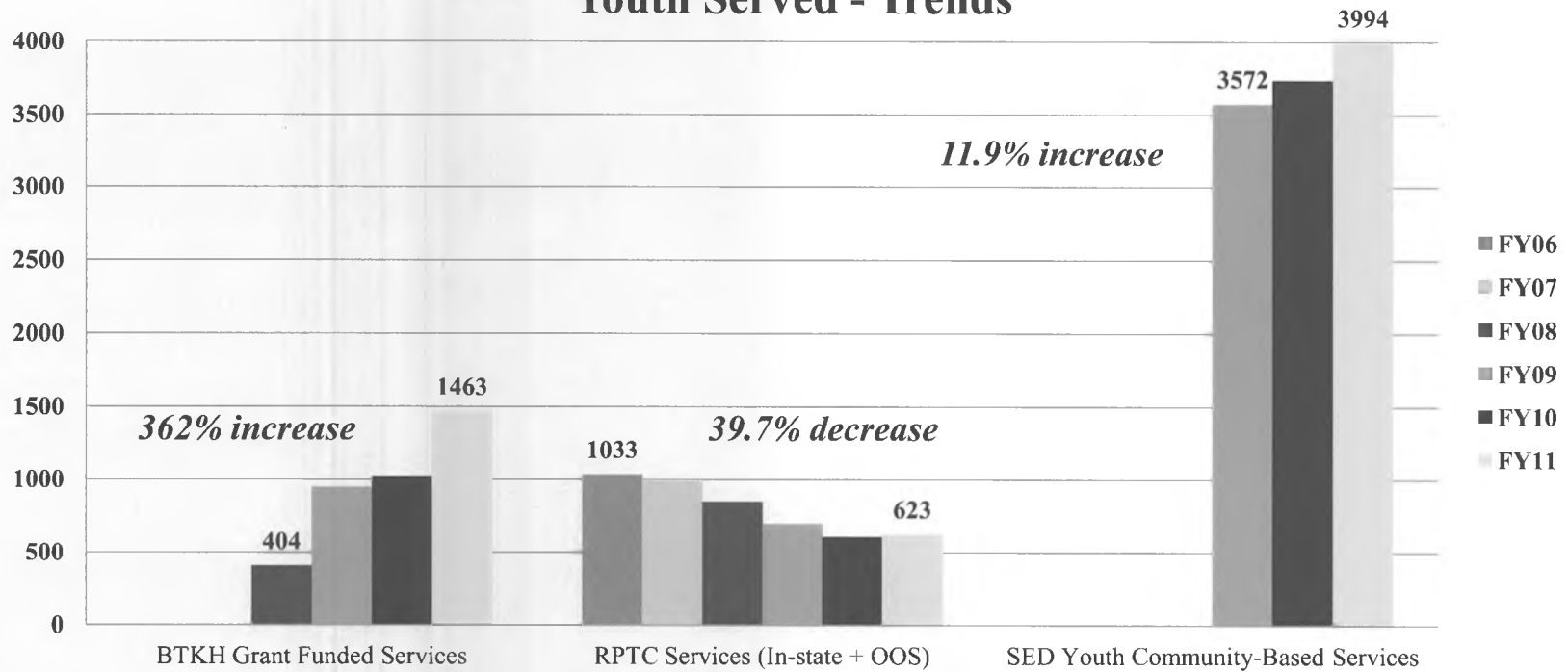
### Financial impact:

- \$22.9M+ overall decrease in Medicaid for RPTC since FY07
- \$27.5 M+ decrease in out-of-state expenditures since FY06
- \$19.5 M+ increased in-state investment for RPTC since FY98

# BTKH Reinvestment

**Shift: increased service delivery at lower levels of care**

**Youth Served - Trends**

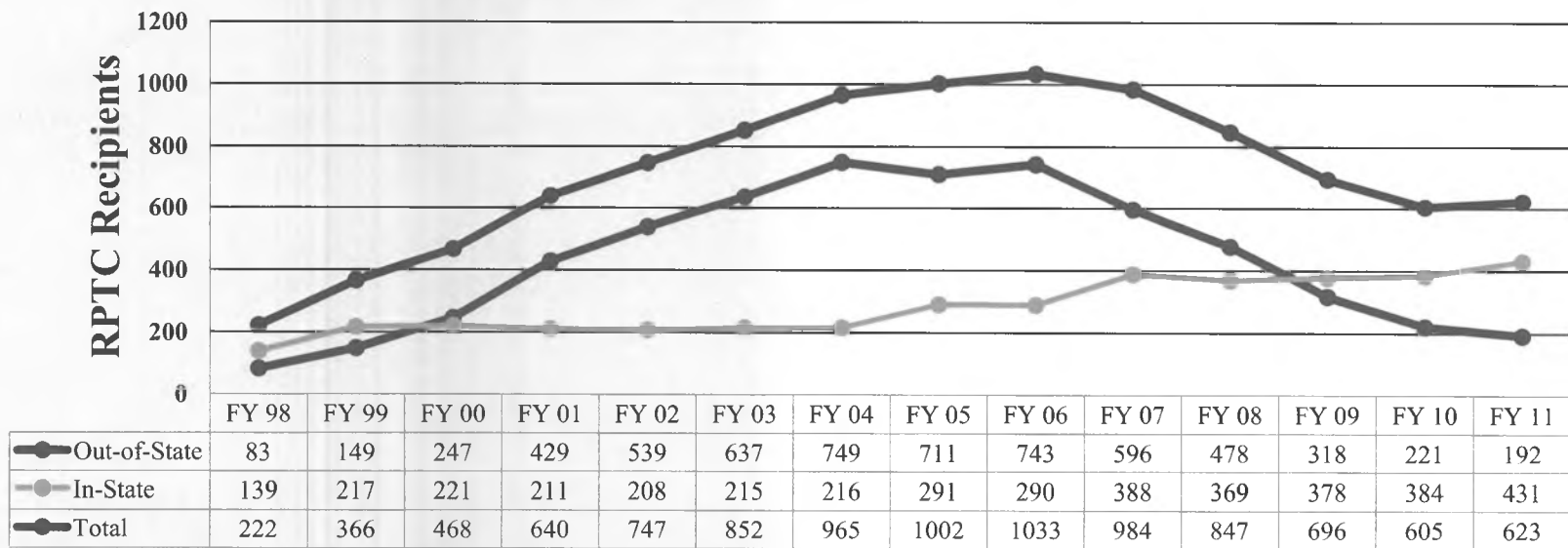


\* Data provided by DHSS, Division of Behavioral Health, Policy and Planning

# Results for Beneficiaries

## Keeping youth in Alaska and ensuring quality

Trends: shifting from Out-Of-State to In-State RPTC



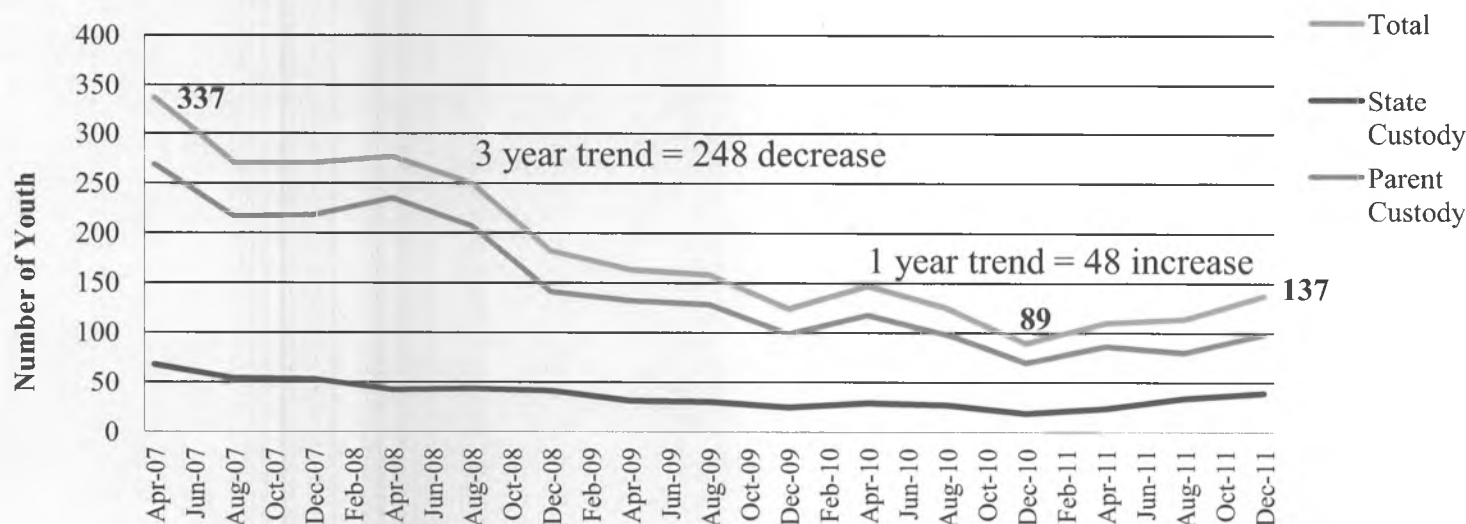
- **Reducing use of out-of-state residential psychiatric treatment centers (RPTC)**
  - **74% decrease out-of-state RPTC recipients FY04 to FY11**
  - **40% decrease overall RPTC recipients FY06 to FY11**
- **Improving outcomes:**
  - **recidivism to RPTC within 1 year dropped from 20% to 7% (FY04 - FY11)**

\* Data provided by DHSS, Division of Behavioral Health, Policy and Planning

# Results for Beneficiaries

## What's Next?

Point-in-time count youth in out-of-state residential psychiatric treatment centers (RPTC)



- **FY07-FY10 decrease 248 children in out-of-state RPTC (74%)**
- **FY10 - FY11 increase 48 children in out-of-state RPTC (54%)**

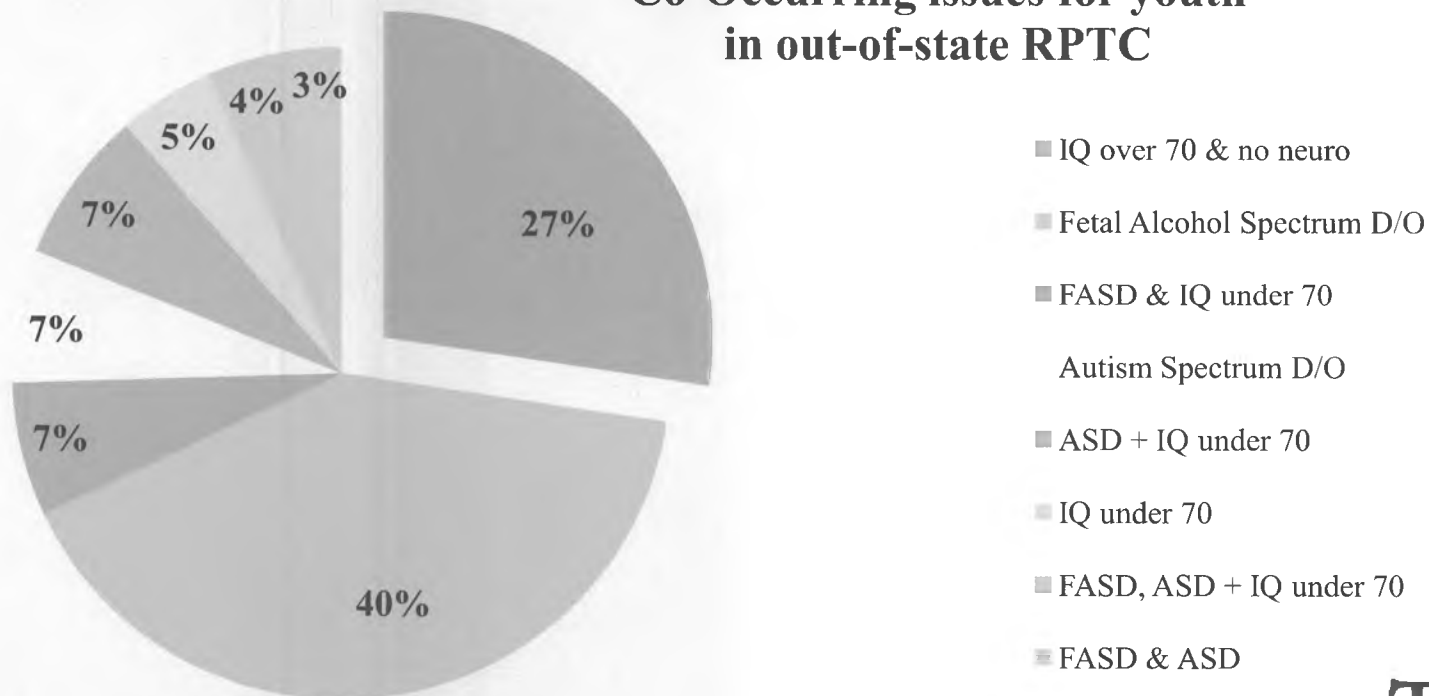
\* Data provided by DHSS, Division of Behavioral Health, Policy and Planning from Qualis Health Care data

# Results for Beneficiaries

## What's Driving the Increase?

- Most youth moving to out-of-state residential psychiatric treatment centers (RPTC) have a serious emotional disorder as well as one or more co-occurring disorder

Co-Occurring issues for youth  
in out-of-state RPTC



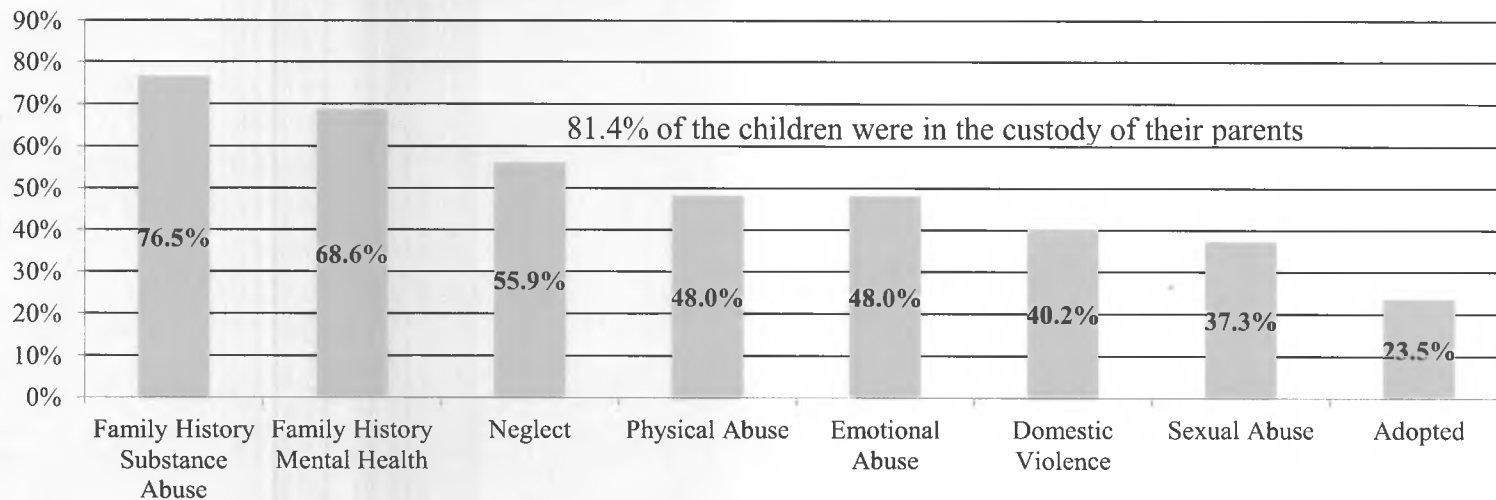
\* Data provided by DHSS, Division of Behavioral Health, Policy and Planning for sample of youth in RPTC on July 31, 2011

# Results for Beneficiaries

## What's Driving the Increase?

- Most also experienced complex trauma

### Trauma Factors: youth in in-state & out-of-state residential psychiatric treatment centers



\* Data provided by DHSS, Division of Behavioral Health, Policy and Planning for admissions to RTPC between January 1, 2011 – March 31, 2011

# Ahead in FY13

## Facing the Challenge

- Our systems need to reach children earlier, to intervene with families, and to effectively serve youth with complex presentations
- FY13 budget increments are designed to address these needs

### Transition into BTKH base budget

	<u>MHTAAR</u>	<u>GF/MH</u>
• Parent/foster parent recruitment, training, TA	\$ 138.0	\$ 138.0
• Transitional aged youth	200.0	250.0
• Parent/peer navigation	100.0	100.0
• Strong family voice		50.0

### Build in-state capacity and/or base funding

• Community behavioral health capacity development	450.0	
• Tribal/rural system development	100.0	
• Evidence based family therapy	200.0	300.0
• BTKH in-home intensive support	200.0	
• Early intervention for young children	175.0	350.0
• School based grants	125.0	

