

**01/23/13**  
**BUDGET**  
**OVERVIEW**  
**FY 14:**  
**DEPARTMENT**  
**OF HEALTH &**  
**SOCIAL**  
**SERVICES**

<TARGET><BILL></BILL><SUBJECT>01-23-13 BUDGET OVERVIEW  
FY 14 DEPARTMENT OF HEALTH and SOCIAL  
SERVICES</SUBJECT><COMM>HFIN28</COMM></TARGET>

1/23/13



# *Innovation & Change*

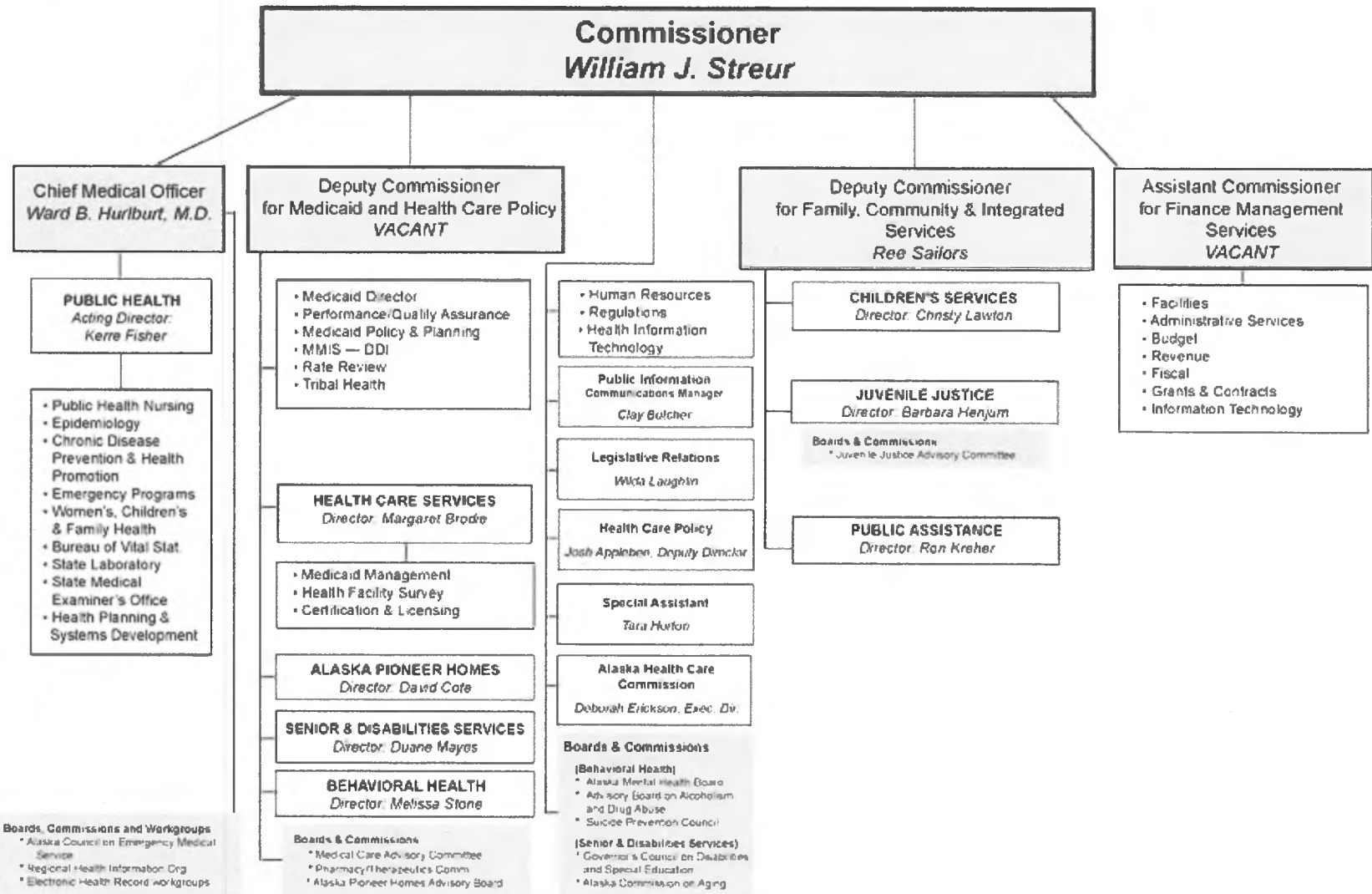
DEPARTMENT OF HEALTH AND SOCIAL SERVICES  
WILLIAM STREUR, COMMISSIONER

2013



# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Priorities

- I. Health & Wellness across the Lifespan
- II. Health Care Access, Delivery and Value
- III. Safe and Responsible Individuals, Families & Communities



# Department of Health & Social Services

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## Priority I: Health & Wellness Across the Lifespan

### Core Services

- A. Promote and protect the health of Alaskans
- B. Provide quality of life in a safe living environment for Alaskans



# Department of Health & Social Services

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## Priority II: Health Care Access, Delivery and Value

### Core Services

- A. Manage health care coverage for Alaskans in need
- B. Facilitate access to affordable health care for Alaskans



# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Priority III: Safe and Responsible Individuals, Families and Communities

### Core Services

- A. Strengthen Alaskan families
- B. Protect vulnerable Alaskans
- C. Promote personal responsibility and accountable decisions by Alaskans



# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## *Service Philosophy*

We aim to:

- Integrate and coordinate services
- Strategically leverage technology
- Implement sound policy
- Practice fiscal responsibility
- Measure and improve performance

In order to deliver the right care to the right person at the right time for the right price.

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Major Accomplishments

### Health & Wellness Across the Lifespan

- “Play Every Day” obesity prevention campaign. 7000 students in 110 schools across Alaska.
- \$1 million Elder Services Case Management award (*one of only eight awards in the nation*)
- Comprehensive Mental Health Integrated Plan
- Radiation health support during Fukushima nuclear disaster.

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Major Accomplishments

### Health Care Access, Delivery and Value

- 75,000 health care visits provided by public health nurses across Alaska in FY2012.
- Aging and Disability Resource Centers expanded to four regions and served 10,367 individuals in FY2012.
- 30 new community-based mental health programs expanding access for earlier interventions

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Major Accomplishments (cont.)

### Health Care Access, Delivery and Value

- U.S. Dept of Agriculture Performance Award for #1 in Nation – State Nutrition Assistance Program (SNAP) payment accuracy rate.
- State maximum allowable cost pricing type for pharmaceuticals yielded nearly \$5 million in savings.
- New training model for Public Assistance- Equips staff in 12 weeks. Former training program took nearly 2 years.

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Major Accomplishments

### Safe & Responsible Individuals, Families and Communities

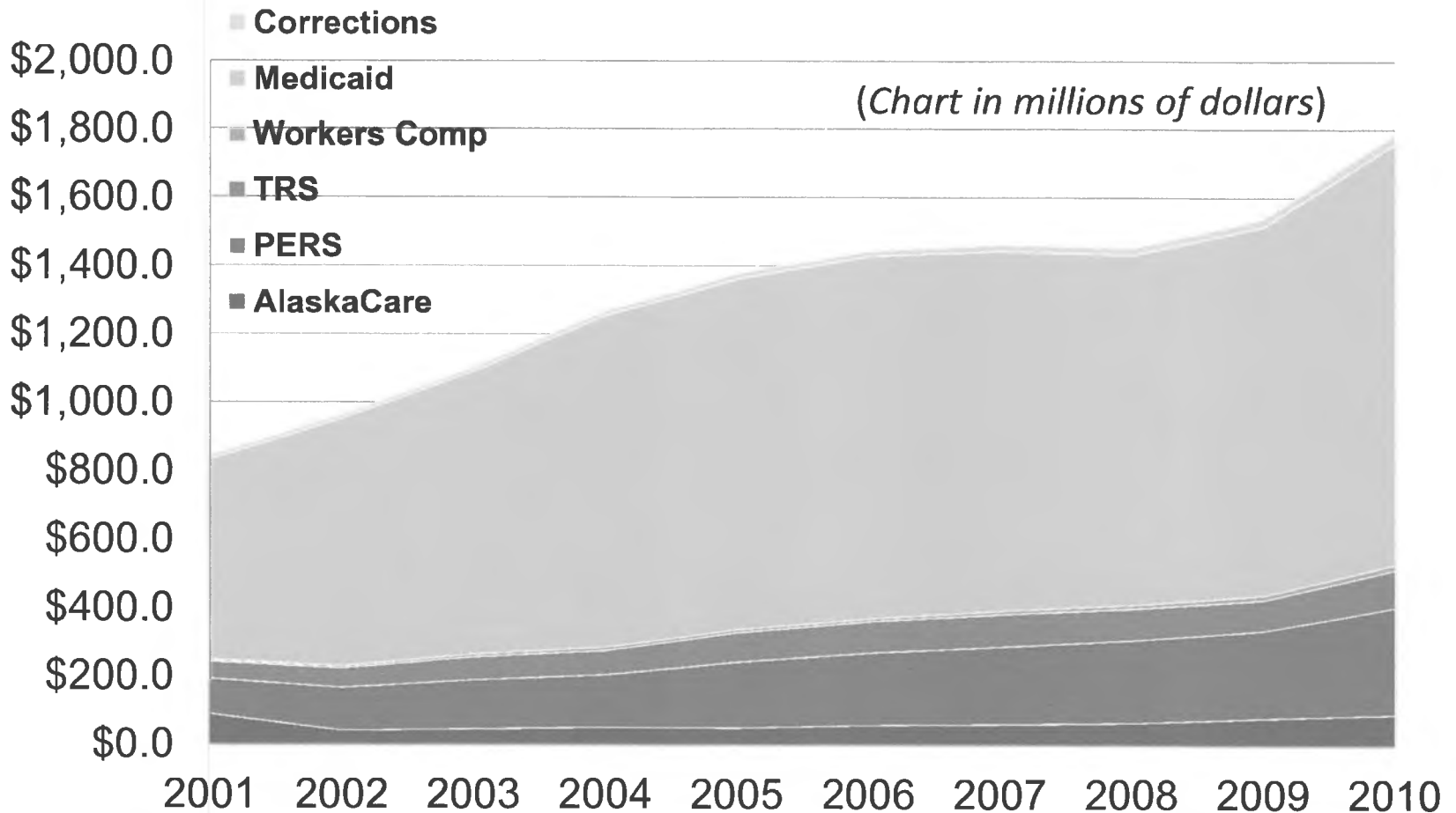
- Domestic Violence and Sexual Assault Rural Pilot Project. (Dillingham, Bethel, Kodiak, Sitka)
- Suicide prevention training “Kognito At-Risk” 3-Year Pilot. High school teachers, administrators and staff.
- Juvenile Justice Quality Assurance Unit allows for continual assessment and timely address of service gaps.

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Key Department Challenges Medicaid



# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Key Department Challenges

### Health & Wellness Across the Lifespan

- Managing quality assisted living services for rapidly aging population.
- Chronic disease- three of every five deaths in Alaska are linked to chronic diseases. Primary risk factors are obesity, poor diet, lack of exercise and tobacco use.

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Key Department Challenges

### Health Care Access, Delivery & Value

- Medicaid Management Information System (MMIS) design, development and implementation.
- Insufficient provider capacity to meet the needs of a rapidly aging population. Increase in senior population in Alaska from 26,000 in 1993 to over 90,000 by 2015.
- Affordable Care Act (ACA) opportunities and challenges to all Medicaid Service programs.

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Key Department Challenges

### Safe and Responsible Families & Communities

- Recruitment and retention of qualified employees in a time of workforce shortages.
- Promoting self-sufficiency, assisting families to move off public assistance & leave poverty thru employment. 30% of Temporary Assistance families require intensive services.
- Keeping families intact through preventative, in-home services, avoiding entry into child protection system.

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Formula Funded Program

A program with specific eligibility standards which guarantees a specific level of benefits for any qualified recipient. The eligibility standards and benefits must be based in statute.

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Non-Formula

### Grants

Components with major grants to other organizations or major contracts for service delivery, such as Residential Child Care, Energy Assistance Program, Community Health Grants and various treatment programs.

### Program Services

Administration and delivery of direct services, such as public health nursing and social services, and the program management of entitlements and grants.

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Non-Formula (cont.)

### Administration

Departmental administrative oversight and support programs, including the Commissioner's Office and Administrative Services.