### FY13 Total Budget Increments

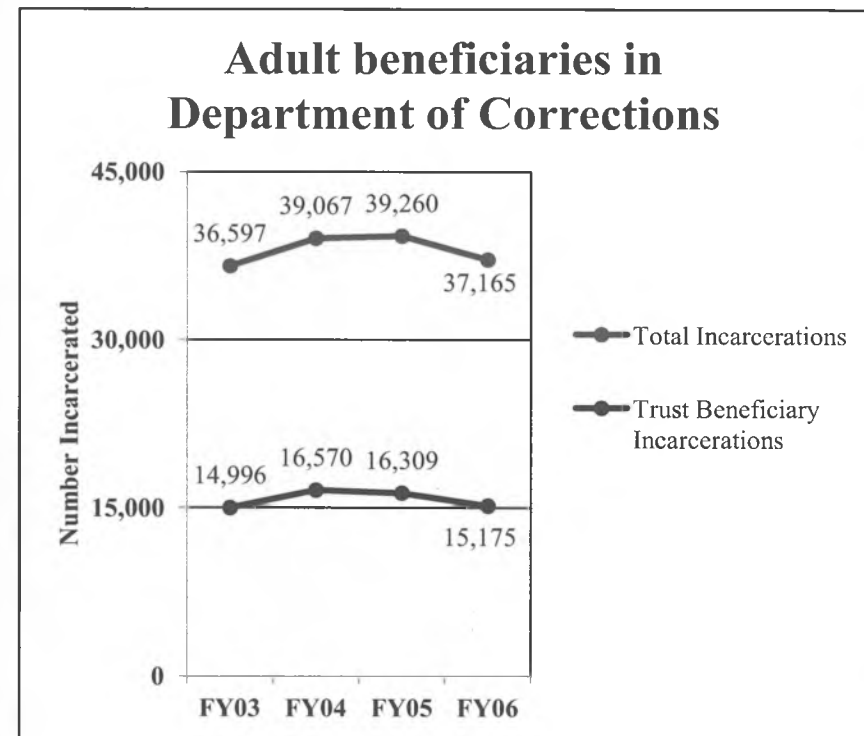
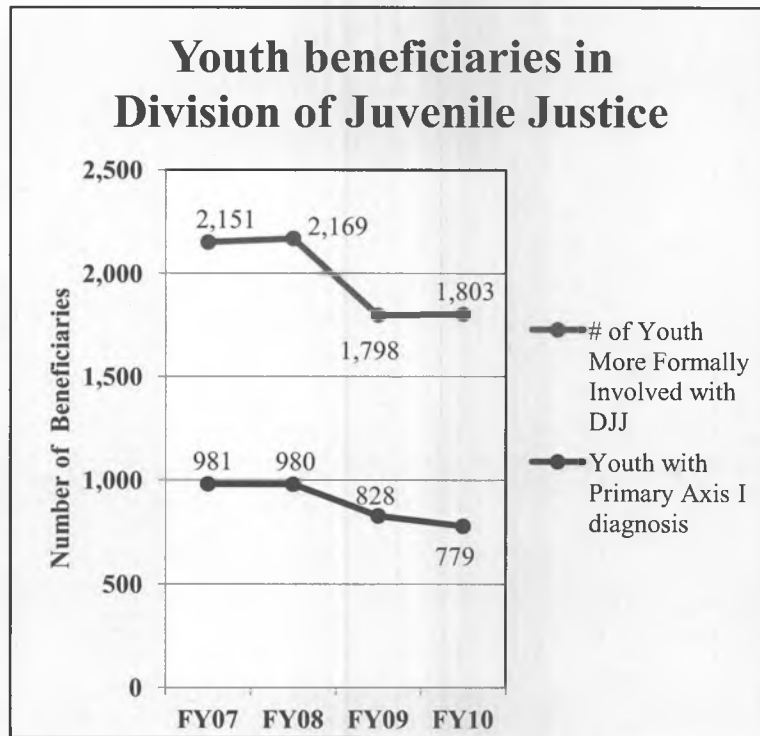
\$ 1,688.0      \$ 1,188.0

*Funding in thousands of dollars*

# Disability Justice

- **Problem**

- 43% of youth involved with the juvenile justice system are Trust beneficiaries
- 42% of incarcerated adults are Trust beneficiaries

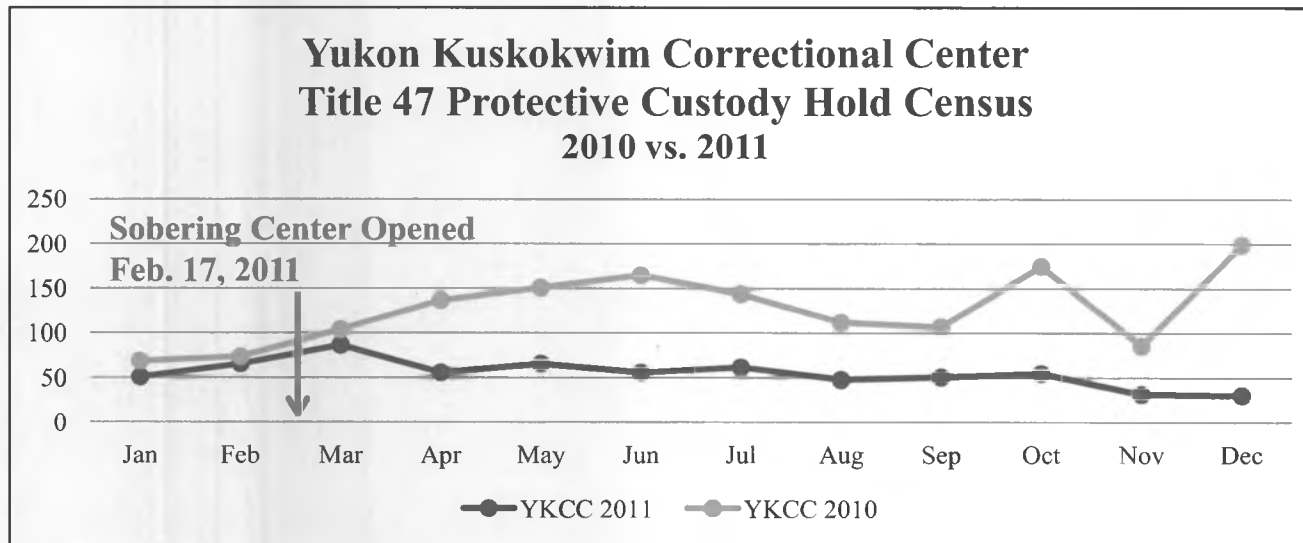


# Strategic Thinking

- **Partnerships with local governments; Alaska Native tribal entities; Alaska Court System; 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 of juvenile and adult 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 adult Trust beneficiaries under Alaska Statute 47.37.170; and,**
  4. **improve community reentry planning from juvenile detention and treatment, and adult correctional facilities back into Alaskan communities.**

# Outcomes Driven Results

- **Alternatives for those requiring protective custody**
  - Working together local agencies save lives and improve public safety
  - Reduced local jail and hospital emergency room census
  - Screened and referred to appropriate substance abuse treatment



- **Therapeutic Courts**
  - Combined institutional savings generated by *Anchorage Mental Health Court* almost 2½ times program annual operational costs (\$293,000)

# Ahead in FY13

MHTAAR   Authority Grant

## Training for Criminal Justice Personnel

- Anchorage & Fairbanks police CIT training \$ 77.0
- Deliver training for defense attorneys \$ 15.0
- Training for DOC mental health staff 15.0
- Training for judicial officers 15.0

## Sustain & Expand Therapeutic Models & Practices

- Fairbanks Juvenile Mental Health Court 305.9 5.0
- Mental Health Court expansion in targeted community 257.0 6.0
- Flex funds for therapeutic court participants 90.0
- ASAP therapeutic court case mgmt & monitoring - Barrow 139.9

## Re-entry Planning for Beneficiaries Involved with Criminal Justice System

- Division of Juvenile Justice Rural Re-entry Specialist 110.9
- Mental Health Clinical Oversight in DJJ youth facilities 152.9
- Social Services Specialist position - Bethel (PDA) 138.8

## Prevention & Support for Beneficiaries who are victims of crime

- ASPEN (Alaska Safety Planning & Empowerment Network) 150.0

## Develop Alternatives to Incarceration for Beneficiaries Requiring Protective Custody (Nome)

- Pre-development activities 100.0

*Funding in thousands of dollars*



# Affordable Appropriate Housing

- **Problem**

- **6,460 Alaskans homeless in HUD point-in-time survey January 2011**
  - **Families w/children dramatically increasing – point in time counts are becoming more accurate and Alaska is seeing an increase in need**
    - 1,223 households (January 2011)
    - 822 households (January 2010)
    - 494 households (January 2009)
  - **Chronically homeless individuals increased 25% over prior year**
    - 302 individuals in 2011

- **Committed partners**

- **Alaska Council on the Homeless: Alaska Housing Finance Corporation, DHSS, DOC, DOL, Public Safety, Veterans Adm.**
- **Housing development organizations and social service agencies**
- **Local affordable housing and homeless coalitions**
- **Private business**

- **Strategic thinking**

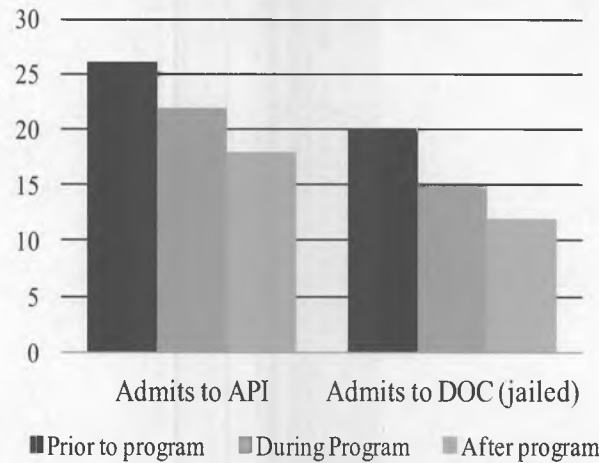
- **Adapting programs for sustainability - replicating successful strategies through homeless program (Special Needs Housing Grants – SNHG and Homeless Assistance Program - HAP)**
- **Replicating *Housing First* model in numerous settings**

*Data source:* [http://www.ahfc.state.ak.us/grants/homeless\\_survey\\_reports.cfm](http://www.ahfc.state.ak.us/grants/homeless_survey_reports.cfm)

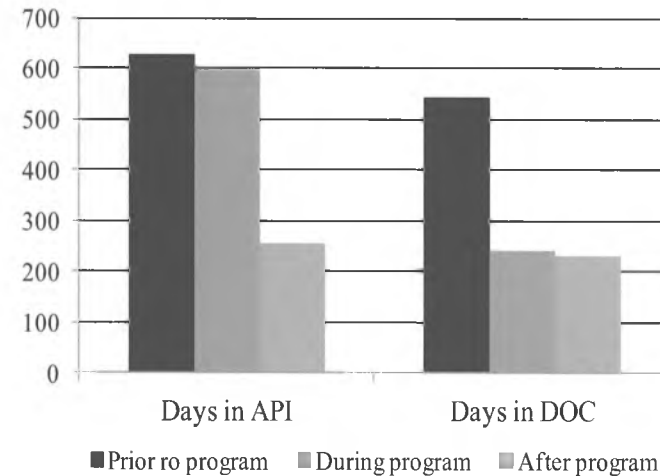
# Results for Beneficiaries

## Bridge Home Program: Stable, Supported Housing Reduces Jail Days

API\* & DOC\*\* Admits



Days in API\* & DOC\*\*



\*API = Alaska Psychiatric Institute \*\*DOC = Department of Corrections  
 Number of Participants = 55 Data from 10/15/10 Grant Report

- **Next steps: continue planning and development of programs that focus on housing stability resulting in fewer emergency services and institutional stays**
- **Models to examine or expand: Bridge Home and institutional discharge programs, components of Assertive Community Treatment for people with mental illness**

# Ahead in FY13

- **Policy - Governor's Council on the Homeless**
  - State interagency collaboration modeled on federal agencies' efforts
    - 10-year homeless plan and budget recommendations being implemented
- **Budget - \$10 million annual recommendation for 10-year plan (\$8 million allocated)**
  - The Trust, AHFC, GF/MH and other funding sources
  - Housing units targeted at chronically homeless and low income people with disabilities
- **Effective program models implemented**
  - Trust/DHSS collaboration to serve most challenging individuals cycling through API and DOC (Bridge Home and more intensive community outreach models)
  - Replication of *Housing First* to serve beneficiaries who are homeless with alcohol addiction
    - Resulted in decreased drinking and cost reductions of \$4 million in Seattle in 12-month period (Medicaid reduced 56%, sobering center down 87%, homeless shelter use down 92%)
- **Long Term Care strategic planning for Alaska**
  - Planning for needs of the state in a way that makes use of right resources at right time

# Ahead in FY13

	<u>MHTAAR</u>	<u>GF/MH</u>	<u>AHFC/GF</u>	<u>Other</u> *	<u>Gov.GF/MH</u>
<b><u>Homeless Assistance Programs</u></b>					
• Homeless Assistance Program (housing trust model replication \$10.0M annual recom.)	\$ 850.0	\$ 850.0	\$6,300.0	\$ 2,000.0	\$ 850.0**
• Special Needs Housing Grant Program			\$1,750.0		
<b><u>Resources assisting beneficiaries leaving institutions</u></b>					
• DOC Discharge Incentive grants	\$ 200.0	\$ 200.0			50.0
• Bridge Home program and expansion	\$ 750.0	\$ 300.0			300.0
• Assisted Living training	\$ 100.0	\$ 100.0			100.0
• Home modifications program (DHSS)	\$ 300.0	\$ 750.0			750.0
<b><u>Technical assistance and business planning resources</u></b>					
• Office of Integrated Housing (DBH admin)	\$ 225.0				
• Rural Long Term Care Development (SDS)	\$ 140.0				
• Aging and Disability Resource Centers	\$ 125.0				
<b><u>FY2013 Budget Increment Totals</u></b>	<b>\$2,690.0</b>	<b>\$2,200.0</b>	<b>\$8,050.0</b>	<b>\$2,000.0</b>	<b>\$2,050.0</b>
<b><u>Relevant support service programs: important resources to assist beneficiaries in maintaining stability</u></b>					
• Behavioral Health grants and Individualized Services Agreement funding (Div. Behavioral Health)					
• Senior grants, residential support, Personal Care Assistance and in-home support services (Div. Senior and Disability Services)					

\*Other = federal funds, e.g. federal housing trust, HUD

\*\* Governor's budget included ALL recommended GF, GF/MH and federal funds  
Funding in thousands of dollars

# Workforce Development

## ALASKA HEALTH WORKFORCE COALITION

### *Core Team:*

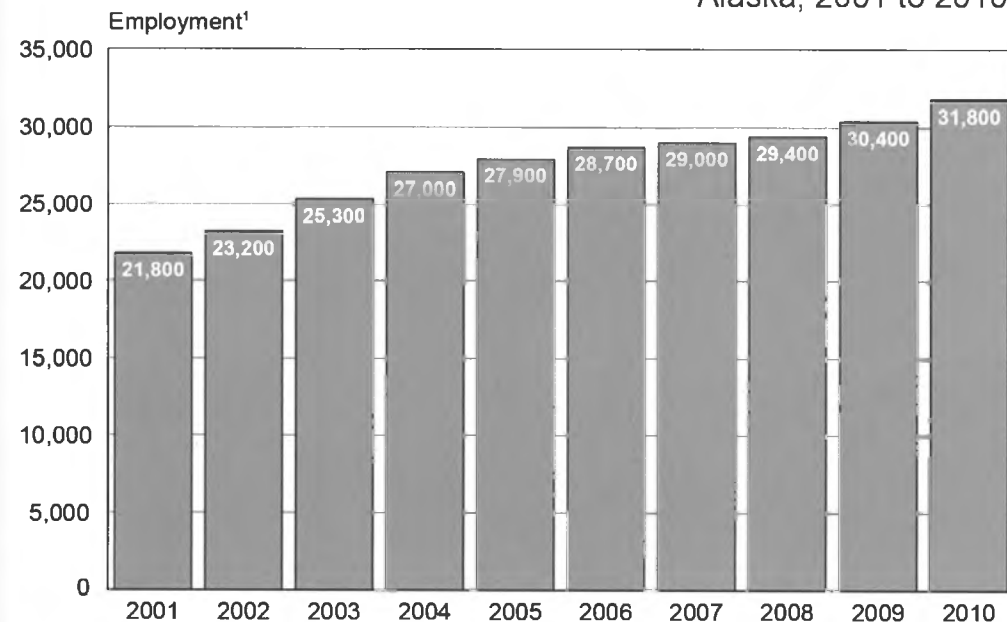
**DOL/WD, EED, DHSS,  
UA, The Trust,  
ASHNHA, APCA,  
AWIB, ANTHC**

### *Coalition:*

**Health Commission,  
AFL/CIO, US DOL,  
service providers,  
Providence, AHEC, TTC,  
ARBHTA, BHA, AHA,  
non-profit agencies, faith-  
based organizations,  
ANHB**

### Nine Years of Growth in Health Care

Alaska, 2001 to 2010



<sup>1</sup>Employment for public and private sectors, NAICS 621, 622, and 623.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

# Strategic Thinking

## Engage, Train/Educate, Recruit & Retain

### Occupational Priorities

- Primary Care Providers
- Direct Care Workers
- Behavioral Health Clinicians
- Physical Therapists
- Nurses
- Pharmacists

### Systems Change and Capacity Building

- Health profession loan repayment and incentive programs
- Training and professional development
- Aligning regulatory policies that impact the health workforce
- Engage and prepare Alaskan youth for health careers
- Health workforce recruitment
- Health workforce data

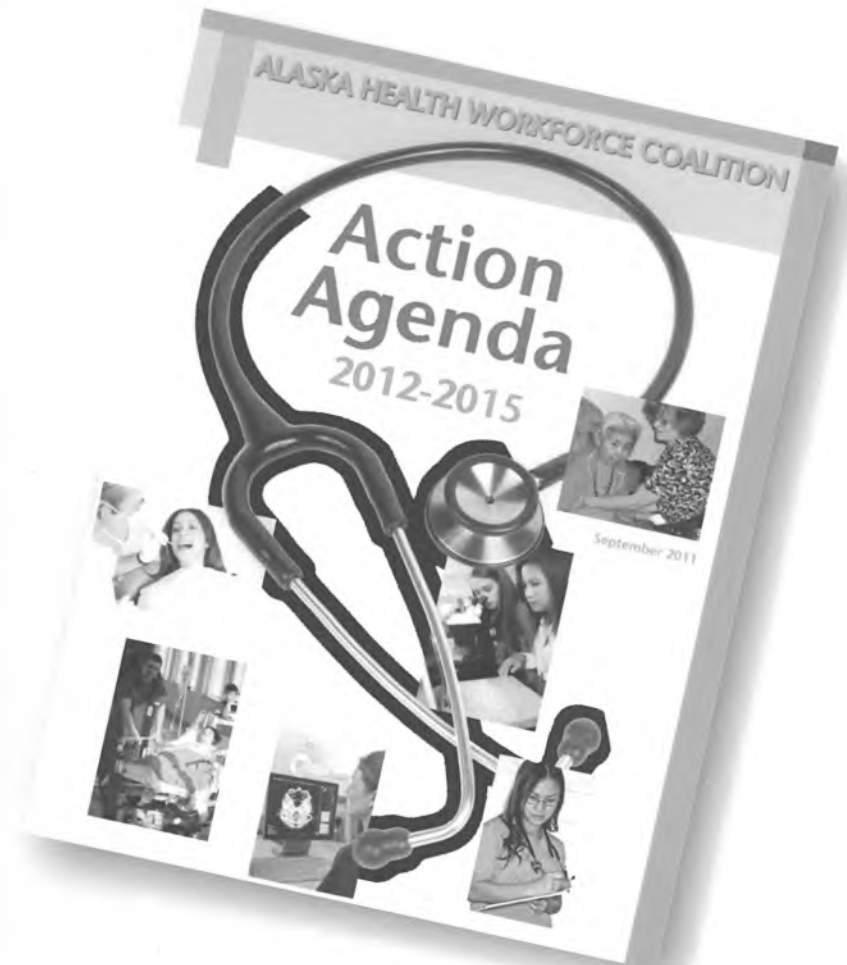
## Results for Beneficiaries

- 926 providers across Alaska attended 2,173 distance delivery and on-site training sessions on behavioral health related topics through the Trust Training Cooperative in 2011
- 600 professionals across Alaska were trained through Training and Technical Assistance for Providers program, increasing capacity of providers to respond to disability related abuse cases
- 1,973 individuals around the state received distance delivery and on-site training on autism through the Autism Resource Center
- 2,449 students in 137 Alaska communities received behavioral health training through the University of Alaska in 2010 (2011 data not available)



# Ahead in FY13

- **Psychiatric residency**
- **Loan repayment and incentives**
- **Alaska Health Education Centers (AHEC)**
- **Physical therapists**
- **Pharmacists**



# Ahead in FY13

	<u>MHTAAR</u>	<u>Authority Grant</u>	<u>GF/MH</u>	<u>Other*</u>	<u>Gov GF/MH</u>
<b><u>Recruitment &amp; Retention</u></b>					
• Loan Repayment & Incentives	\$ 200.0		\$ 200.0	\$ 400.0	\$ 200.0
• Workforce Marketing	100.0				
• Psychiatric Residency		124.0	75.0	75.0	0.0
<b><u>Training &amp; Education</u></b>					
• UAF – HUMS (Human Services)	50.0		50.0		
• UAA Interdisciplinary Education in Children’s Mental Health	64.0		80.0		0.0
• Rotations	175.3				0.0
• Physical Therapy			350.0		0.0
• Workforce Competencies (Direct Care Workers)	80.0		50.0		50.0
• Trust Training Cooperative & ARBHTA	822.5				
• TTC & ARBHTA (DSDS)			40.0		0.0
• TTC & ARBHTA (DBH)			40.0		0.0
• Interpersonal Violence Prevention for beneficiaries	80.0				
• Specialized skills & service training on serving cognitively impaired offenders	55.0				
• Technical assistance & implementation of D.A.R.T. Teams in Targeted Communities	210.0				
• AHEC			500.0		0.0
• Technology Transfer Project (CoDI)		175.0			
<b><u>Focus Area Administration</u></b>					
• Workforce Coordinator	115.0			25.0	
<b><u>FY2013 Budget Increment Totals</u></b>					
	<u>\$1,951.8</u>	<u>\$299.0</u>	<u>GF/MH</u>	<u>Other*</u>	<u>Gov GF/MH</u>
				\$1,385.0	\$ 500.00 \$ 250.0

*Funding in thousands of dollars*

*\*Other = federal funds*

# Beneficiary Projects Initiative

- **Community need:**
  - consumers active in defining, advocating and delivering recovery support
  - peer services: benefit of lower cost, preventative, evidence-based practices resulting in positive recovery outcomes for beneficiaries
- **Partners:**
  - 27 beneficiary grantees since 2006
  - Alaska Peer Support Consortium
  - Division of Behavioral Health, Senior & Disability Services, Vocational Rehabilitation, Trust Training Cooperative, Center for Human Development
  - Advisory Board on Alcohol and Drug Abuse, Alaska Mental Health Board, Governors Council on Disabilities and Special Education & Alaska Commission on Aging
- **Strategic thinking:**
  - Funding and technical assistance to support safety, effectiveness and sustainability of peer programs and services throughout Alaska
  - Training and education for peer support workforce
  - Integration of peer-support specialists across service delivery systems
  - Mini Grants to improve beneficiaries' quality of life
    - \$1,119,069 in grant funds to 844 beneficiaries in FY2011
  - Small Projects Grants for small, beneficiary-focused projects
    - \$250,000 annually

# FY11 Beneficiary Mini Grants

<b>Beneficiary Group</b>	<b>Number of Beneficiaries</b>	<b>Amount Awarded</b>
<b>Alzheimer's Disease and Related Dementia</b>	<b>259</b>	<b>\$248,594</b>
<b>Developmental Disabilities</b>	<b>192</b>	<b>\$222,852</b>
<b>Behavioral Health</b>	<b>393</b>	<b>\$647,623</b>
<b>Total</b>	<b>844</b>	<b>\$1,119,069</b>

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

# Results for Beneficiaries

- Promotes recovery, stability and wellness
- Provides sense of empowerment and connection
- 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 FY13

	<u>MHTAAR</u>	<u>Authority Grant</u>	<u>GF/MH</u>
<b><u>Grant Funds for Projects</u></b>			
• BPI Program Grants		\$1,620.0	
<b><u>Technical Assistance (TA)</u></b>			
• TA for beneficiary groups & agencies		265.0	
• Partners in Policymaking	\$ 200.0		
<b><u>Program Management</u></b>			
• Initiative Administration		100.0	
• Beneficiary & family leadership conference		130.0	
• Evaluation		30.0	
<b><u>Consumer choice &amp; expanded services</u></b>			
• Mini Grants – Behavioral Health		709.6	
• Mini Grants – Alzheimer’s Disease and Related Dementia		260.3	
• Mini Grants – Developmental Disabilities	252.5		
• Small Projects Grants		250.0	
• Micro-Enterprise Capital		125.0	
<b><u>FY2012 Budget Increment Totals</u></b>	<b>\$ 452.5</b>	<b>\$3,489.9</b>	

*Funding in thousands of dollars*

# Joint FY13 Legislative Priorities

## Shared with all beneficiary advisory boards

- Fund \$650K GF/MH Complex Behavior Collaborative Consultation and Training
- Support establishment of a permanent Coordinated Transportation Commission and creation of statewide fund for public and community transportation
- \$500K MHTAAR match funding for patient centered medical home model pilots

**Advisory Board on Alcoholism  
and Drug Abuse**



**Alaska Mental Health Board**



GOVERNOR'S COUNCIL  
ON DISABILITIES &  
SPECIAL EDUCATION

**Alaska Commission  
on Aging**

*The* **TRUST**

The Alaska Mental Health  
Trust Authority

# The Trust Portfolio

Acres in Alaska 365,210,227  
 Acres of Trust land 1,000,000\*



**Acres by region**      **Acres\***

Northern	420,000
Southcentral	340,000
Southeast	240,000



## Trust land by ownership/rights:

Full fee ownership  
 Full mineral rights  
 Coal, oil and gas rights



\*The Trust has not received its entire entitlement to date; acreage totals will be adjusted in the future.

# Minerals

**Acres of Trust land with full mineral rights**

**716,000**

**Acres of Trust land leased for mineral exploration and development**

**24,000**

Most of the Trust lands with mineral assets are located in Interior and Southeast Alaska. Prospective mineral tracts are offered for exploration and development through a competitive leasing process. In recent years, there has been heightened interest in leasing Trust land for gold exploration.



## Livengood Exploration

- Feasibility study currently underway
- 10,000 acres under exploration
- Job potential: 1,000 during construction, 400 during operation

## Fort Knox Mine

- Located near Fairbanks
- Over 7,000 acres
- Employs over 400 people
- Produces over 300,000 ounces of gold annually



Truck with 250 tons of ore and six ounces of gold

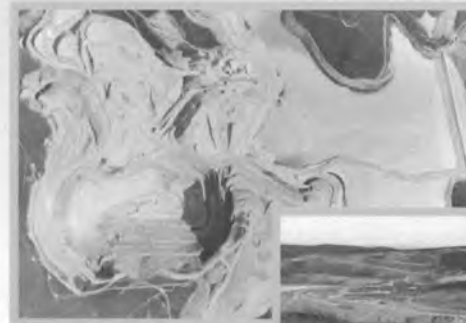


Water testing for environmental baseline

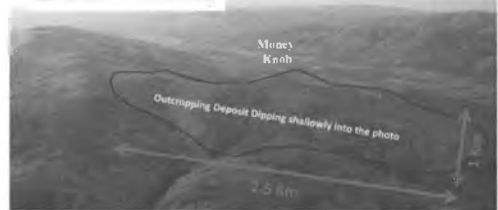


Reverse circulation drill rig on Money Knob

Aerial view of Fort Knox Mine



Fort Knox Mine



Aerial view of Livengood gold deposit

The TRUST  
LAND OFFICE  
[www.mhtrustland.org](http://www.mhtrustland.org)

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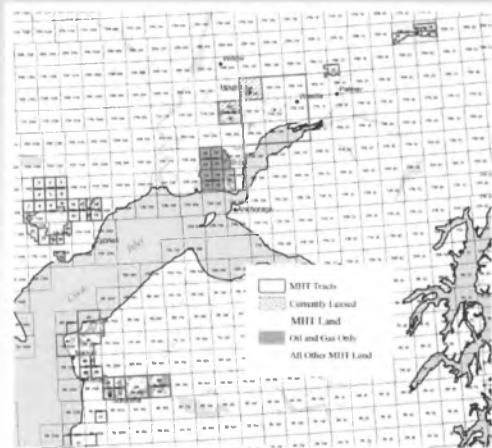
# Oil & Gas

<b>Acres of Trust land leased for oil and gas exploration</b>	<b>117,000</b>
<b>Acres of Trust land in oil and gas production</b>	<b>6,800</b>

The Trust holds oil and gas interests in the Cook Inlet area and Nenana Basin. Test drilling is underway on both sides of Cook Inlet. The TLO regularly offers Trust land for oil and gas leasing and encourages active development of lands leased under this program. A new gas field is currently under development near Kenai.



## Cook Inlet Oil and Gas Leases



Cook Inlet Trust Land as of September 2011.



Natural gas well owned and operated by Buccaneer Alaska

## Kenai Loop

- Onshore gas project in eastern Cook Inlet
- Kenai Loop No. 1 in production January 2012
- Currently three additional wells are planned



The TRUST  
LAND OFFICE  
[www.mhtrustland.org](http://www.mhtrustland.org)

The TRUST  
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[www.mhtrust.org](http://www.mhtrust.org)

# Real Estate

Acres of Trust land with licenses, easements and leases **182,000**  
 Revenue generated from land management **\$11.8 million**

Trust land is held throughout the state and many parcels are suited for residential and recreational use. The Trust Land Office holds annual land sales for these parcels and has generated \$25.9 million, not including interest. Additionally, the TLO generates income through commercial leases.

## Annual Land Sales Program



Residential and recreational parcels are sold throughout the state

Orthopedic Physicians  
Anchorage



## Anchorage U-Med District

Rendering of potential office building



Fresenius  
Medical Care



Areas outlined above in yellow are owned by The Trust

Opportunity for medical facility development

The TRUST  
LAND OFFICE  
www.mhtrustland.org

The TRUST  
The Alaska Mental Health  
Trust Authority  
www.mhtrust.org

# Coal

**Acres of Trust land leased for coal exploration and development**

**29,000**

**Acres of Trust land licensed for underground coal gasification exploration**

**168,000**

A large portion of the land selected for The Trust was specifically chosen for its abundance of coal and associated revenue-generating potential. Active coal leases are in place near Tyonek, Healy and the Mat-Su Valley. Lands in the Cook Inlet Basin are being explored for underground coal gasification prospects, which could lead to production of synthesis gas.

## Chuitna Coal Project



Elevated coal conveyer to reduce environmental impact

## Underground Coal Gasification



UCG to syngas process



Chinchilla demonstration production facility

## Chickaloon Coal Project

- 11,487 acres in the Matanuska Valley
- The Trust owns sub-surface rights; state owns surface rights
- Believed to contain high-quality bituminous coal



Castle Mountain



The TRUST  
LAND OFFICE  
[www.mhtrustland.org](http://www.mhtrustland.org)

The TRUST  
The Alaska Mental Health  
Trust Authority  
[www.mhtrust.org](http://www.mhtrust.org)

# Chuitna Coal Project

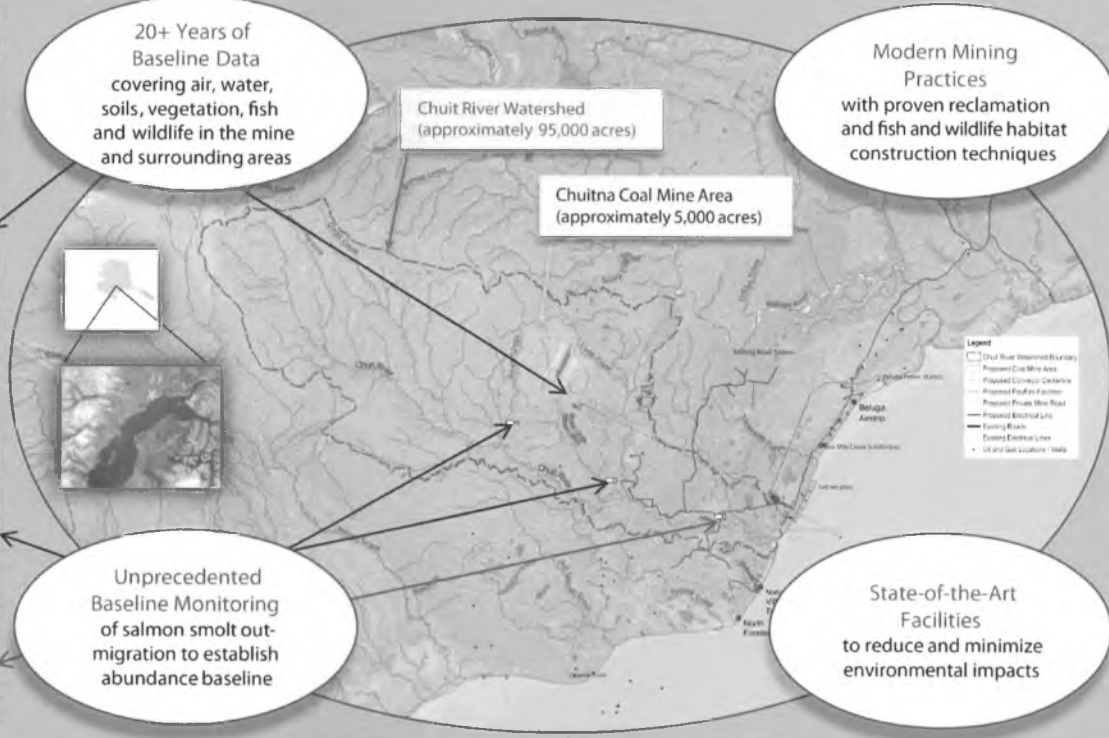


20+ Years of  
Baseline Data  
covering air, water,  
soils, vegetation, fish  
and wildlife in the mine  
and surrounding areas

Chuitna River Watershed  
(approximately 95,000 acres)

Chuitna Coal Mine Area  
(approximately 5,000 acres)

Modern Mining  
Practices  
with proven reclamation  
and fish and wildlife habitat  
construction techniques



Unprecedented  
Baseline Monitoring  
of salmon smolt  
out-migration to establish  
abundance baseline

State-of-the-Art  
Facilities  
to reduce and minimize  
environmental impacts

Will Improve Local Economies  
Capital investment in mine construction  
is projected to exceed \$600 million with an estimated

- 500 direct jobs during construction
- 350 direct, full-time, year-round jobs during the life of the mine
- 1,200 indirect jobs