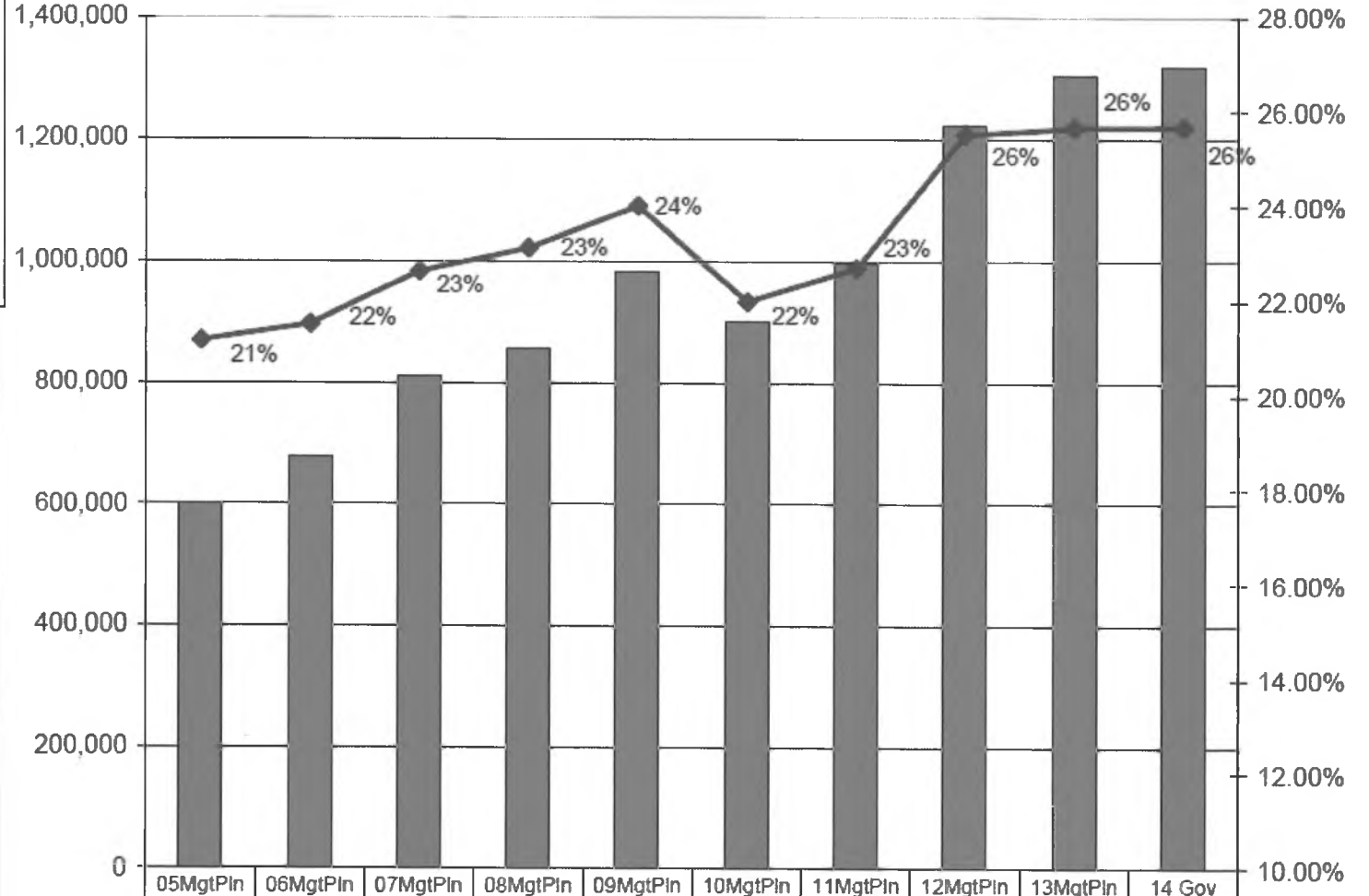
### Facilities

The department manages and operates 24-hour facilities and institutions. These include youth correctional facilities, the Alaska Psychiatric Institute and Alaska Pioneer Homes.

**Department of Health & Social Services Share of Total Agency Operations**  
**Non-Formula and Formula**  
**(GF Only)**  
**(\$ Thousands)**

The Department's GF budget grew by \$717 million between FY05 & the FY14 Governor's Request --an average annual growth rate of 9.1%.

The department's total FY13 GF budget equals \$4,014 per resident worker.\*

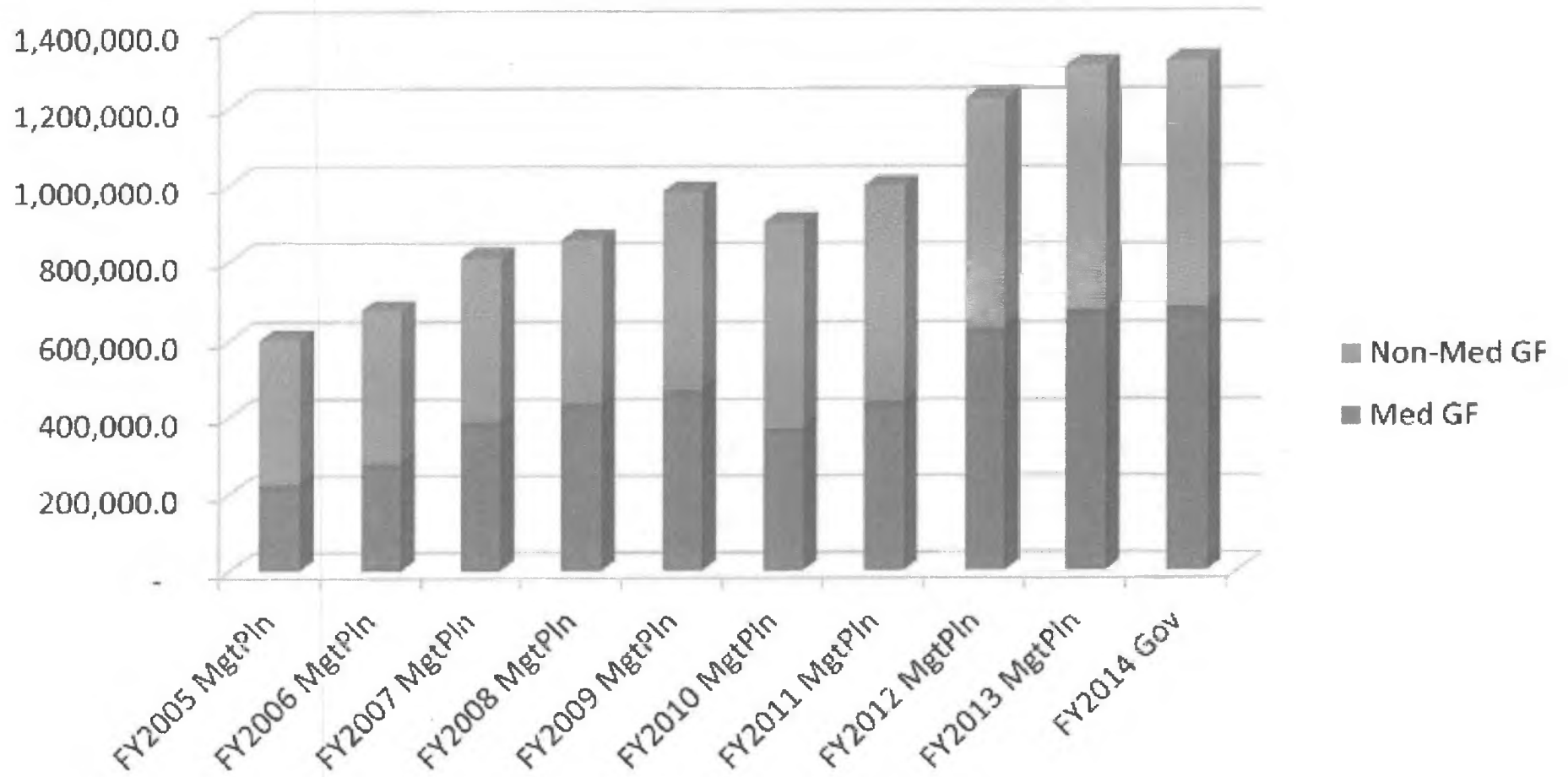


|                                               |           |           |           |           |           |           |           |            |            |            |
|-----------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| Total Agency Budget (GF Only)                 | 601,830.4 | 678,250.5 | 809,713.0 | 855,156.4 | 982,211.4 | 900,099.2 | 998,046.5 | 1,222,328. | 1,305,324. | 1,319,000. |
| % of Agency Budget to Total Agencies' budgets | 21%       | 22%       | 23%       | 23%       | 24%       | 22%       | 23%       | 26%        | 26%        | 26%        |