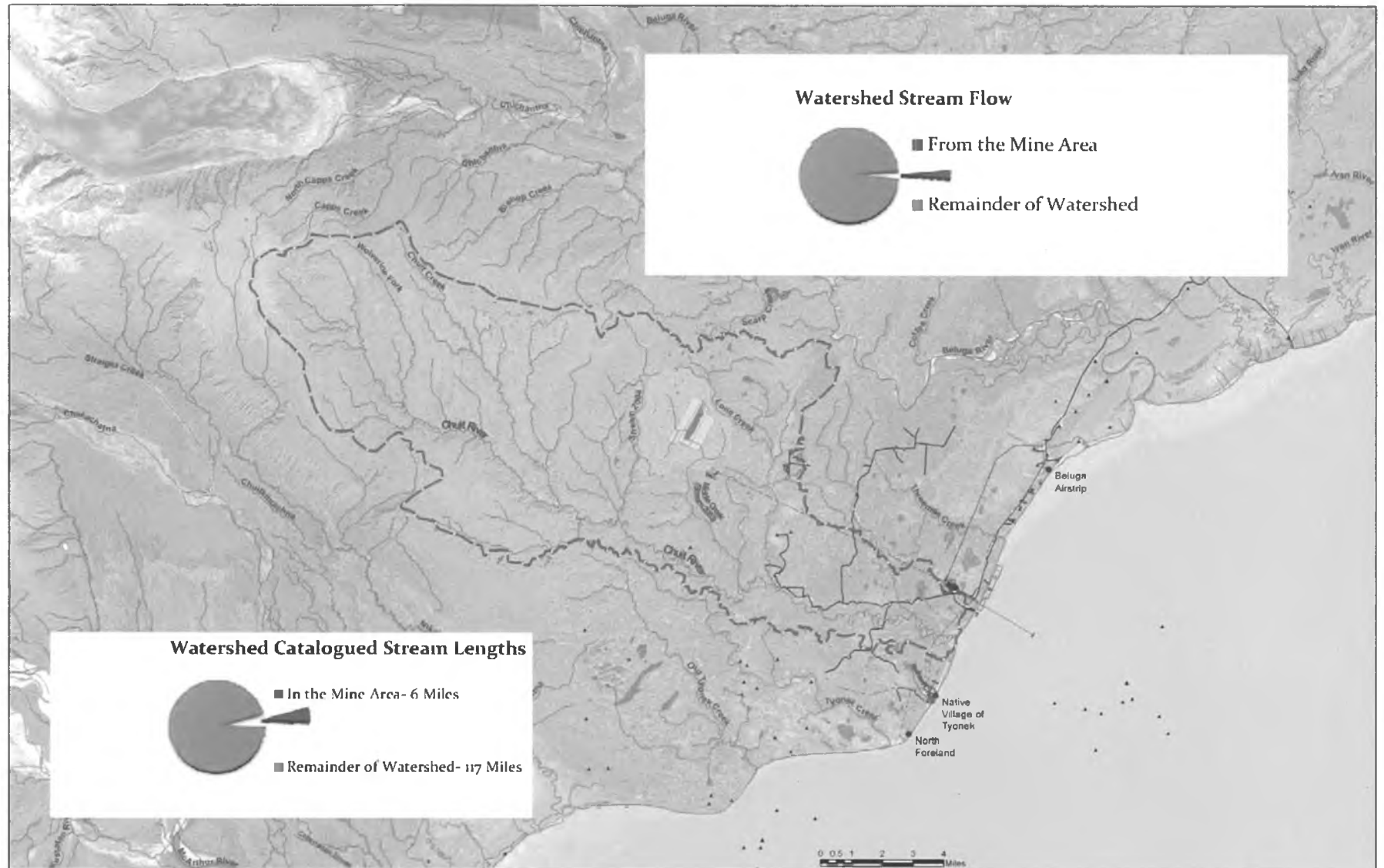
Will Fund Alaska Mental Health  
Trust Authority Programs  
Over the life of the mine, production  
royalties payable to The Trust are  
projected by the Trust Land Office to  
exceed \$300 million.



The TRUST  
LAND OFFICE  
[www.mhtrustland.org](http://www.mhtrustland.org)

The TRUST  
The Alaska Mental Health  
Trust Authority  
[www.mhtrust.org](http://www.mhtrust.org)

# Chuit River Watershed at a Glance



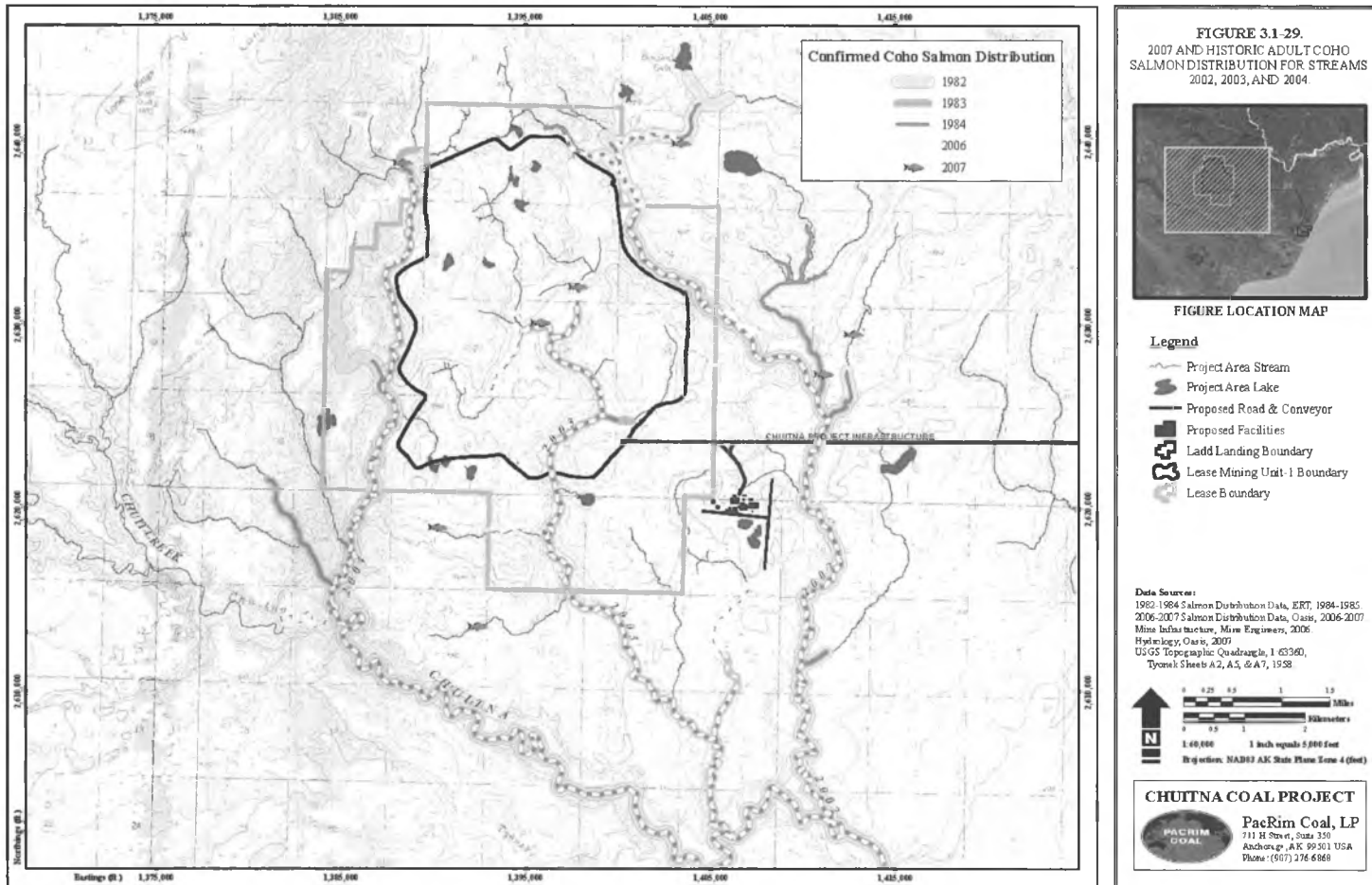


Stream 2003 near the center of the proposed mine area

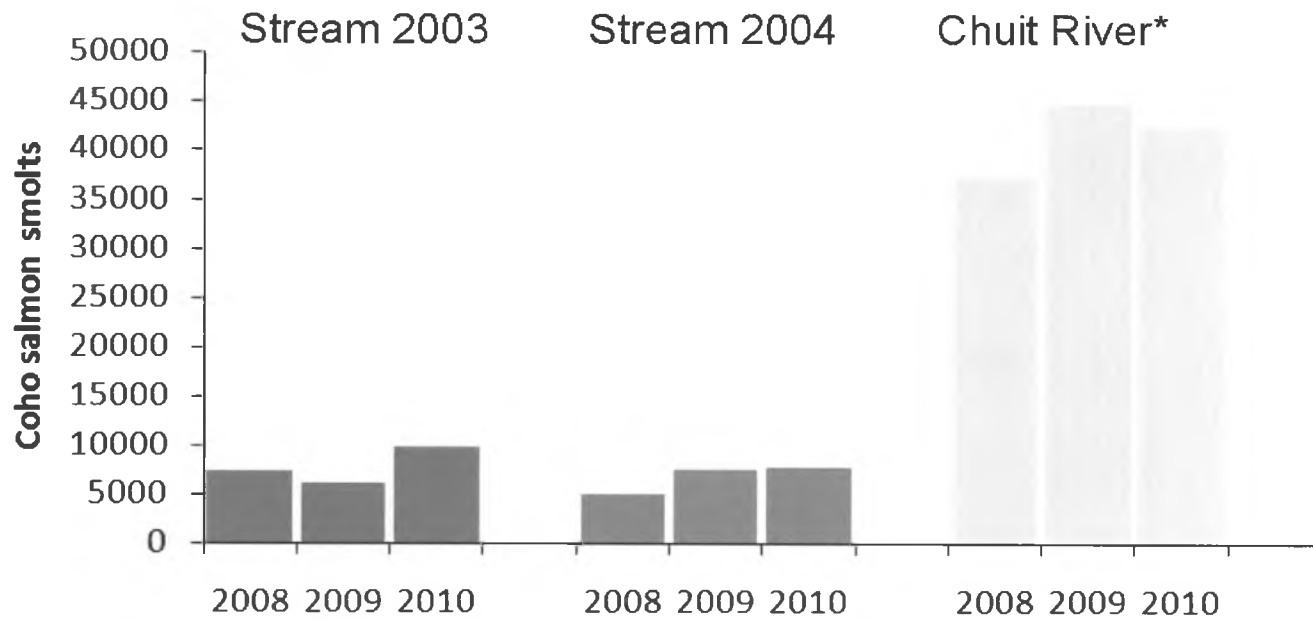


Stream 2003 at Gage Station C- $\lll$  just inside the southern boundary of the proposed mine area

# Adult Coho Salmon Distribution



## Smolt Count Results



\*Overall Chuit River smolt outmigration includes only that portion of the system above the Tyonek Bridge at River Mile 3.7

# Portage Valley Gravel Operations

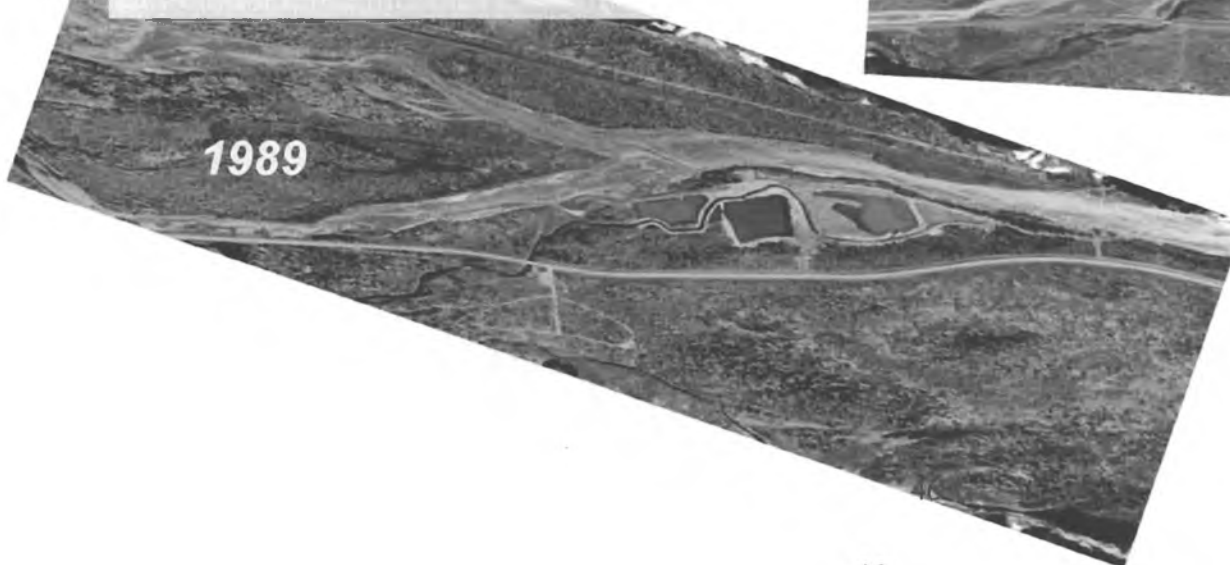
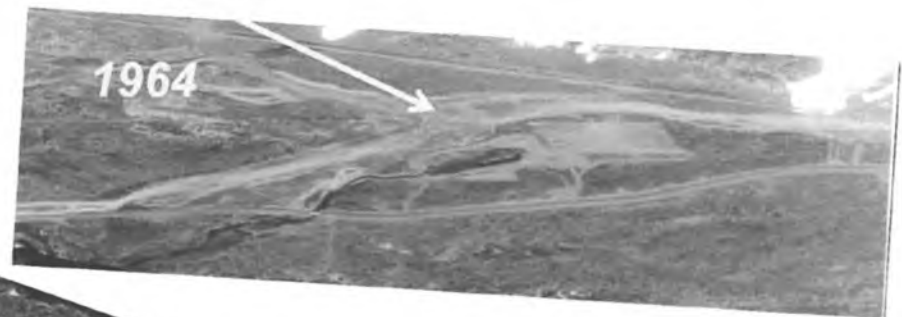


1951

- Prior to construction of existing highway
- Upland area prior to mining operations with no evidence of stream in the future mine area

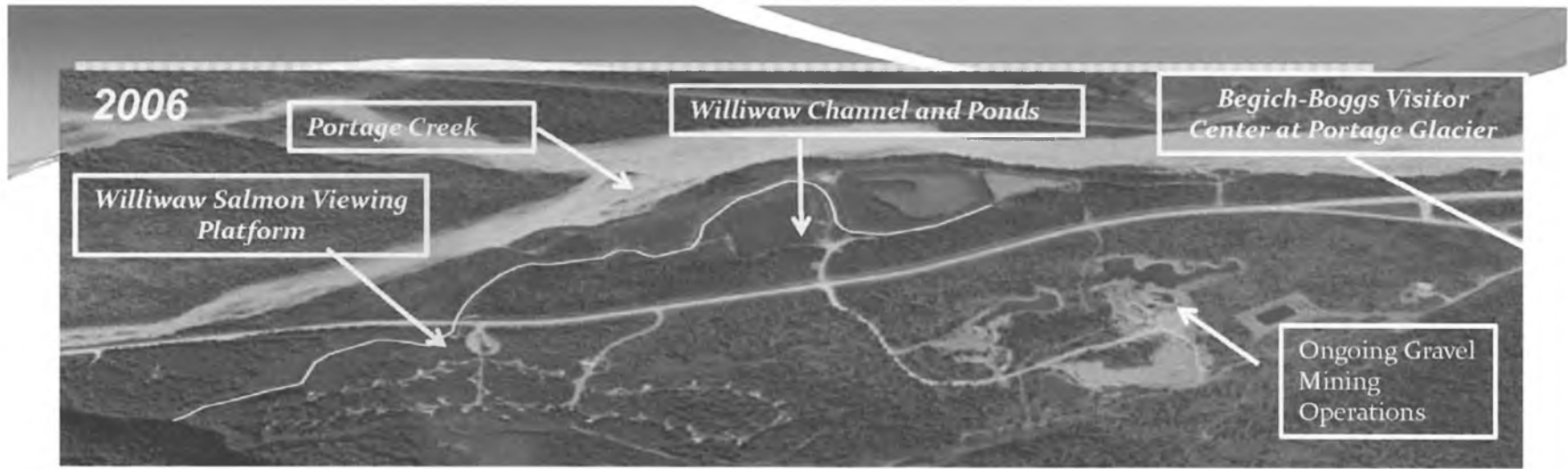
1964

- new highway has been constructed
- mining operations underway in 1 large pit area with a channel constructed to drain surface water from the pit



1989

- shows recent construction of the 4 Williwaw Ponds and the Williwaw channel within the 1 large pit area



# Thank You

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**jeff.jessee@alaska.gov**

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**Delisa Culpepper, Chief Operating Officer**

**delisa.culpepper@alaska.gov**

**907-269-7965**

**3745 Community Park Loop, Suite 200**

**Anchorage AK 99508**

**www.mhtrust.org**



# The TRUST LAND OFFICE

Photo courtesy Ketchikan Daily News/Tom Miller

## ALASKA MENTAL HEALTH TRUST AUTHORITY Trust Land Exchange

### B R I E F I N G P A P E R

#### OVERVIEW OF PROPOSED EXCHANGE

The Alaska Mental Health Trust Authority (The Trust) is proposing a land exchange in Southeast Alaska between The Trust and the U.S. Forest Service (USFS). The proposed exchange involves land surrounding seven Southeast Alaska communities and offers a solution regarding use of these lands that is favorable to the communities, the State of Alaska, the federal government and The Trust.

#### WHAT IS THE TRUST?

The Alaska Mental Health Trust Authority is a state corporation that administers the Alaska Mental Health Trust, a perpetual trust established for the benefit of Alaskans with mental illness, developmental disabilities, chronic alcoholism, and Alzheimer's disease and related dementia. The Trust operates much like a private foundation, using its resources to team with the Alaska Legislature in funding the state's mental health program.

#### WHY DOES THE TRUST OWN LAND?

In 1956, Congress passed the Alaska Mental Health Enabling Act, entitling the Territory of Alaska to one million acres of federal land to be used for revenue generation to support mental health services in Alaska. The Territory and State of Alaska selected land throughout the state under this entitlement. Today, this land and the assets on the land, such as buildings and natural resources, including timber, coal, oil and gas, and minerals, are managed on behalf of The Trust by the Trust Land Office (TLO), a unit within the Department of Natural Resources.

#### WHAT LAND IS INVOLVED IN THE EXCHANGE?

The Trust owns about 21,000 acres of land that primarily support old growth timber in and around the Southeast Alaska cities, towns and villages of Skagway, Juneau, Wrangell, Petersburg, Sitka, Meyers Chuck and Ketchikan. The Trust is proposing an administrative exchange with the USFS for federal lands. The TLO has identified a pool of approximately 22,000 acres of mostly second growth timber lands in the Tongass National Forest (TNF) on or near Prince of Wales Island for consideration in this value-for-value exchange. Land values for both Trust and TNF lands will be based on appraisals conducted by third-party professional appraisers.

Trust Land to be Exchanged		USFS Selection Pool	
Area	Total Acres	Area	Total Acres
Juneau	3,589	Naukati	5,234
Ketchikan	7,186	Heceta Island	16,395
Myers Chuck	235		
Petersburg	5,228		
Sitka	2,798		
Skagway	301		
Wrangell	1,824		
<b>Total</b>	<b>21,161</b>	<b>Total</b>	<b>21,629</b>

#### WHY EXCHANGE THE LAND?

The Alaska Mental Health Trust Authority Board of Trustees has a fiduciary responsibility to protect and enhance Trust assets, including its land, in perpetuity for Trust beneficiaries. Occasionally this responsibility conflicts with local values regarding land use, which is the case in

*continued on reverse side*

these seven communities. The highest and best use of the lands being considered for exchange is commercial forestry; however, the local communities enjoy the scenic beauty of these lands and consider them crucial to tourism development and public recreation. If the Trustees were to breach their fiduciary duty and avoid developing these lands, The Trust's long-term finances and its ability to continue improving mental health services in Alaska would be affected. The proposed exchange would provide a long-term solution that is beneficial to the communities, the federal government and The Trust.

#### **WHAT ARE THE OVERALL EXCHANGE BENEFITS?**

If the exchange is completed, it would:

- Preserve portions of remaining old growth timber along the Inside Passage of Southeast Alaska;
- Protect existing recreational opportunities near the local communities and potentially create new recreation and tourism prospects;
- Support the visual quality objectives of the communities by not harvesting surrounding timber;
- Preserve watersheds of adjacent communities;
- Sustain visual resources for the tourism industry, which plays a large role in the local and state economy;
- Stimulate the timber industry in Southeast Alaska and provide sustainable jobs;
- Encourage transition of old growth based timber industry in Southeast Alaska to a sustainable young-growth timber industry;
- Provide The Trust with a mechanism to continue generating revenue to support its mission and serve its beneficiaries.

#### **HOW DO SOUTHEAST ALASKA RESIDENTS BENEFIT?**

Under the proposed exchange, old-growth corridors along the Inside Passage would be preserved. Lands valued by local residents and visitors for public recreation and watershed values would be managed as public lands. For example, Trust lands in Ketchikan, at Deer Mountain, and the backdrop of Petersburg are high value view sheds to the cruise ship and tourism industries. Other benefits include job growth on Prince of Wales Island with the development of a second growth timber industry on lands acquired in this exchange by The Trust.

#### **HOW WOULD THE TIMBER INDUSTRY BENEFIT?**

This exchange would provide a dependable, long-term timber supply to the threatened forest products industry in Southeast Alaska, specifically Prince of Wales Island, and

help transition the industry in this region to an integrated, mostly young-growth manufacturing industry.

#### **HOW WILL THE TRUST MANAGE ITS NEW LAND AND RESOURCES?**

Timberlands conveyed to The Trust will be managed on a sustained yield basis by the TLO on behalf of The Trust. As a perpetual trust, The Trust is ideally suited to managing timberland under such a long-range plan. Timber activities will be regulated under the Alaska Forest Resource and Practices Act. The lands proposed for the exchange have been managed by the USFS for fiber and fuel production and are suitable for continued intensive management and harvest rotations. This land was carefully chosen to provide a cross section in age of timber. Based on a sufficient volume of timber, The Trust intends to operate an integrated manufacturing facility and to transition harvest operations to a young-growth based industry. Harvest volumes would increase over time to meet an overall harvest goal.

#### **WILL THE PUBLIC HAVE ACCESS TO THE NEW TRUST LAND?**

Public access on acquired Trust land will continue on the existing road systems. Users will be expected to follow reasonable guidelines and rules, including waste management, wildlife protection, and water resource protection while enjoying traditional hunting, gathering and recreational pursuits.

#### **WHAT IS THE PROCESS FOR THE EXCHANGE?**

The Trust and the TLO will work with the USFS to advance an administrative exchange as allowed through each agencies' regulatory process. Although the TLO and the USFS have independent processes, the steps are similar and can be run concurrently. Generally, the initial steps comprise an internal evaluation of the proposal within each agency and its sister agencies. If the proposal is found to have merit following this review, a formal agreement specifying cost allocations, process responsibilities, appraisal processes and a schedule of events is negotiated. When the values of each party's lands have been established and the specific land parcels have been identified, a broad government agency and public review of the proposal will occur. Finally, the exchange will be drafted in its final form for execution and exchange of deeds.

#### **WHAT IS THE TIMELINE FOR THE EXCHANGE?**

The goal of the parties involved is to finalize the formal agreement in late 2012. The land appraisal process should begin after that and is anticipated to take up to a year, followed by agency and public reviews. The entire exchange is estimated to take three to five years.

#### **FOR ADDITIONAL INFORMATION, CONTACT:**

The Trust Land Office at (907) 269-8658 or go to the TLO website at [www.mhtrustland.org](http://www.mhtrustland.org).

2011 ANNUAL REPORT

REDEFINING  
COMMUNITY

*The* TRUST

The Alaska Mental Health  
Trust Authority

## BOARD OF TRUSTEES

Dr. William Doolittle, Chair  
Laraine Derr, Vice Chair  
Paula Easley, Secretary/Treasurer  
Mike Barton  
Mary Jane Michael  
Larry Norene  
Russ Webb

## TRUST BENEFICIARIES

People with mental illness  
People with developmental disabilities  
People with chronic alcoholism and other substance related disorders  
People with Alzheimer's disease and related dementia  
People with traumatic brain injury

## 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  
Alaska Brain Injury Network  
Commissioner of Health and Social Services  
Commissioner of Corrections  
Commissioner of Revenue  
Commissioner of Natural Resources

# 2011 OVERVIEW: REDEFINING COMMUNITY

This year we have chosen "Redefining Community" as our annual report theme in recognition of how our efforts on behalf of Trust beneficiaries are changing who and what our community is. Our mission statement states that The Trust "acts as a catalyst for change" to improve the lives of Trust beneficiaries. The changes we seek range from increasing and improving Alaska's mental health continuum of care to reducing the stigma and barriers beneficiaries experience. In driving change, we want to redefine our community as a place where our most vulnerable citizens have access to appropriate treatment and services and are free from discrimination.

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 change and improvement in Alaska's mental health service delivery system. A large share of The Trust's annual budget provides support for the State's mental health program and funds projects and activities in five focus areas that address issues with significant impact on our beneficiaries. These focus areas are making significant strides in affecting change and redefining our community for beneficiaries. Following is an overview of some of our focus area objectives and how they are reshaping our community.

**Disability Justice Focus Area** is helping redefine community as a place where treatment and services are viable alternatives to incarceration for youth and adults whose mental disabilities rather than criminal intent have resulted in their incarceration. We are working with a variety of partners to redefine our community as a place where supports are available to prisoners reentering the community so they are less likely to reoffend and can lead productive lives.

**Affordable Appropriate Housing Focus Area** is redefining community as a place where support services for people battling severe addictions are incorporated into local housing programs. We are assisting several social service providers in developing innovative housing that integrates tenants into the community even before they begin their recovery process.

**Bring the Kids Home Focus Area** is redefining community as a place where adolescents with behavioral health needs and their families are finding treatment and services close to home and early in their lives. We are working with state agencies, school districts and parents to create schools that provide safe, welcoming environments for youth who experience behavioral health problems, so all children have an opportunity learn.

**Beneficiary Projects Initiative** supports beneficiaries, their families and caregivers in redefining community as a place where they are actively engaged in their treatment or service delivery. To ensure peer-to-peer services are available, The Trust is assisting in the development and growth of a network of consumer-operated programs and promoting training for those who wish to work in the peer-support community.

**Workforce Development Focus Area** is redefining community as a place where jobs serving Trust beneficiaries are considered meaningful work and where an adequate, trained workforce is available to fill those jobs.

Creating change, especially lasting change, requires collaboration and commitment. We are joined in our efforts by a host of partners who share our vision for redefining our community on behalf of our beneficiaries. In many instances, we directly engage beneficiaries and family members for guidance and feedback. We also depend on input regarding funding and policy recommendations from the governor-appointed advisory boards that serve as a link between The Trust and individual beneficiaries, their families, caregivers and legal guardians. We also rely on participation and collaboration from a number of state agencies, tribal entities, service providers, funding partners and stakeholders.

The Trustees and Trust staff are committed to working with Governor Parnell, the Legislature and all our partners to continue redefining our community on behalf of Trust beneficiaries.



A handwritten signature in black ink, appearing to read "W. Doolittle".

William Doolittle, M.D.  
Chair



A handwritten signature in black ink, appearing to read "Jeffrey L. Jessee".

Jeffrey L. Jessee  
Chief Executive Officer



# Our community HELPS BENEFICIARIES FIND NEW PATHS



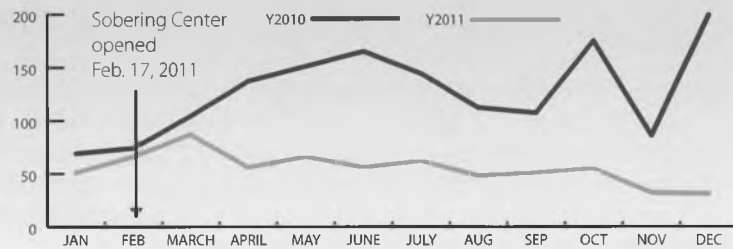
Tracy Stelling during graduation at the Anchorage Wellness Court, a therapeutic court that assists beneficiaries dealing with alcoholism and substance abuse.

Bethel Sobering Center ribbon cutting (l-r): Jack Robert Crow, Rep. Bob Herron, Dr. Paul John, honorary YKHC board member, and Steve Williams.

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 Trust and its partners in the Disability Justice Focus Area are working to reduce the involvement and recidivism of Trust beneficiaries in the criminal justice system and redefining our community as a place that accommodates victims and offenders who are Trust beneficiaries.

**Offender Re-entry Pilot.** FY11 marked the fourth year the Department of Corrections (DOC) operated a re-entry pilot project focused on Trust beneficiaries. Piloted in Anchorage, Fairbanks, Juneau and the Mat-Su Valley, it is patterned after the evidenced-based practice Assess, Plan, Identify, and Coordinate (APIC). The goals are to ensure continuity of care for Trust beneficiaries transitioning from the correctional system to the community, maintaining public

## YK CORRECTIONAL CENTER PROTECTIVE CUSTODY HOLDS



The Bethel Sobering Center has reduced the number of people at the Yukon Kuskokwim Correctional Center being held under Title 47 protective custody holds because of substance abuse.

safety and reducing recidivism. It was anticipated that APIC would serve 60 individuals annually; in FY11 it served 143.

**Five-Year Re-entry Plan.** In FY11, The Trust shared its experience and expertise in prisoner re-entry by participating in a statewide, multi-partner taskforce that unveiled Alaska's first Five-Year Prisoner Reentry Strategic Plan aimed at improving former prisoners' successful community re-integration. The Prisoner Reentry Task Force included leaders from DOC, The Trust, Alaska Court System, Alaska Judicial Council, Alaska State Troopers, Department of Health and Social Services, Nine Star Education and Employment Services, Partners for Progress, Cook Inlet Tribal Council, Alaska Native Justice Center, Victims

for Justice and United Way of Anchorage, many community groups and local governmental agencies.

**Bethel Sobering Center.** A new 3,100-square-foot sobering center opened in Bethel in FY11. It provides a safe, less costly alternative to the limited resources of the local jail and emergency room for individuals who are at risk of harming themselves or others because of their substance abuse. The \$1.9 million facility was the result of a three-year partnership with the City of Bethel, Yukon Kuskokwim Health Corporation, Department of Health and Social Services, Bethel Community Service Foundation and The Trust. State Sen. Lyman Hoffman and Rep. Bob Herron were instrumental in gaining State capital and operating funds for the project.

# Our community PROVIDES A PLACE TO CALL HOME



Grand opening of Karluk Manor, the state's largest Housing First facility, operated by RurAL CAP.



Nugen's Ranch, a residential drug and alcohol treatment program, relocated to a new facility at Point Mackenzie with support from The Trust.

The Trust and our state, non-profit and housing partners in the Affordable Appropriate Housing Focus Area are attempting to redefine our community as a place in which Trust beneficiaries and other vulnerable Alaskans can afford housing that provides a safe, healthy environment. In Alaska, these individuals have many housing challenges due to their need to connect with supportive services and the problems posed by Alaska's high housing costs and remote locations. As a result, safe, affordable, accessible and appropriate housing is cited repeatedly as the key resource Trust beneficiaries need to continue their rehabilitation and recovery, and maintain a healthy lifestyle.

**Housing First Grows.** Over the last five years, The Trust has funded several Housing First projects that have resulted in increased tenure in safe, stable housing by people with intensive needs. In this model, an individual is safely housed first; then the person's barriers to successful housing are identified and supportive service plans are implemented to ensure long-term stability and healthier living. In FY11, Tanana Chiefs Conference (TCC) of Fairbanks began work on an innovative project that will provide 47 residential units for chronically homeless individuals

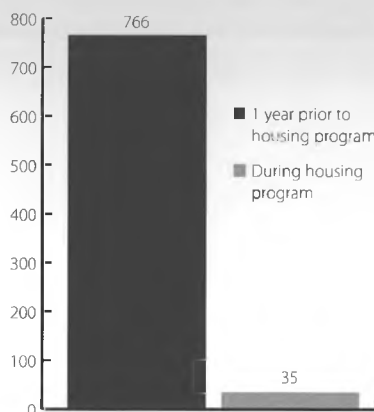
with addictions and 56 hotel units for TCC clients who need short-term accommodations while seeking medical services. This innovative housing approach provides opportunities for the Housing First tenants by potentially offering training and employment in hotel services, such as laundry, housekeeping and food service in the hotel restaurant.

**Long Term Care Planning.** Alaska has the fastest growing senior population in the nation. According to the Alaska Department of Labor and Workforce Development, there are

more than 85,000 Alaska seniors age 60 and older, representing 12 percent of the state's population, a 53 percent increase since 2001. As the number grows, demand is accelerating for affordable, accessible senior housing units and social services. The Trust joined state agencies, service providers and senior advocates in FY11 as part of a statewide planning effort that is examining the long-term-care resources available for this growing population and developing plans to address the increasing need for housing and health care workforce to care for them.

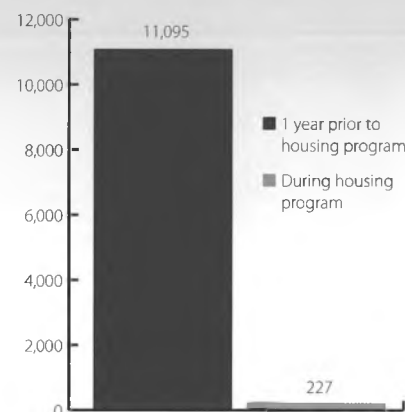
## STABLE, SUPPORTED HOUSING REDUCES JAIL DAYS

Bridge Home Program



N= 4 new participants in FY11. Prior year participants remained stable in housing with a low jail rate of 10 parole violations and 9 new arrests among 52 participants.

Discharge Incentive Program



Department of Corrections Discharge Incentive program July 1, 2010 to June 30, 2011. Time in program varied per participant. N=75

# Our community ENSURES KIDS HAVE OPPORTUNITIES FOR SUCCESS



*Fheron Hines at the annual Youth Policy Summit, which helps youth learn and practice advocacy skills.*

The Bring the Kids Home (BTKH) Focus Area is reforming Alaska's behavioral health system of care for children by increasing community-based services, improving service quality, coordinating with families, and working with schools to promote healthy learning environments.

### Returning Children to Alaska.

BTKH began in 2004 as an initiative to return children with severe emotional disturbances from out-of-state residential psychiatric facilities to treatment in Alaska and to keep additional children from moving into out-of-state care. 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 system change and redefine our community, so young Trust beneficiaries and their families have access to the resources they need.

**Rural Capacity.** During FY11, BTKH continued work to expand in-state capacity. Accessing behavioral health services for children in rural Alaska can be challenging for families. The BTKH Rural Tribal Behavioral Health Workgroup assisted tribal organizations in assessing their internal infrastructure to allow expansion of behavioral health services for children and families in their communities. The assessment revealed ways service providers could improve

practices and access federal Medicaid funds to expand their behavioral health services. As a result, on-line training modules are being developed to train rural providers regarding Medicaid.

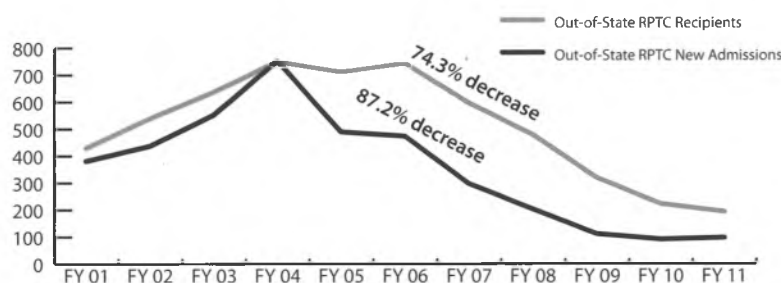
**Improving Schools.** Faculty, staff, students and families must all be engaged in creating a positive school environment in order for youth with severe emotional disturbances to succeed in the classroom. During FY11, the BTKH Education Subcommittee collaborated with the Department of Education and Early Development and several school districts to implement positive behavior support programs. These programs provide educators, staff and families with the tools to help youth with behavioral health problems integrate into local schools better and help keep them there. They also reduce development of behavioral health problems at school.