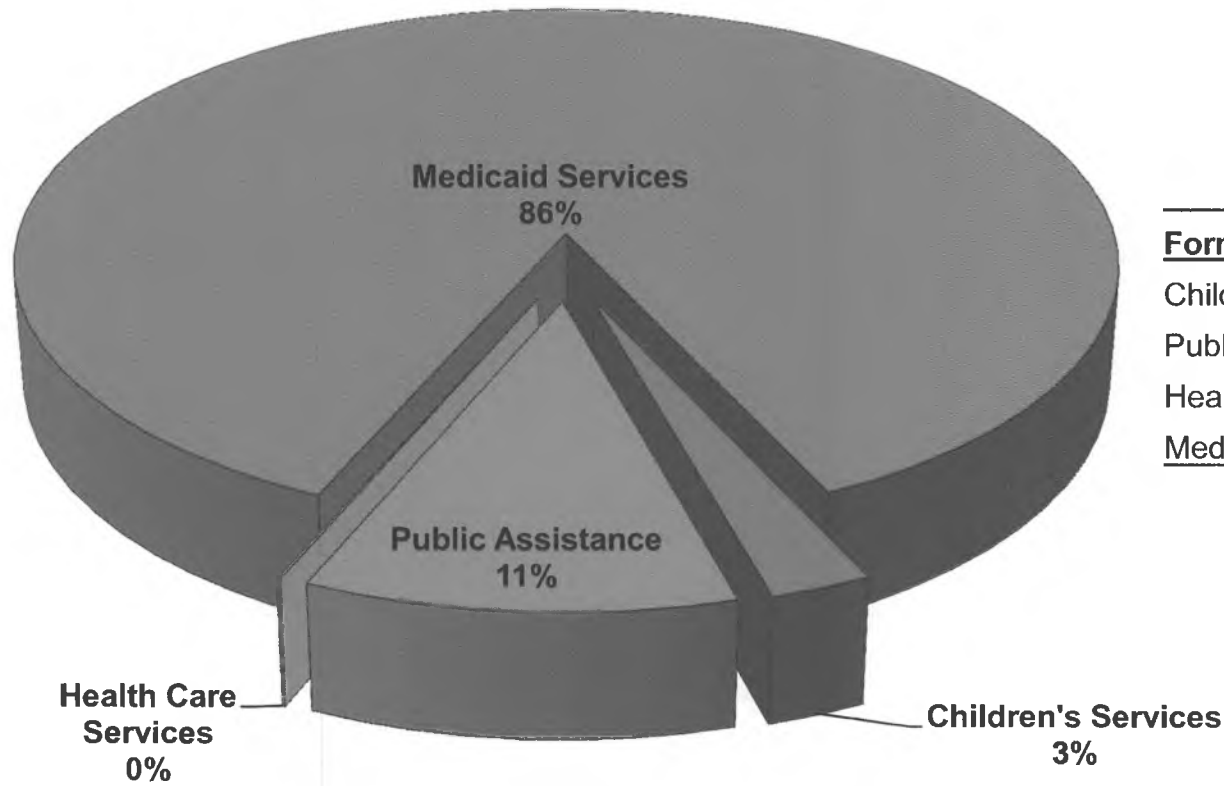
\* According to the Department of Labor, there were 328,611 resident workers in Alaska in 2010.

Medicaid GF has risen from 38% to 52% of DHSS GF from FY2005 to FY2014.

### DHSS Relative Proportions of Total GF Medicaid and Non-Medicaid (\$ Thousands)



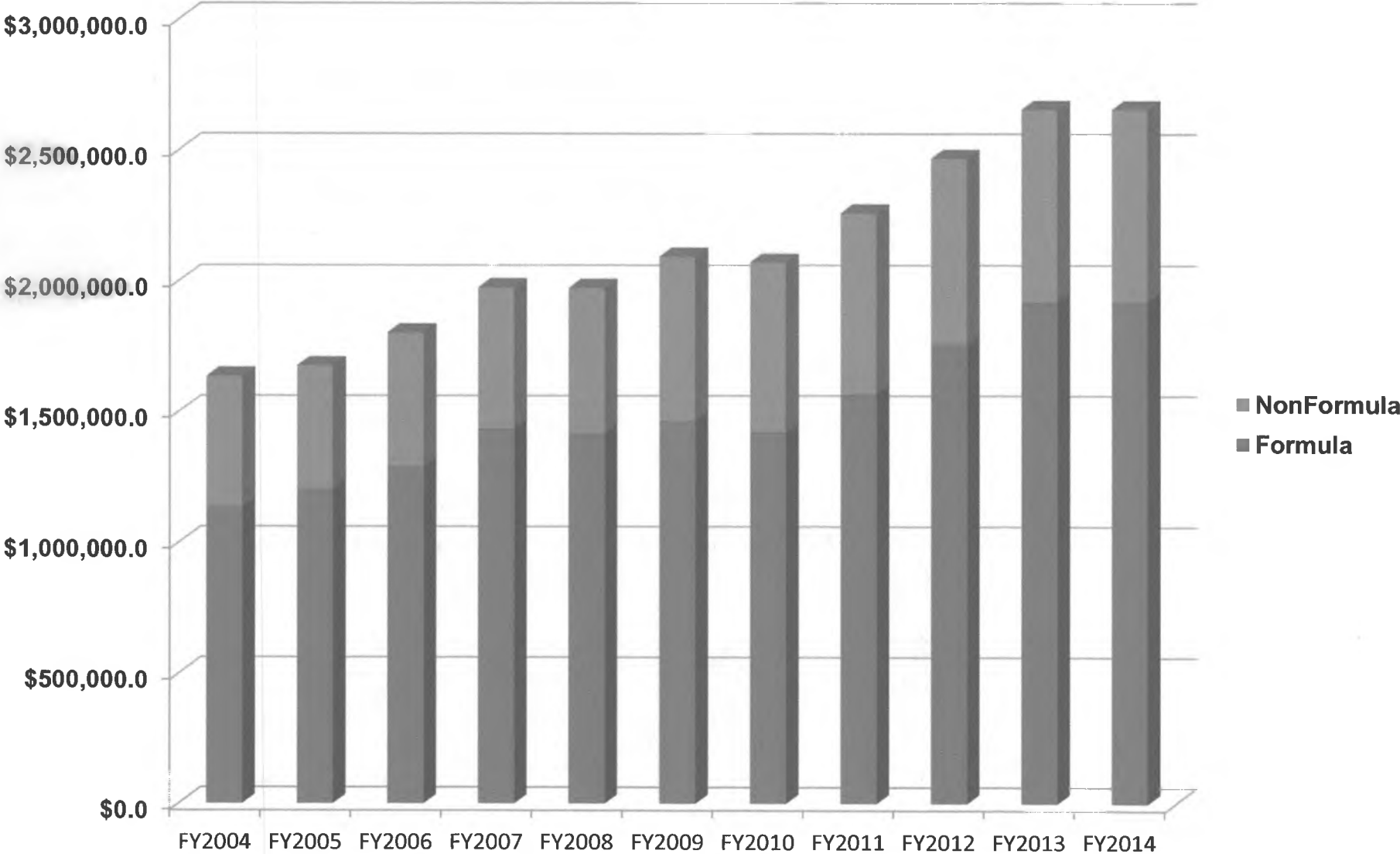
**Relative Percentages, DHSS Formula Programs by RDU  
(All Funds)**