**Protecting Older Youth.** As youth with behavioral health problems reach late adolescence, they tend to stop participating in services. These youth drop out of school more often, and have higher rates of homelessness, joblessness, involvement with the criminal justice system and emergency room admissions. During FY11, BTKH funded start-up of the best practice Transition to Independence Process (TIP) in Anchorage, Fairbanks, Juneau, Sitka and the Mat-Su Valley. TIP helps youth transition into successful, stable adulthood by providing skills to finish school, find employment and housing, and remain safe and healthy.

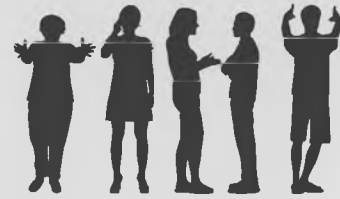


*Weaving A Circle of Care provided training for 254 family members, service providers and foster parents about how to parent kids with poor learning skills and challenging behaviors. This project was funded by The Trust and the Office of Children's Services.*

## OUT-OF-STATE RESIDENTIAL PSYCHIATRIC TREATMENT CENTERS (RPTC)



# Our community EMBRACES PEER SUPPORT



Since its inception in 2005, the Beneficiary Projects Initiative (BPI) has supported development and stabilization of more than 20 grassroots, consumer-operated, peer-to-peer programs. As part of this effort, The Trust has brought together state agencies, peer support organizations and individual advocates to help redefine our community as a place that encourages beneficiaries to actively engage in their recovery and long-term wellbeing.

**Federal Recognition.** Growth of the peer support movement in Alaska mirrors the national movement, which has been steadily gaining support and recognition from the federal government. For instance, the Substance Abuse and Mental Health Services Administration (SAMHSA) recently drafted a working definition and principles that acknowledge self-determination and self-direction as the foundations for recovery.

**Integration In Alaska.** In FY11, Alaska joined several other states that now accept peer support services as a Medicaid reimbursable component in the state's behavioral health service delivery system. To foster the use of Medicaid funding for peer support services, the Alaska Peer

Support Consortium, a statewide network of consumer-operated, peer support organizations convened Alaska policymakers, providers and peer support advocates in a day-long summit to collaborate on ways to integrate peer support into Alaska's behavioral health system.

**Training/Technical Assistance.** The consortium is also becoming a leader in training and technical assistance related to peer support services. The consortium's FY11 biannual training conference, Peer Powered Systems, drew more than 300 peers, family, students, teachers, administrators, social workers, and therapists for two days of workshops about innovative projects and evidence-based models of recovery and wellness. In addition, the consortium collaborated with The Trust and the Division of Behavioral Health to offer service providers technical assistance in developing peer support services.

**Small Projects.** The Trust annually provides small project grants of up to \$10,000 for innovative projects or enhancements to existing projects that are of direct benefit to Trust beneficiaries. In FY11, The Trust awarded 34 small project grants totaling \$272,744 to organizations

in Anchorage, Copper Center, Fairbanks, Ft. Yukon, Homer, Kenai, Ketchikan, Kodiak, Kongiganak, Kotzebue, Juneau, Saxman, Sitka, Soldotna and Wasilla.



Young musicians at the Fort Yukon Youth Center, which was funded by a small project grant from The Trust.



Jenn Cusick and Jene McNearney celebrate completion of WRAP (Wellness Recovery Action Plan) peer support training.

## FY11 MINIGRANTS TO INDIVIDUAL BENEFICIARIES

Beneficiary Group	Amount Awarded	Beneficiaries
Alzheimer's Disease and Related Dementia	\$248,594	259
Developmental Disabilities	\$222,852	192
Behavioral Health	\$647,623	393
<b>TOTAL</b>	<b>\$1,119,069</b>	<b>844</b>

The Trust Mini Grants Program provides individuals within all our beneficiary groups with up to \$2,500 for a broad range of equipment, supplies and services to improve their quality of life, increase independent functioning, and help them attain and maintain healthy and productive lifestyles. Mini grants are based on need and are only awarded to an agency on behalf of the beneficiary.



Our community

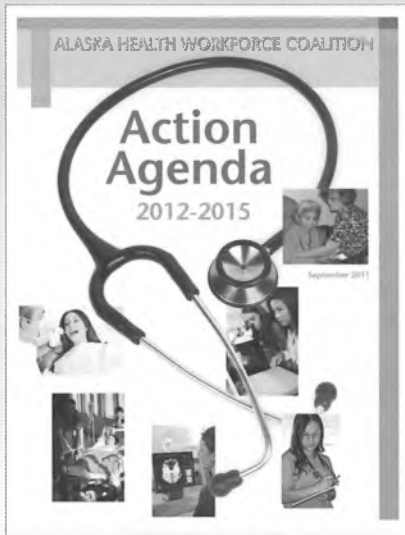
# FINDS SERVING BENEFICIARIES IS MEANINGFUL WORK



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

*The Trust Training Cooperative is a clearinghouse for beneficiary-related training.*

*The University of Alaska is educating the next generation of clinical professionals.*



*The Trust and its workforce partners have merged with the Alaska Health Workforce Coalition to ensure service providers have a trained workforce to serve beneficiaries.*

Alaska is experiencing a healthcare workforce crisis, especially in many sectors that serve Trust beneficiaries. In response to this crisis, The Trust partnered in FY07 with several state agencies, service providers, tribal organizations, consumers and the University of Alaska to create the Trust Workforce Development Focus Area. In FY11, The Trust's Workforce Focus Area partners merged with the Alaska Health Workforce Coalition, a public-private partnership created to address health workforce issues. The merger is a significant step toward strengthening and sustaining The Trust's efforts to ensure service providers across the state have access to a capable, culturally competent workforce to serve Trust beneficiaries, their families and communities.

**Action Agenda.** Because the number of occupations that comprise Alaska's health workforce is so large, the coalition realized early on that not all areas of need could be addressed immediately. Therefore, the coalition adopted an Action Agenda that identifies specific objectives to be completed before 2015. It focuses on six occupations and six systemic change initiatives determined by the coalition to be in highest need of attention with strategies that can be implemented and achieved in the short term. Two of the six occupational priorities in the Action Agenda are essential in meeting the needs of Trust beneficiaries. They are direct care workers and behavioral health clinicians.

**Workforce Plan.** The coalition includes government, industry and education partners committed to sharing resources, information and action that address the workforce needs of Alaska's healthcare industry. These needs are outlined in the Alaska Health Workforce Plan, which was adopted by the Alaska Workforce Investment Board as well as The Trust and other coalition members.

**Training/Education.** The Trust Workforce Development Focus Area will continue to fund the Trust Training Cooperative, which provides a clearinghouse for trainings related to Trust beneficiary issues, training when appropriate, and technical assistance and support for agencies creating distance delivery programs. The Trust will also continue to work with the University of Alaska to grow its course offerings that develop clinical professionals who work with people with mental health disorders, alcohol and substance abuse, and co-occurring disorders.



# REGAINING PORTFOLIO VALUE



The Trust had \$97.4 million in total revenues during FY11 generated primarily by \$79 million in gains and interest from Trust investments followed by over \$16 million in various revenues generated by the Trust Land Office (TLO) through land sales and natural resource development on Trust lands. The investment gains enabled The Trust to regain the majority of losses experienced during dramatic market declines that began in 2008. The Trust ended the fiscal year with total net assets of \$501.8 million, including principal, budget reserves and capital assets.

**Cash Assets.** The majority of Trust cash assets (investments excluding land assets managed by the TLO) are invested at the Alaska Permanent Fund Corporation (APFC). Trust investments at APFC increased by \$71.3 million, or 20.3 percent, during FY11 – a marked improvement over the \$17 million return from the prior year.

**Budget Reserves.** The Trust strives to achieve and maintain adequate budget reserves to ensure continued sufficient annual payouts are available to sustain programs even when markets experience declines. The Trust has a target balance for the budget reserve equal to four years of gross annual payout from investment accounts.

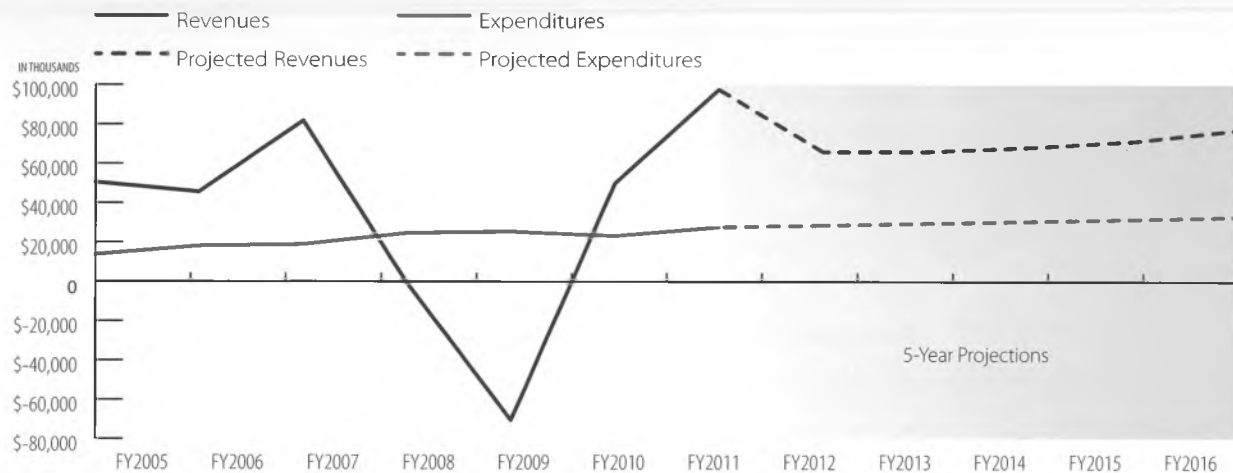
The budget reserve is invested across the Alaska Permanent Fund and the Alaska Department of Revenue Treasury Division. The Treasury Division budget reserve investments in FY11 returned 21 percent or \$7.3 million compared to \$3.9 million gain experienced during the prior year and ended the year with \$42 million in net assets. The portion of the budget reserve invested alongside principal ended the year at \$34.7 million and, because it is commingled with Trust principal investments at APFC, had the same 20.3 percent total return.

**Payout.** 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 trailing four-year-average principal and budget reserve year-end balances to calculate the payout for the subsequent year. A four-year-average provides funding stability when financial markets experience significant volatility.

**Available Funds.** As a result of the FY11 financial performance, the following funding is available for FY12:

- disbursement (payout) rate of 4.25 percent, for a payout of \$17,483,000;

- resource management revenue allocated as income was \$3,454,000;
- interest on the Income Account at Treasury Division and other miscellaneous income totaled \$510,000;
- unexpended funds from lapsed appropriations made in prior fiscal years was \$4,145,000; and
- total funding available for FY12 (after accounting for certain one-time adjustments) was \$25,816,000. This is nearly a five percent increase from the prior year.



## Trust Land Office

# GENERATING REVENUE FROM LAND AND RESOURCES



*Ft. Knox Mine near Fairbanks is an open-pit gold mine located on Trust land.*



*Gold exploration is underway on Trust land near Livengood.*



*Timber sales have accounted for nearly half of the TLO's income in recent years.*



*The Trust purchased a 29,000-square-foot Class A building in Anchorage that provides lease income and office space for the TLO.*

The Trust Land Office (TLO) is a 16-person unit attached to the Department of Natural Resources that is specifically responsible for managing The Trust's approximately one million acres of land and other natural resources to generate revenue for the benefit of Trust beneficiaries.

Gross FY11 revenue totaled about \$16.6 million, of which about \$3.3 million was spendable income and about \$13.3 million was principal revenue. Revenue-generating uses of Trust land include land leasing and sales; real estate investment and development; 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 FY11

- Generated the second highest revenue since the TLO's inception in 1995.
- Received a royalty payment from Fairbanks Gold Mining Inc. for 2010 production from its mine on Trust land north of Fairbanks.
- Sold 31 parcels in the 2011 land sale for a total value of \$1,365,000.
- Issued the first Underground Coal Gasification licenses to Linc Energy near Tyonek, Healy and Kenai.
- Sold a 7-acre parcel to the University of Alaska in the Anchorage U-Med District through a sealed bid auction for \$8.5 million.

- Received a record \$1.2 million in bonus bids and first-year rental revenue from oil and gas leases on 17 tracts in the Cook Inlet Basin.
- Purchased a 29,000-square-foot Class A office building in mid-town Anchorage as a long-term income producing property for The Trust and relocated the Trust Land Office into space on the first floor.
- Continued to work with the U.S. Forest Service on a land exchange in Southeast Alaska.

### Future Focus

The TLO will continue developing long-term plans for The Trust's natural resource portfolio and work-

ing with local communities and individuals to increase public awareness of Trust lands and the TLO's mission. Key projects include:

- Continuing exploration and transition to leases for land in the Underground Coal Gasification Program. Development of leases could lead to production of deep coal resources resulting in royalty payments to The Trust.
- Continuing improvements to a parcel in the U-Med District to prepare the site for a building development opportunity.
- Conducting timber sales in Haines and Thorne Bay.
- Pursuing new mining, coal, and oil and gas

projects on Trust lands.

- Exploring commercial and residential real estate development projects in Eagle River, Fairbanks, Wasilla and the Kenai Peninsula.
- Transition to planning and engineering in preparation for production by Tower Hill Mines on a mineral lease at Livengood.
- Production and further development by Buccaneer Alaska of gas resources on the Kenai Peninsula.
- Generate additional spendable income revenues for The Trust through increased real estate investments.

# AHEAD IN FY13



*It is likely that someone you know is a Trust beneficiary, whether it is a family member, friend, co-worker or neighbor. It might even be you.*

Each year the Trustees make recommendations to the governor and the Legislature regarding expenditure of Trust income and other state funds to support Alaska's Comprehensive Integrated Mental Health Program. These recommendations comprise the Mental Health Budget Bill. During the 2012 legislative session, The Trust will seek approval of our FY13 operating and capital budgets. Following are program highlights planned for the next fiscal year in each Trust focus area:

## **Disability Justice**

- Increasing access to behavioral health treatment for participants of therapeutic courts.
- Increasing access to mental health treatment for incarcerated adult offenders.
- Reducing juvenile and adult beneficiary criminal recidivism rates.
- Improving community reintegration from juvenile justice and adult correctional facilities for youth and adults.

## **Appropriate Affordable Housing**

- Continuing our partnership with the Alaska Council on the Homeless and Alaska Housing Finance Corporation (AHFC) to collect baseline data regarding homelessness and housing for Trust beneficiaries and implement the strategies

in the Statewide 10-Year Plan to Reduce Homelessness.

- Seeking continued state funding for AHFC's "Homeless Assistance Program" to support individuals transitioning from homelessness through supported housing.
- Collaborating with the Department of Health & Social Services and other tribal and community partners on a Long Term Care Strategic Plan for Alaska to reduce the cost of institutional care for people with disabling conditions and the elderly and ensure access to services will meet the needs of our increasing senior population.

## **Bring the Kids Home**

- Investing resources to intervene earlier, more intensively and more effectively with children and families.

- Supporting implementation of effective practices in additional communities.

- Continuing to develop in-state services for children with co-occurring disorders.

## **Beneficiary Projects Initiative**

- Increasing capacity of peer support organizations through operating funding, technical assistance and partnerships.
- Planning, advocating and implementing peer support within community behavioral health settings across Alaska.
- Investing in peer support workforce via training, education, advocacy and collaboration with existing workforce initiatives statewide

## **Workforce Development**

- Establishing a psychiatric residency program to meet critical mental health workforce needs in Alaska.
- Seeking funding to sustain and grow Alaska's four Area Health Education Centers (AHEC) as federal start-up funds come to an end for this workforce development program aimed at K-12 students.
- Establishing in-state programs to train physical therapists and physical therapist assistants to meet the demand created by Alaska's growing senior population.

# *The* TRUST

**The Alaska Mental Health  
Trust Authority**

3745 Community Park Loop, Ste. 200 • Anchorage AK 99508  
Tel 907-269-7960 • Fax 907-269-7966  
[www.mhtrust.org](http://www.mhtrust.org)



Find us on Facebook and Twitter



# The Trust Portfolio

Acres in Alaska 365,210,227  
 Acres of Trust land 1,000,000\*



**Acres by region**      **Acres\***

Northern	420,000
Southcentral	340,000
Southeast	240,000



## Trust land by ownership/rights:

Full fee ownership  
 Full mineral rights  
 Coal, oil and gas rights



\*The Trust has not received its entire entitlement to date; acreage totals will be adjusted in the future.

# Minerals

**Acres of Trust land with full mineral rights**

**716,000**

**Acres of Trust land leased for mineral exploration and development**

**24,000**

Most of the Trust lands with mineral assets are located in Interior and Southeast Alaska. Prospective mineral tracts are offered for exploration and development through a competitive leasing process. In recent years, there has been heightened interest in leasing Trust land for gold exploration.