**Formula Programs**

|                      |                    |
|----------------------|--------------------|
| Children's Services  | <b>49,430.4</b>    |
| Public Assistance    | <b>208,425.2</b>   |
| Health Care Services | <b>1,471.0</b>     |
| Medicaid Services    | <b>1,662,639.0</b> |

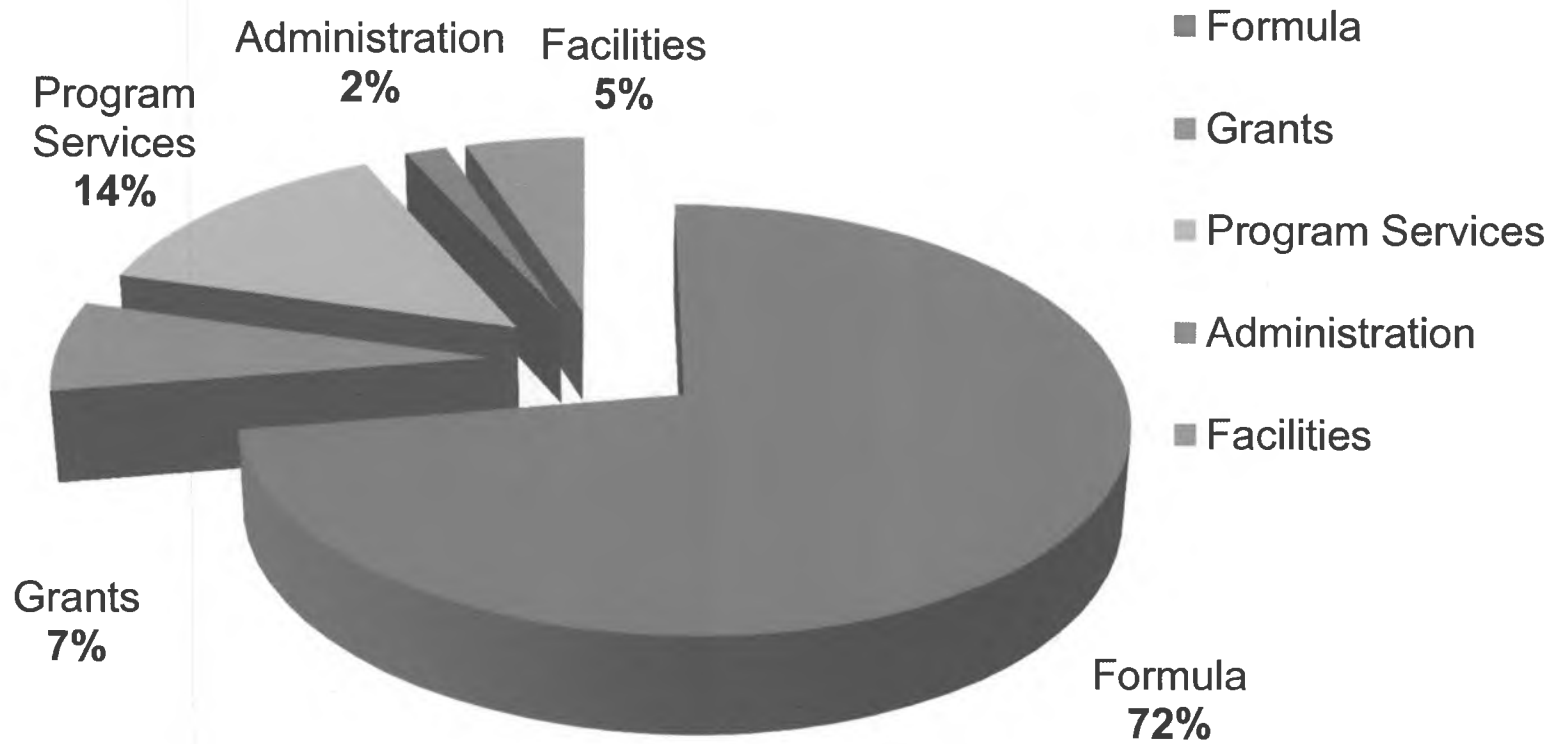
### FY2004-FY2014 Comparison, Formula and Non-Formula