## Livengood Exploration

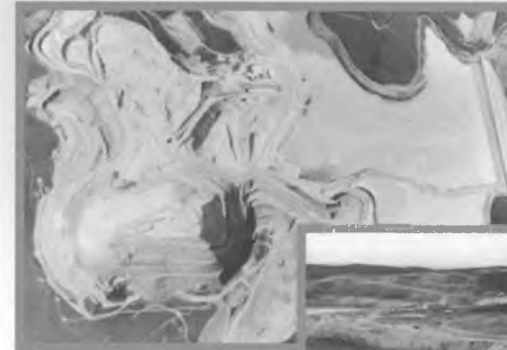
- Feasibility study currently underway
- 10,000 acres under exploration
- Job potential: 1,000 during construction, 400 during operation

## Fort Knox Mine

- Located near Fairbanks
- Over 7,000 acres
- Employs over 400 people
- Produces over 300,000 ounces of gold annually



Aerial view of Fort Knox Mine



Truck with 250 tons of ore and six ounces of gold



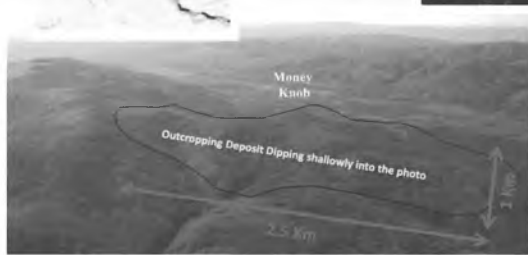
Fort Knox Mine



Water testing for environmental baseline



Reverse circulation drill rig on Money Knob



Aerial view of Livengood gold deposit

# Coal

**Acres of Trust land leased for coal exploration and development**

**29,000**

**Acres of Trust land licensed for underground coal gasification exploration**

**168,000**

A large portion of the land selected for The Trust was specifically chosen for its abundance of coal and associated revenue-generating potential. Active coal leases are in place near Tyonek, Healy and the Mat-Su Valley. Lands in the Cook Inlet Basin are being explored for underground coal gasification prospects, which could lead to production of synthesis gas.

## Chuitna Coal Project



*Elevated coal conveyer to reduce environmental impact*

## Underground Coal Gasification



*UCG to syngas process*



*Chinchilla demonstration production facility*

## Chickaloon Coal Project

- 11,487 acres in the Matanuska Valley
- The Trust owns sub-surface rights; state owns surface rights
- Believed to contain high-quality bituminous coal



*Castle Mountain*



*The TRUST*  
**LAND OFFICE**  
[www.mhtrustland.org](http://www.mhtrustland.org)

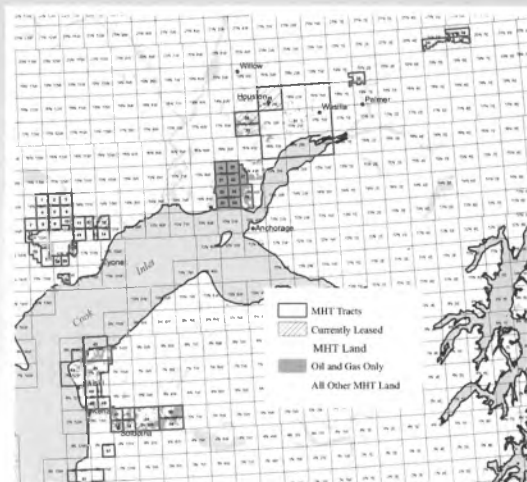
*The TRUST*  
The Alaska Mental Health  
Trust Authority  
[www.mhtrust.org](http://www.mhtrust.org)

# Oil & Gas

<b>Acres of Trust land leased for oil and gas exploration</b>	<b>117,000</b>
<b>Acres of Trust land in oil and gas production</b>	<b>6,800</b>

The Trust holds oil and gas interests in the Cook Inlet area and Nenana Basin. Test drilling is underway on both sides of Cook Inlet. The TLO regularly offers Trust land for oil and gas leasing and encourages active development of lands leased under this program. A new gas field is currently under development near Kenai.

## Cook Inlet Oil and Gas Leases



Cook Inlet Trust Land as of September 2011



Natural gas well owned and operated by Buccaneer Alaska

## Kenai Loop

- Onshore gas project in eastern Cook Inlet
- Kenai Loop No. 1 in production January 2012
- Currently three additional wells are planned



# Real Estate

**Acres of Trust land with licenses, easements and leases 182,000**  
**Revenue generated from land management \$11.8 million**

Trust land is held throughout the state and many parcels are suited for residential and recreational use. The Trust Land Office holds annual land sales for these parcels and has generated \$25.9 million, not including interest. Additionally, the TLO generates income through commercial leases.

Orthopedic Physicians  
Anchorage



## Anchorage U-Med District

Rendering of potential office building



Fresenius  
Medical Care



Areas outlined above in yellow are owned by The Trust

Opportunity for medical facility development

## Annual Land Sales Program



Residential and recreational parcels are sold throughout the state

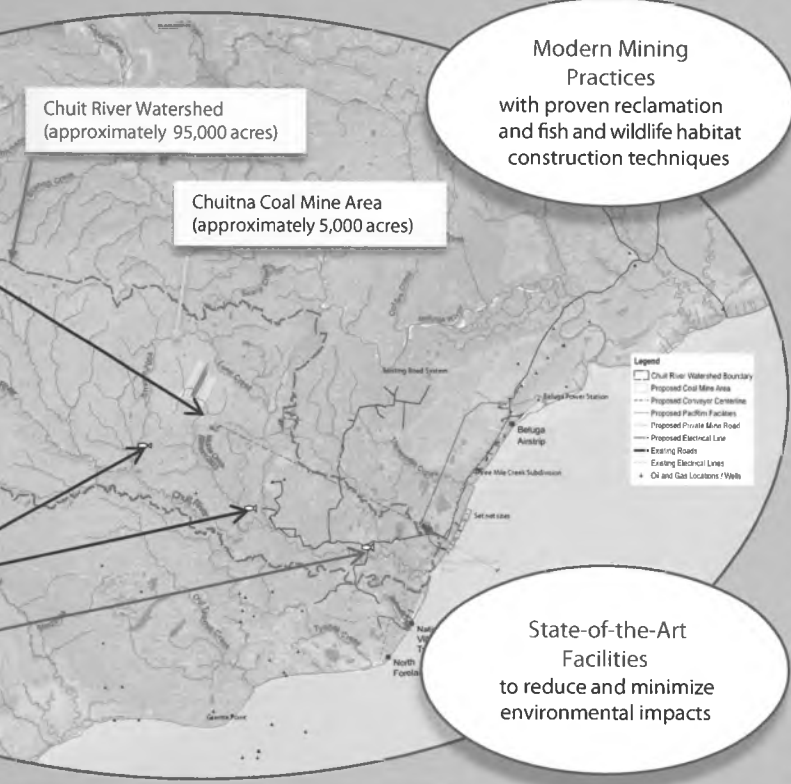
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# Chuitna Coal Project



20+ Years of Baseline Data covering air, water, soils, vegetation, fish and wildlife in the mine and surrounding areas



Modern Mining Practices with proven reclamation and fish and wildlife habitat construction techniques



Unprecedented Baseline Monitoring of salmon smolt out-migration to establish abundance baseline

State-of-the-Art Facilities to reduce and minimize environmental impacts

Will Improve Local Economies  
Capital investment in mine construction is projected to exceed \$600 million with an estimated

- 500 direct jobs during construction
- 350 direct, full-time, year-round jobs during the life of the mine
- 1,200 indirect jobs

Will Fund Alaska Mental Health Trust Authority Programs  
Over the life of the mine, production royalties payable to The Trust are projected by the Trust Land Office to exceed \$300 million.



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The TRUST  
The Alaska Mental Health Trust Authority  
[www.mhtrust.org](http://www.mhtrust.org)

### WHAT IS THE TRUST LAND OFFICE?

The Trust Land Office (TLO) is a unit attached to the Department of Natural Resources that is specifically responsible for managing the land and other natural resources owned by the Alaska Mental Health Trust Authority (The Trust). The TLO generates revenue by leasing and sales of land; real estate investment and development; commercial timber sales; mineral exploration and production; coal, oil and gas exploration and development; and sand, gravel and rock sales.

### WHAT IS THE ALASKA MENTAL HEALTH TRUST AUTHORITY?

The Trust is a state corporation that administers the Alaska Mental Health Trust, a perpetual trust managed for the benefit of people with mental illness, developmental disabilities, chronic alcoholism and other substance-related disorders, Alzheimer's disease and related dementia, and traumatic brain injury. The Trust operates like a private foundation, using its resources to ensure that Alaska has a comprehensive integrated mental health program. The Trust annually budgets approximately \$26 million to support services and programs for Trust beneficiaries.

### WHY DOES THE TRUST OWN LAND?

Prior to statehood, Alaska did not have a mental health system. Individuals with a mental disability, such as a mental illness, Down syndrome, dementia or chronic alcoholism, could be charged as an "insane person at large" and sent by the federal government to a mental hospital in Oregon. In 1956, Congress passed the Alaska Mental Health Enabling Act, entitling the Territory of Alaska to select one million acres of federal land to be used for revenue generation to support mental health services after Alaska became a state.

### WHAT IS THE TLO'S STEWARDSHIP ROLE?

In addition to revenue generation, the TLO is charged with managing Trust lands prudently, efficiently and with accountability to The Trust and its beneficiaries. The TLO carries out its stewardship role by managing and protecting the inherent value of The Trust's real property portfolio for today's development opportunities and into perpetuity. This is done by granting easements, selling land through competitive programs, and leasing land and buildings to generate revenues. Preservation responsibilities include evaluating and monitoring a long-term asset management strategy, restoration or reclamation projects, conservation easements and trespass/access controls.

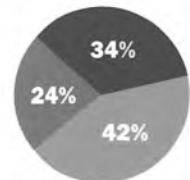
### THE TRUST PORTFOLIO

Acres in Alaska 365,210,227  
Acres of Trust land 1,000,000\*



**Acres by region**

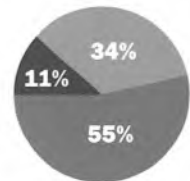
Region	Acres*
Northern	420,000
Southcentral	340,000
Southeast	240,000



\* The Trust has not received its entire entitlement to date; acreage totals will be adjusted in the future.

### Trust land by ownership/rights:

Full fee ownership  
Full mineral rights  
Coal, oil and gas rights



### TLO Generated Revenue:

Principal Revenue**	\$95.3 Million
Income**	\$36.7 Million
Interest from land sale contracts	\$12-\$15 Million

**Total \$150 Million\*\*\***

\*\* Land sale revenue, hydrocarbon and mineral royalties, and 85 percent of timber revenue are principal revenue and are managed by the Alaska Permanent Fund Corporation. Rents, fees and 15 percent of timber revenue are spendable income.

\*\*\* Estimate of cumulative revenue from the TLO since reconstitution of the Trust.

### Distribution of Trust Land



## CURRENT LAND PROJECTS

**MINERAL:** 23,722 acres leased for mineral exploration and development  
106,000 acres with potential minerals or materials

Most of the mineral assets managed by the TLO are located on Trust land in the Interior and Southeast Alaska. Prospective mineral tracts are offered for exploration and development through a competitive leasing process. There has been heightened interest in leasing Trust land for gold exploration in recent years. Development of the Ft. Knox Mine and exploration at Livengood are the most visible producing and developing mines. In addition, there are several placer leases on Trust land where miners are re-mining historical workings. When completed, they will use modern reclamation techniques to restore the land for future Trust uses.

### COAL and UNDERGROUND COAL GASIFICATION:

28,981 acres leased for coal exploration and development  
167,752 acres licensed for underground coal gasification

A large portion of original Trust land was specifically selected for its abundance of coal and associated revenue-generating potential. The Trust holds active coal leases near Tyonek, Healy and the Mat-Su Valley. In addition, about 167,000 acres are under a coal exploration license for deep coal seams which could lead to leases being developed as Underground Coal Gasification units. Products from these leases could range from syn-gas used to power electric turbines to sulfur-free diesel.

**OIL and GAS:** 116,957 acres leased for oil and gas exploration  
6,827 acres in oil and gas production

The Trust holds oil and gas interests throughout the Cook Inlet area and Nenana Basin. Leases have been executed with five companies. Extensive seismic work and test drilling are underway on Trust land on both sides of Cook Inlet. A new gas field has been discovered near Kenai and will be in production by the end of 2011. This will produce the first major gas royalty on Trust land.



*Orthopedic Physicians Anchorage building on Trust land in U-Med District*



**TIMBER:** 5,100 acres leased for timber harvest  
32,004 acres logged since 1995  
\$38 Million revenue from timber sales

The Trust's forest resources are located throughout Alaska. Timber sales have accounted for nearly half of the TLO's income over the last few years. The Trust is working with the U.S. Forest Service on a land exchange that would allow the TLO to maximize The Trust's assets and maintain revenue while preserving old growth forests bordering seven communities in Southeast Alaska.

**REAL ESTATE:** 182,017 acres with licenses, easements and leases  
\$11.8 Million revenue generated from land management  
1,990 acres sold in 655 parcels  
\$20.9 Million revenue from sales (not including interest)

Some land owned by The Trust is located in areas that are well suited for residential or commercial use. These lands are made available to the public through annual lot sales, commercial and residential leasing, and an ongoing residential and commercial subdivision program. Real estate investments and developments are selected for their long-term income potential for The Trust. Recent examples include purchase of a 29,000-square-foot office building in mid-town Anchorage, pre-development of a 142,600-square-foot medical office park in the Anchorage U-Med District and a 90-unit residential housing development in Eagle River.

## FACT SHEET

### Overview

The Alaska Mental Health Trust Authority is a state corporation that administers the Alaska Mental Health Trust, a perpetual trust managed on behalf of Trust beneficiaries. The Trust operates like a private foundation, using its resources to ensure that Alaska has a comprehensive integrated mental health program to provide services for Trust beneficiaries.

### Trust Beneficiaries

Trust beneficiaries include:

- people with mental illness,
- people with developmental disabilities,
- people with chronic alcoholism and other substance related disorders,
- people with Alzheimer's disease and related disorders, and
- people with traumatic head injury resulting in permanent brain injury.

### Trust Governance

The Trust is overseen by a seven-member Board of Trustees appointed by the governor and confirmed by the Legislature. The appointments are for five-year, staggered terms. Current Trustees are:

- Dr. William Doolittle, Chair
- Laraine Derr, Vice Chair
- Paula Easley, Secretary/Treasurer
- Mike Barton
- Mary Jane Michael
- Larry Norene
- Russ Webb

### Trust Assets

The Trust employs the expertise of several organizations to manage its cash and non-cash assets. The Alaska Permanent Fund Corporation manages The Trust's cash assets. The Trust Land Office, a separate unit within the Alaska Department of Natural Resources, manages the land and other non-cash assets on behalf of The Trust. 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; and sand, gravel and rock sales.

### Trust Funding

The Trustees annually submit 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.

In addition, the Trustees allocate a portion of The Trust's annual budget for grants that are administered directly by The Trust. These grants are available for partnerships, small projects and mini-grant programs. 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.

### Trust Focus Areas

The Trust has selected five program areas to focus significant planning and funding. These focus areas are intended to make long-term impacts on the systems that serve beneficiaries, increasing and improving services for Trust beneficiaries.

1. **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;
2. **Affordable Appropriate Housing** – increasing a continuum of housing options for Trust beneficiaries;
3. **Disability Justice** – reducing the involvement and recidivism of Trust 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 Trust beneficiaries and social service providers.

(more)

### **Trust Advisors and Partners**

The Trust works closely with several advocacy boards that represent Trust beneficiaries:

- **Advisory Board on Alcoholism and Drug Abuse**
  - 888-464-8920 (toll free) or visit <http://www.hss.state.ak.us/abada>
- **Alaska Mental Health Board**
  - 888-464-8920 (toll free) or visit <http://hss.state.ak.us/amhb>
- **Governor's Council on Disabilities and Special Education**
  - 888-269-8990 (toll free) or visit <http://health.hss.state.ak.us/gcdse>
- **Alaska Commission on Aging**
  - 907-465-3250 or visit <http://www.alaska.aging.org>
- **Alaska Brain Injury Network**
  - 888-574-2824 (toll free) or visit <http://www.alaskabraininjury.net>
- **Statewide Suicide Prevention Council**
  - 800-770-1672 (toll free) or visit <http://www.hss.state.ak.us/suicideprevention>

####

For more information, contact: Vivian Hamilton at 907-334-2531 or [vivian.hamilton@alaska.gov](mailto:vivian.hamilton@alaska.gov)

January 2012

# *The* TRUST

The Alaska Mental Health Trust Authority

## Trust Focus Areas

The Alaska Mental Health Trust Authority is focusing on five program areas that address issues with significant impact on Trust beneficiaries:

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

Trust beneficiaries include:

- People with mental illness,
- People with chronic alcoholism and other substance related disorders,
- People with developmental disabilities,
- People with Alzheimer’s disease and related dementia, and
- People with traumatic brain injury.

January 2012

## Overview

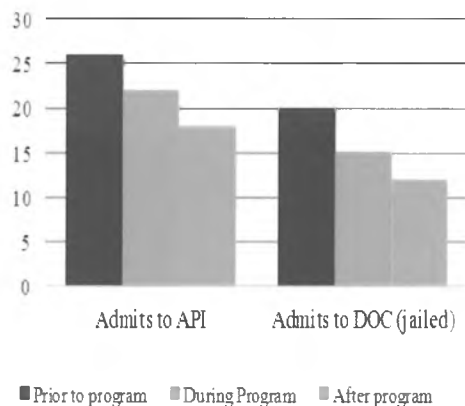
The Alaska Mental Health Trust Authority Affordable Appropriate Housing Focus Area is working to increase successful tenancy and tenure in stable affordable housing for Trust beneficiaries who are currently or who may be at risk of becoming homeless, institutionalized or incarcerated. Trust beneficiaries include people with mental illness, chronic alcoholism, developmental disabilities, and Alzheimer's disease and related dementia. Trust beneficiaries are more likely to lose stable housing than other populations.

## Problem

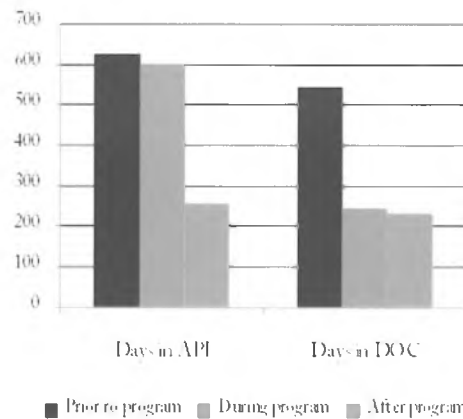
- 6,460 Alaskans reported experiencing homeless in January 2011 HUD homeless point-in-time count<sup>1</sup>.
- Homeless families with children rose in 2011 (1,223 households, increasing from 822 households in 2010)
- The number of chronically homeless people identified in the HUD count rose 25 percent in 2011.
- DOC reports 38 percent (1,270 individuals) of approximately 3,300 surveyed in custody in 2010 experienced at least one prior episode of homelessness<sup>2</sup>.
- Compared to 50 years ago, Alaska now has nine times as many seniors aged 60-64 and 15 times as many seniors aged 85+.<sup>3</sup> The cost of caring for this population will continue to grow, if lower levels of care are not affordable and easily accessible.