200.58

200,000.52

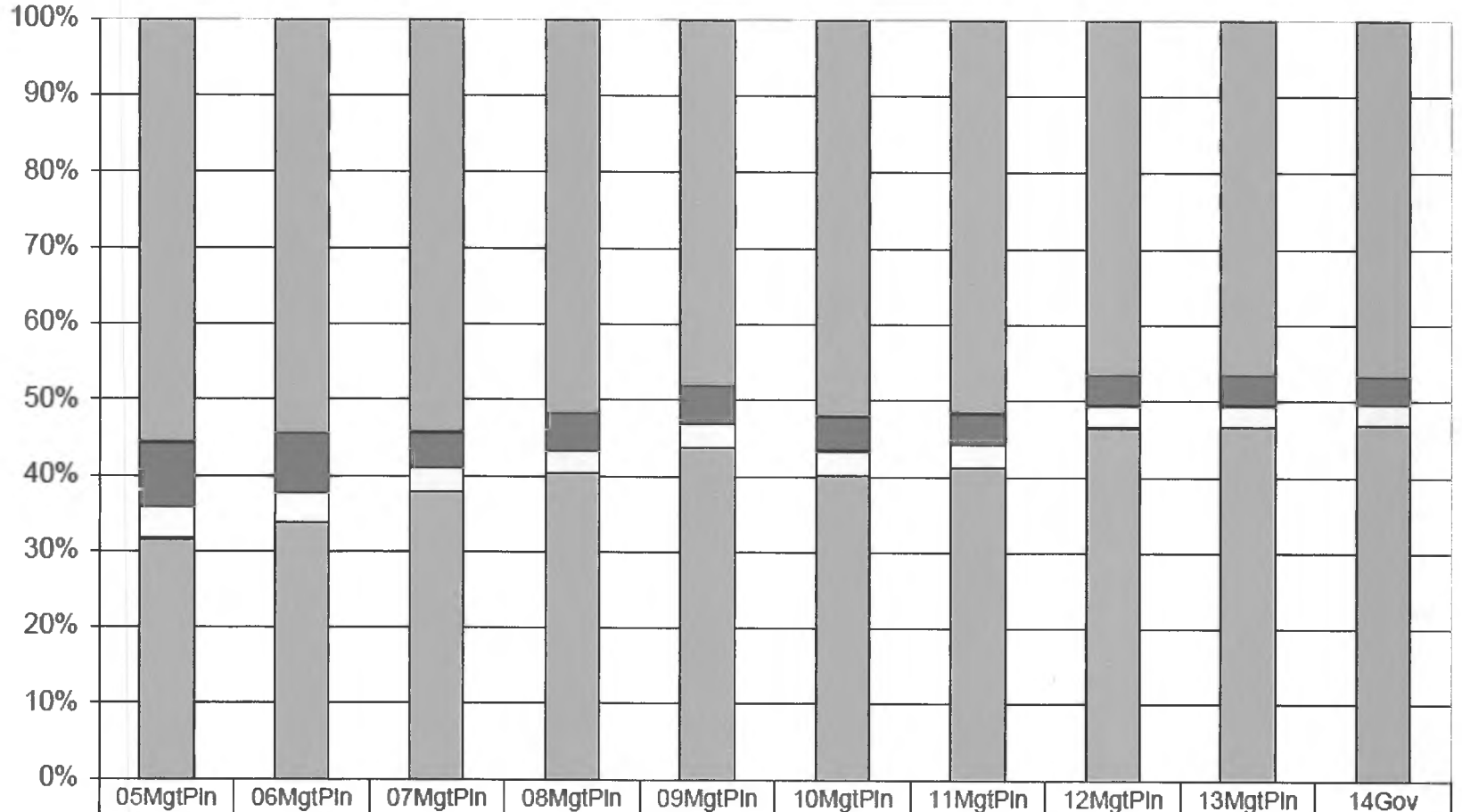
### FY2014 Governor's Budget Request Total Funds



The percentage of general funds (UGF & DGF) in the HSS budget was 36% in FY05 and is 50% in FY14.

The percentage of federal funds in the HSS budget was 56% in FY05 and is 47% in the FY13 Budget.

**Department of Health & Social Services**  
**Percent of the Total Department's Budget by Fund Group**  
 Formula and Non-Formula  
 (All Funds)  
 (\$ Thousands)



|                              | 05MgtPin  | 06MgtPin  | 07MgtPin    | 08MgtPin    | 09MgtPin    | 10MgtPin    | 11MgtPin    | 12MgtPin    | 13MgtPin    | 14Gov       |
|------------------------------|-----------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| ■ Federal Receipts (Fed)     | 935,222.7 | 984,296.5 | 1,075,244.5 | 1,023,813.9 | 1,008,215.0 | 1,081,482.7 | 1,168,424.5 | 1,148,399.9 | 1,230,591.6 | 1,244,030.2 |
| ■ Other State Funds (Other)  | 141,209.5 | 141,602.7 | 91,261.5    | 95,649.0    | 106,778.3   | 93,198.4    | 94,489.5    | 99,460.2    | 101,910.1   | 94,225.2    |
| □ Designated General (DGF)   | 71,279.0  | 69,894.5  | 61,227.4    | 60,551.2    | 65,086.5    | 67,586.2    | 68,170.4    | 72,239.9    | 74,086.0    | 74,801.0    |
| ■ Unrestricted General (UGF) | 530,551.4 | 608,356.0 | 748,485.6   | 794,605.2   | 917,124.9   | 832,513.0   | 929,876.1   | 1,150,088.7 | 1,231,238.9 | 1,244,199.4 |

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Proposed Budget for FY2014 Compared to FY2013

|                            | <b>FY2013<br/>Management Plan</b> | <b>FY2014<br/>Governor's<br/>Request</b> |
|----------------------------|-----------------------------------|------------------------------------------|
| Unrestricted General Funds | \$1,231.2 million                 | \$1,244.2 million                        |
| Designated General Funds   | 74.1 million                      | 74.8 million                             |
| Federal Funds              | 1,230.6 million                   | 1,244.0 million                          |
| Other Funds                | 101.9 million                     | 94.2 million                             |
| <b>Total</b>               | <b>\$2,637.8 million</b>          | <b>\$2,657.2 million</b>                 |
| Increased Federal Revenue  |                                   | \$13.4 million                           |
| Increased General Fund     |                                   | \$13.0 million                           |

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## Proposed Budget for FY2014 Compared to FY2014 Adjusted Base

|                            | <b>FY2014<br/>Adjusted Base</b> | <b>FY2014<br/>Governor's<br/>Request</b> |
|----------------------------|---------------------------------|------------------------------------------|
| Unrestricted General Funds | \$1,221.7 million               | \$1,244.2 million                        |
| Designated General Funds   | 74.1 million                    | 74.8 million                             |
| Federal Funds              | 1,228.8 million                 | 1,244.0 million                          |
| Other Funds                | 95.5 million                    | 94.2 million                             |
| <b>Total</b>               | <b>\$2,620.1 million</b>        | <b>\$2,657.2 million</b>                 |
| Increased Federal Revenue  |                                 | \$15.2 million                           |
| Increased General Fund     |                                 | \$23.1 million                           |

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## DHSS FY2014 Governor's Operating Request GF Highlights

### **Formula Programs (\$15,935.4 total):**

Medicaid growth - **\$11,001.4**

Public Assistance growth - **\$4,034.0**

Children's Services - **\$900.0**

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## DHSS FY2014 Governor's Operating Request GF Highlights (cont.)

### **Governor's Domestic Violence/Sexual Assault Initiative (\$2,250 total):**

Telehealth Strategic Capacity Expansion, Phase 2 - **\$100.0**

Child Advocacy Centers - **\$400.0**

Strengthening Families Through Early Care and Education - **\$250.0**

Child Abuse Prevention and Treatment Act Integration (CAPTA) - **\$1,500.0**

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## DHSS FY2014 Governor's Operating Request GF Highlights (cont.)

### **Other:**

Social Worker Class Study Implementation - **\$1,185.0**

Health Services for Youth in Juvenile Justice Facilities - **\$400.0**

Energy Assistance Program (language section to numbers conversion) - **\$8,629.0**

Health Information Security/Privacy Compliance and Remediation - **\$595.0**

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## DHSS FY2014 Governor's Capital Request Highlights

### **Deferred Maintenance:**

Pioneer Home DM - **\$3,871.2** (\$3,871.2 GF)

Non-Pioneer Home DM - **\$2,902.8** (\$2,902.8 GF)

MH Deferred Maintenance and Accessibility Improvements - **\$1,000.0** (\$1,000.0 GF)

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



## DHSS FY2014 Governor's Capital Request Highlights (cont.)

### Other:

Master Client Index, State Interface Improvements to the Health Information and Direct Secure Messaging Gateway - **\$5,749.7** (\$2,411.0 GF)

Electronic Vital Record Registration System Phase 2 of 2 - **\$1,785.0** (\$1,785.0 GF)

Bethel Youth Facility Renovation Phase 2 of 2 - **\$10,000.0** (\$10,000.0 GF)

# Department of Health & Social Services

Mission: To promote and protect the health and well-being of Alaskans.



*Thank you ...*

Questions?





**MISSION** TO PROMOTE AND PROTECT THE HEALTH AND WELL-BEING OF ALASKANS.

**VISION** ALASKAN INDIVIDUALS, FAMILIES AND COMMUNITIES ARE SAFE AND HEALTHY.

**SERVICE PHILOSOPHY**

WE AIM TO...



- INTEGRATE AND COORDINATE SERVICES
- STRATEGICALLY LEVERAGE TECHNOLOGY
- IMPLEMENT SOUND POLICY
- PRACTICE FISCAL RESPONSIBILITY
- MEASURE AND IMPROVE PERFORMANCE



**IN ORDER TO...**

DELIVER THE **RIGHT CARE**  
TO THE **RIGHT PERSON**  
AT THE **RIGHT TIME**  
FOR THE **RIGHT PRICE.**

**PRIORITY I. HEALTH & WELLNESS ACROSS THE LIFESPAN**

**CORE SERVICES**

PROTECT AND PROMOTE THE HEALTH OF ALASKANS.



PROVIDE QUALITY OF LIFE IN A SAFE LIVING ENVIRONMENT FOR ALASKANS.



**DESIRED OUTCOMES FOR ALASKA**

- o Alaskans are healthy.
- o Alaskans are free from unintentional injury.
- o Alaskans are free from substance abuse and dependency.
- o Alaskan children receiving department services live in a supportive setting.
- o Older Alaskans live safely in their communities.
- o Alaskans with disabilities live safely in the least restrictive environment.
- o Alaskans with behavioral health issues report improvement in key life domains.

**PRIORITY II. HEALTH CARE ACCESS, DELIVERY & VALUE**

**CORE SERVICES**

MANAGE HEALTH CARE COVERAGE FOR ALASKANS IN NEED.



FACILITATE ACCESS TO AFFORDABLE HEALTH CARE FOR ALASKANS.



**DESIRED OUTCOMES FOR ALASKA**

- o Each Alaskan has a primary care provider.
- o Alaskans with chronic or complex medical conditions receive integrated care.
- o Alaskans have access to health care.

**PRIORITY III. SAFE & RESPONSIBLE INDIVIDUALS, FAMILIES & COMMUNITIES**

**CORE SERVICES**

STRENGTHEN ALASKAN FAMILIES.



PROTECT VULNERABLE ALASKANS.



PROMOTE PERSONAL RESPONSIBILITY AND ACCOUNTABLE DECISIONS BY ALASKANS.



**DESIRED OUTCOMES FOR ALASKA**

- o Alaskan families develop work skills.
- o Alaskan families have safe and affordable child care.
- o Alaskan families have warm homes.
- o Alaskan families have food security.
- o Alaskan children at risk of maltreatment are protected from abuse and neglect.
- o Alaskan adults at risk of maltreatment are protected from abuse, neglect and exploitation.
- o Health and social service facilities in which Alaskans are served are safe.
- o Alaskan communities support tobacco enforcement.
- o Juveniles develop and demonstrate skills in positive decision making.
- o Alaskans with health conditions practice self-management.
- o Alaskans choose respect.
- o Alaskan communities prepare for disaster.