## Support services + housing = results

### API\* & DOC\*\* Admits



### Days in API\* & DOC\*\*



\*API = Alaska Psychiatric Institute \*\*DOC = Department of Corrections  
Number of Participants = 55 Data from 10/15/10 Grant Report

## Budget and Policy priorities for FY13

- Alaska Housing Finance Corporation Homeless Assistance Program
- Special Needs Housing Program
- DOC discharge incentive grants
- Bridge Home project expansion
- Assisted living home staff training project
- Long Term Care Strategic Planning efforts

## For additional information, contact:

Nancy Burke, Trust Program Officer  
907-269-7961  
[nancy.burke@alaska.gov](mailto:nancy.burke@alaska.gov)



January 2012

<sup>1</sup> Alaska Total Homeless Count - January 2011: Alaska Housing Finance Corporation

<sup>2</sup> Department of Corrections 2010 Homeless Offender Survey, November 2010

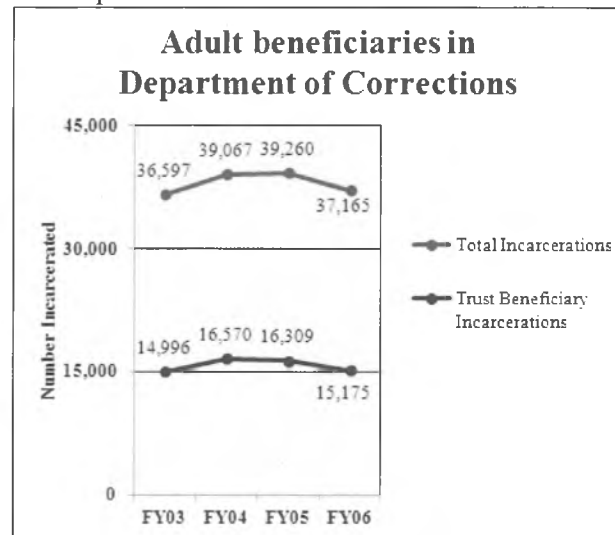
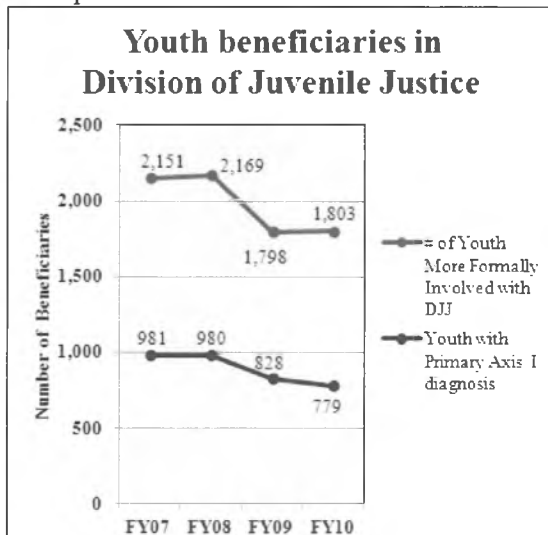
<sup>3</sup> Alaska Department of Labor, U.S. Bureau of the Census

## Overview

The Alaska Mental Health Trust Authority Disability Justice Focus Area is aimed at reducing the involvement and recidivism of Trust beneficiaries in the criminal justice system. Trust beneficiaries include people with mental illness, chronic alcoholism and other substance related disorders, developmental disabilities, Alzheimer's disease and related dementia, and traumatic brain injury.

## Problem:

- 43 percent of youth involved with the juvenile justice system are Trust beneficiaries.<sup>1</sup>
- 42 percent of individuals incarcerated in the Alaska Department of Corrections are Trust beneficiaries.<sup>2</sup>



- Incarcerated beneficiaries:
  - have more difficulty adjusting to incarceration
  - tend to commit more frequent violations of prison rules
  - are more likely to be victimized by other prisoners
  - spend a disproportionate amount of time in custody
  - are at increased risk for re-incarceration for technical violations of their conditions of release (which do not constitute a crime), due to inadequate release planning for reentry into Alaska communities.
- Hundreds of beneficiaries are incarcerated each year for their “safety” under AS 47.37 because detoxification services are not available.
- Trust beneficiaries are at increased risk of financial, physical and sexual victimization and exploitation because they are more vulnerable.

## Budget priorities for FY13:

- Increased capacity for Department of Corrections offender reentry programs – *Assess, Plan, Identify, and Coordinate (APIC)* and *Institutional Discharge Plus (IDP<sup>+</sup>)* programs
- Expanding therapeutic courts to targeted communities
- Increased Department of Corrections mental health clinical capacity
- Increased community treatment capacity statewide for therapeutic court participants.

## For additional information, contact:

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 907-269-7697  
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January 2012

<sup>1</sup> FY10 DSM-IV-TR Summary, Division of Juvenile Justice, Department of Health & Social Services

<sup>2</sup> Study of Trust Beneficiaries in the Alaska Department of Corrections – 2007 (Hornby Zeller Associates)

## Overview

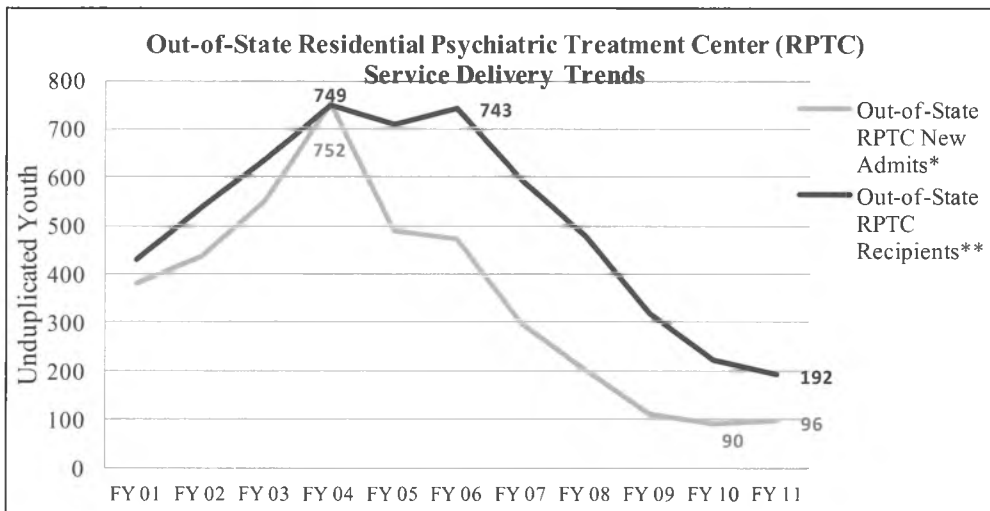
The Alaska Mental Health Trust Authority Bring the Kids Home Focus Area is reforming Alaska's mental health care system for children and adolescents so they are diagnosed earlier and are treated as close to home as possible.

## Problem or community need

- 7.2 percent (12,725) of the state's youth are estimated by the Division of Behavioral Health to be experiencing serious emotional disturbances
- approximately 35 percent of these youth are Alaska Native
- in FY04, youth admits to out-of-state residential psychiatric treatment centers peaked at 752
- out-of-state treatment can isolate youth, make it hard for families to participate in treatment, and make transitions home challenging.

## Progress

- out-of-state residential psychiatric treatment center admits\* **decreased 87 percent** between FY04 and FY11 – however admits **increased from 90 to 96 youth** from FY10 to FY11– *see chart*
- out-of-state residential psychiatric treatment center recipients\*\* **decreased 74 percent**, from 749 youths in FY04 to 192 in FY11 – *see chart*
- Medicaid payments for out-of-state residential psychiatric treatment dropped 69 percent from \$40 million in FY06 to \$12.5 million in FY11
- home and community-based grants served 1,463 youths in FY11, a 43.5 percent increase over FY10
- the recidivism rate within one year of leaving a residential psychiatric treatment center dropped from 20 percent in FY04 to 7 percent for FY11



\*Admits: only youth admitted during the current fiscal year.

\*\* Recipients: includes youth admitted a previous year who are still in RPTC

## Budget priorities for FY13

- *Expanding effective practices:* implement best practices for youth of transition age, youth with co-occurring diagnoses and youth who have experienced complex trauma.
- *Increasing services to families:* expand the scope and quality of in-home and family services and supports. Improve service coordination, family engagement and parent skills training.
- *Intervening earlier:* expand access to services for very young children and their families to prevent development of severe disorders.

## For additional information, contact:

Brita Bishop, Bring the Kids Home Coordinator  
 907-465-4994  
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**Overview**

The Alaska Mental Health Trust Authority Beneficiary Projects Initiative Focus Area supports and funds grassroots, beneficiary-driven, peer-to-peer programs and a grants program that directly improves the lives of Trust beneficiaries. Trust beneficiaries include people with mental illness, alcoholism and substance related disorders, brain injury, developmental disabilities, and Alzheimer's disease and related dementia. Peer-based service models of care are based on the principle of mutual support, have been tested in multiple environments and are grounded in the values of community and relationship.

**Strengthening Community:**

- Paralleling a growing national movement, Trust beneficiaries are working together to make changes in their lives, in the health care system and in society.
- Increasing peer-based recovery support programs and peer workforce to provide support to others with similar experiences and to enhance Alaska's continuum of care for beneficiaries.
- Developing community-based peer support and other forms of peer-based recovery management programs to help prevent the need for more expensive, intensive levels of service – including hospitalization and/or incarceration.
- Sustaining recovery support for persons with high severity and complex social and behavioral health issues who do not fare well in traditional services.<sup>1</sup>

**Budget priorities for FY13:**

- Foster evidence-based models of peer support (e.g., focus on criminal justice<sup>2</sup> and addiction recovery).
- Develop peer support programming in new regions across Alaska and across beneficiary groups.
- Develop the peer workforce and competencies for peer support specialist positions.
- Integrate peer support into community health and behavior health programs statewide.

**For additional information, contact:**

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<sup>1</sup> White, W. Boyle, M. and Loveland, D. (2003) *Recovery Management: Transcending the Limitations of Addiction Treatment*. Behavioral Health Management 23(3):38-44.

<sup>2</sup> Davidson, L., & Rowe, M. (2008). *Peer support within criminal justice settings: The role of forensic peer specialists*. Delmar, NY: CMHS National GAINS Center.

**Overview**

The goal of the Alaska Mental Health Trust Authority Workforce Development Focus Area is to ensure service providers across the state have access to a capable, culturally competent workforce to serve Trust beneficiaries, their families and communities. Trust beneficiaries include people with mental illness, chronic alcoholism and other substance related disorders, developmental disabilities, Alzheimer's disease and related dementia, and traumatic brain injury.

**Problem:**

- In 2010, Alaska ranked 45 out of 51 states, including the District of Columbia, in the per capita number of health services jobs-to-population — a strong indicator of a shortage of health care services in the state.
- Alaska's health services industry continues to grow. The Department of Labor and Workforce Development, Research and Analysis Section reports the health services industry is the fastest growing industry statewide and is a major sector in Alaska's economy.
  - Health services employment grew 62 percent between 2000 and 2010 adding 11,400 jobs, while the overall economy increased by 15 percent.
  - Alaska is projected to gain 6,078 jobs in 47 health care occupations between 2008 and 2018 — a 26 percent increase. In contrast, overall employment is expected to grow by 10.5 percent.
  - The health care industry accounts for about 1 out of every 10 jobs in Alaska.
- Alaska's current workforce is aging. Those age 65 and older (retirement age) — not considered a part of Alaska's workforce — will increase by 127 percent between 2010 and 2034, significantly boosting the demand for health care workers.
  - 2010 worker data reported by the Alaska Department of Labor reveal that 67.3 percent of psychiatrists are over the age of 50.
- The burgeoning demand for increased health services for the state's steadily growing and aging population, some of which are Trust beneficiaries.
- The need to increase the pool of qualified workers who serve Trust beneficiaries and keep them adequately trained.

**Budget priorities for FY13:**

- Launching a psychiatric residency program in Alaska
- Supporting loan repayment and other incentive strategies for health professionals
- Supporting increments for University of Alaska health programs, such as, the Area Health Education Centers (AHEC), physical therapy and pharmacy program.

**For additional information, contact:**

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The Alaska Mental Health Trust Authority

January 2012

**We are all Alaskans.**  
Parents, students, musicians, athletes...  
**But that's not the whole picture.**



# We all have One in four Alaskans struggles with

It could be someone you know, a loved one, co-worker, friend or neighbor.  
But fear of being labeled can be as challenging as the disease itself.

## You know me....

### JOE

*I work at The Wellness Innovations Center and I'm active in my community. In my early 20s I lost my job and apartment and ended up in a state mental hospital. I was diagnosed with schizoaffective disorder. It has been tough, but with treatment and services my life is back on track.*



### ALEXANDRIA

*My life on the autism spectrum has pros and cons. I can memorize anything that interests me with little effort. But often I feel overwhelmed and disorganized. I had a lot of trouble learning what to say and do in certain settings and was seen as a weirdo in school. To fit in, I experimented with drugs and alcohol. Since then, I've learned to cope by educating myself about my disorder. I will think and do things differently than most people, but that's okay. I may be quirky, but I'm lovable, too.*



### SHARON

*I'm a single mom and my son is the love of my life. I have a bachelor's degree in Criminal Justice and I'm looking forward to a bright future. During my childhood though, my future was dark. I endured repeated abuse and in adulthood was diagnosed with post traumatic stress disorder. The right diagnosis, treatment and support from my peers have helped me achieve recovery.*



challenges.  
a treatable mental health condition.

ghbor. It might be the person you least expect. It might even be you.  
Help break the stigma associated with mental illnesses and addiction.



**KALYNN**

*Today, my family is together and strong, but we weren't always that way. When I was young, I experienced a traumatic brain injury. At 11, I started using drugs and alcohol and by 14 was sent out of state for mental health and substance abuse treatment. Now, I am back home with access to the treatment and support I need.*



**ALVIN**

*I am a productive tax-paying citizen. I work as an employment specialist with Anchorage Community Mental Health Services, but for a long time I couldn't work or support myself. With help from Alaska Psychiatric Institute and others, I was diagnosed and found support and resources that helped me on the road to recovery.*



**MINDY**

*I graduated from the University of Alaska with a degree in Human Services. Many people thought I wouldn't succeed because I have a fetal alcohol spectrum disorder (FASD). I was successful because I learned about FASD and found the right services and supports. I am a testament to the different abilities of people affected by FASD: we are capable.*

**Treatment works.  
Recovery happens.  
Resources are available.**

# Take the first step. Get help for yourself or someone you know.

## FOR INFORMATION:

### ABOUT MENTAL HEALTH

Substance Abuse and Mental Health Services Administration — Information on mental health conditions and how to treat them. Visit [www.samhsa.gov](http://www.samhsa.gov)

Mental Health America — Learn about specific mental health conditions and effective treatments. Visit [www.nmha.org](http://www.nmha.org)

### ABOUT TREATMENT SERVICES

Alaska 211 — Health and human services information and referral phone line and website. Dial 211 or 1 (800) 478-2221 or visit [www.alaska211.org](http://www.alaska211.org)

Alaska Mental Health Board — Statewide Behavioral Health Resource Guide. 1 (888) 464-8920 or <http://hss.state.ak.us/amhb/>

### ABOUT RECOVERY AND PEER SUPPORT SERVICES

Alaska Mental Health Consumer Web (Anchorage) — Peer support, resource development and consumer directed programs that help people improve their lives. (907) 222-2980 or [www.akmhcweb.org](http://www.akmhcweb.org)

Wellness Innovations Center (Anchorage) — Peer support for people in mental health recovery, helping each other move forward. (907) 562-7900

Polaris House (Juneau) — Clubhouse services for those seeking support or wanting to support others through recovery. (907) 780-6775

NAMI-Alaska — Support for mental health consumers, family members and caregivers. Visit [www.nami.org](http://www.nami.org)

Alaska Peer Support Consortium — Information, education and advocacy on behalf of many peer support organizations. Visit [www.akpeersupport.org](http://www.akpeersupport.org)

Medicare Information Office — One-on-one counseling, education and outreach to Medicare beneficiaries and their families. 1 (800) 478-6065 or <http://hss.state.ak.us/dsds/medicare/>

## TO GET INVOLVED:

Sound Minds in Sound Bodies Campaign — Take care of your own mental and emotional health and help your friends and family too. Visit [www.hss.state.ak.us/abada/sound.htm](http://www.hss.state.ak.us/abada/sound.htm)

Mental Health First Aid — Learn how to identify when someone is in crisis and how to help. For information, contact Chris Gunderson, Director of Training and Development at (907) 222-2366.

Alaska Division of Vocational Rehabilitation — Job seekers visit <http://labor.state.ak.us/dvr/> to find a local Job Center. Employers contact Business Outreach Specialist, Micky Franks, 1 (888) 330-6468 to hire a qualified employee with a disability.

Alaska Mental Health Board — For more ways to get involved, call 1 (888) 464-8920 or visit <http://hss.state.ak.us/amhb/>

Advisory Board on Alcoholism  
and Drug Abuse



Alaska Mental Health Board

<http://hss.state.ak.us/amhb/>  
(888) 464-8920

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[www.mhtrust.org](http://www.mhtrust.org)

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