28<sup>th</sup> Alaska State Legislature

## House Finance Budget Subcommittee Department of Health and Social Services FY 14 Operating Budget

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**Chairman:**

Rep. Mark Neuman  
Capitol Room 513  
465-2679

**Members:**

Rep. Alan Austerman  
Capitol Room 505  
465-2487

Rep. Bill Stoltze  
Capitol Room 515  
465-4958

Rep. Mia Costello  
Capitol Room 501  
465-4968

Rep. Bryce Edgmon  
Capitol Room 410  
465-4451

Rep. Les Gara  
Capitol Room 400  
465-2647

Rep. David Guttenberg  
Capitol Room 418  
465-4457

Rep. Lindsey Holmes  
Capitol Room 415  
465-4919

Rep. Cathy Munoz  
Capitol Room 421  
465-3744

Rep. Steve Thompson  
Capitol Room 500  
465-3004

Rep. Tammie Wilson  
Capitol Room 412  
465-4797

Alt. Rep. Scott Kawaski  
Capitol Room 405  
465-3466

**Committee Aide:**

Cathy Tilton  
465-3820

### AGENDA

**House Finance Committee Room 519**

**Monday, January 23, 2013**

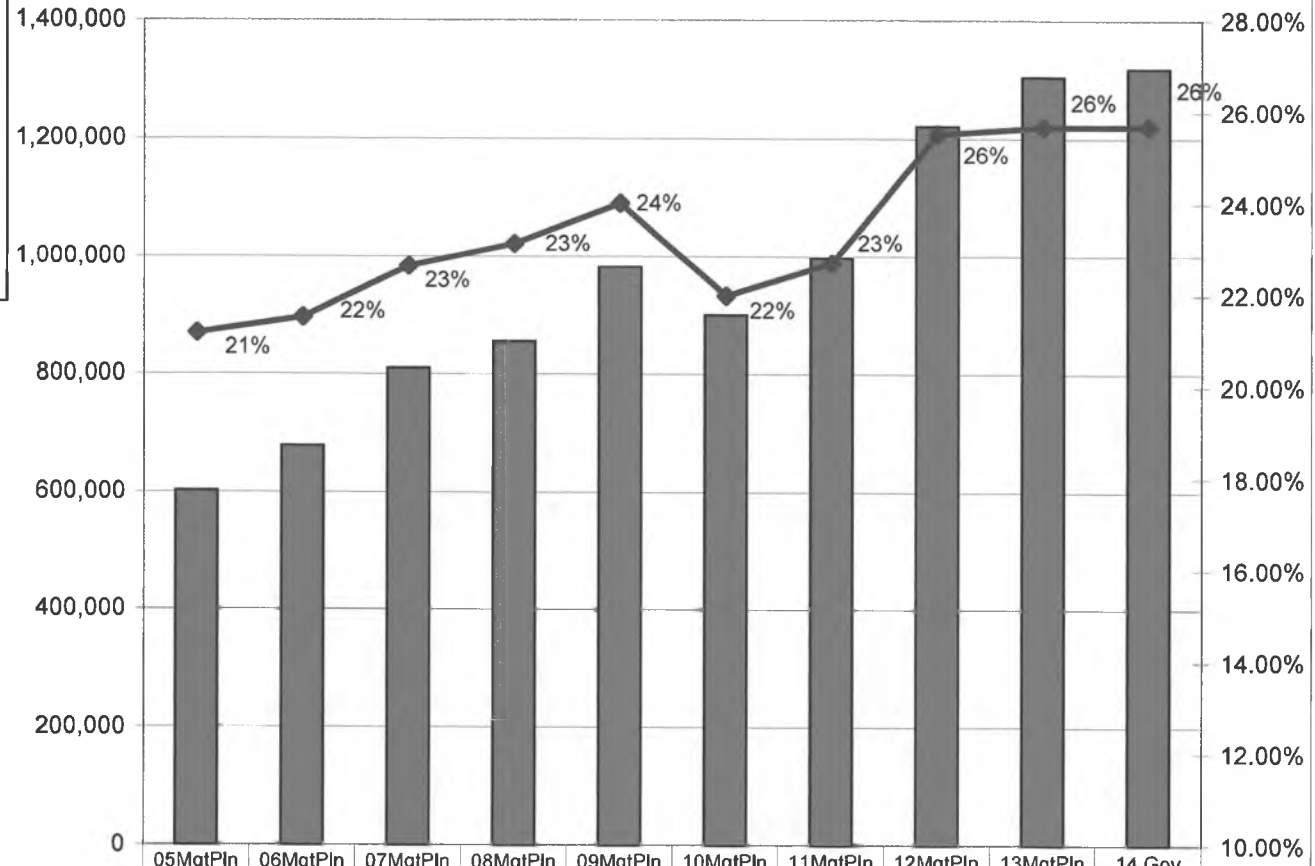
**8:30 a.m.**

1. Call to Order
2. Introductions:
  - a. Committee Members
  - b. Committee Aide – Cathy Tilton
  - c. Fiscal Analyst – Amanda Ryder
  - d. House Finance Staff
3. FY2014 Governor's Budget Overview  
Commission Bill Streur  
Sarah Woods – Deputy Director of  
Finance and Management Services
4. Look Back Graphs/10 year Plan  
Amanda Ryder – Fiscal Analyst
5. Adjournment

### Department of Health & Social Services Share of Total Agency Operations Non-Formula and Formula (GF Only) (\$ Thousands)

The Department's GF budget grew by \$717 million between FY05 & the FY14 Governor's Request --an average annual growth rate of 9.1%.

The department's total FY14 GF budget equals \$4,014 per resident worker.\*

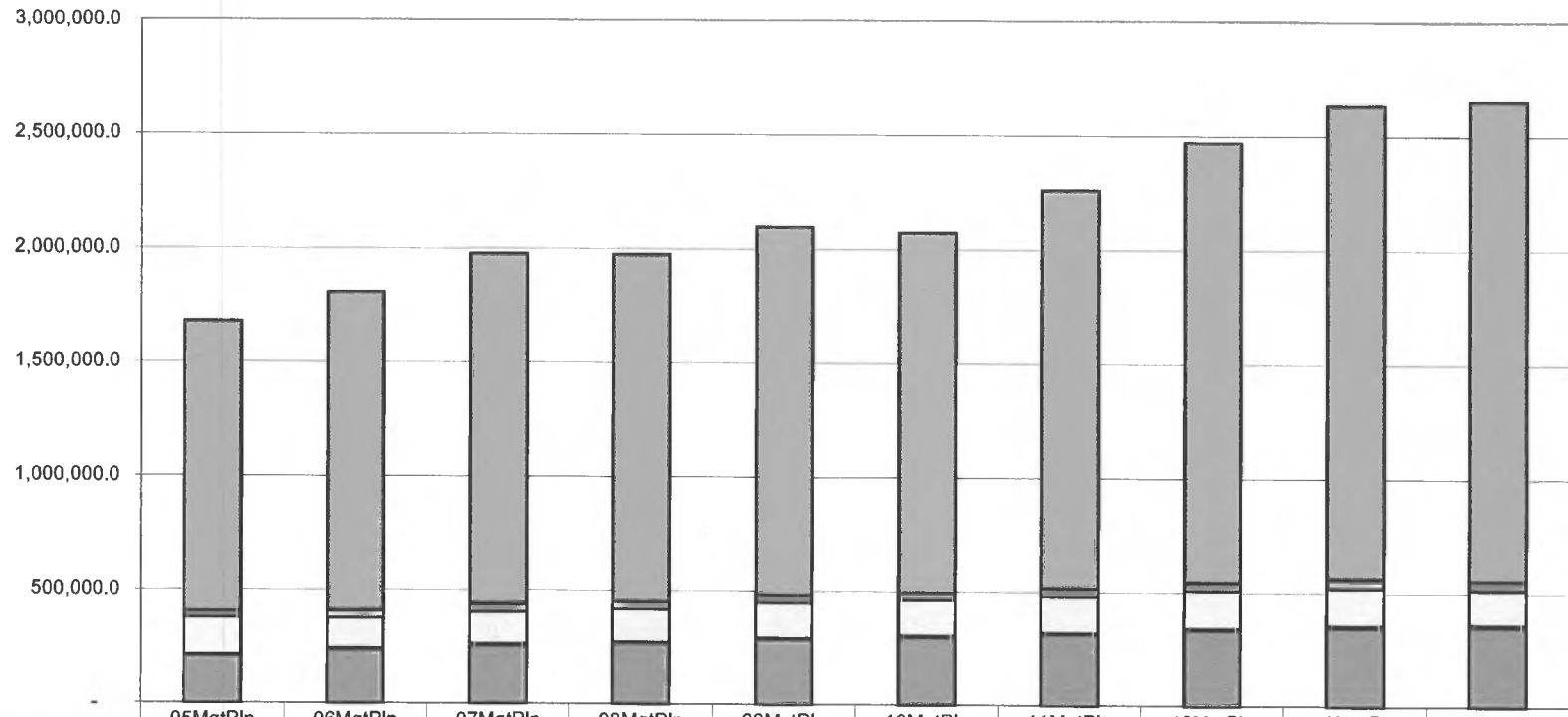


|                                                 |           |           |           |           |           |           |           |            |            |            |
|-------------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| ■ Total Agency Budget (GF Only)                 | 601,830.4 | 678,250.5 | 809,713.0 | 855,156.4 | 982,211.4 | 900,099.2 | 998,046.5 | 1,222,328. | 1,305,324. | 1,319,000. |
| ◆ % of Agency Budget to Total Agencies' budgets | 21%       | 22%       | 23%       | 23%       | 24%       | 22%       | 23%       | 26%        | 26%        | 26%        |

\* According to the Department of Labor, there were 328,611 resident workers in Alaska in 2010.

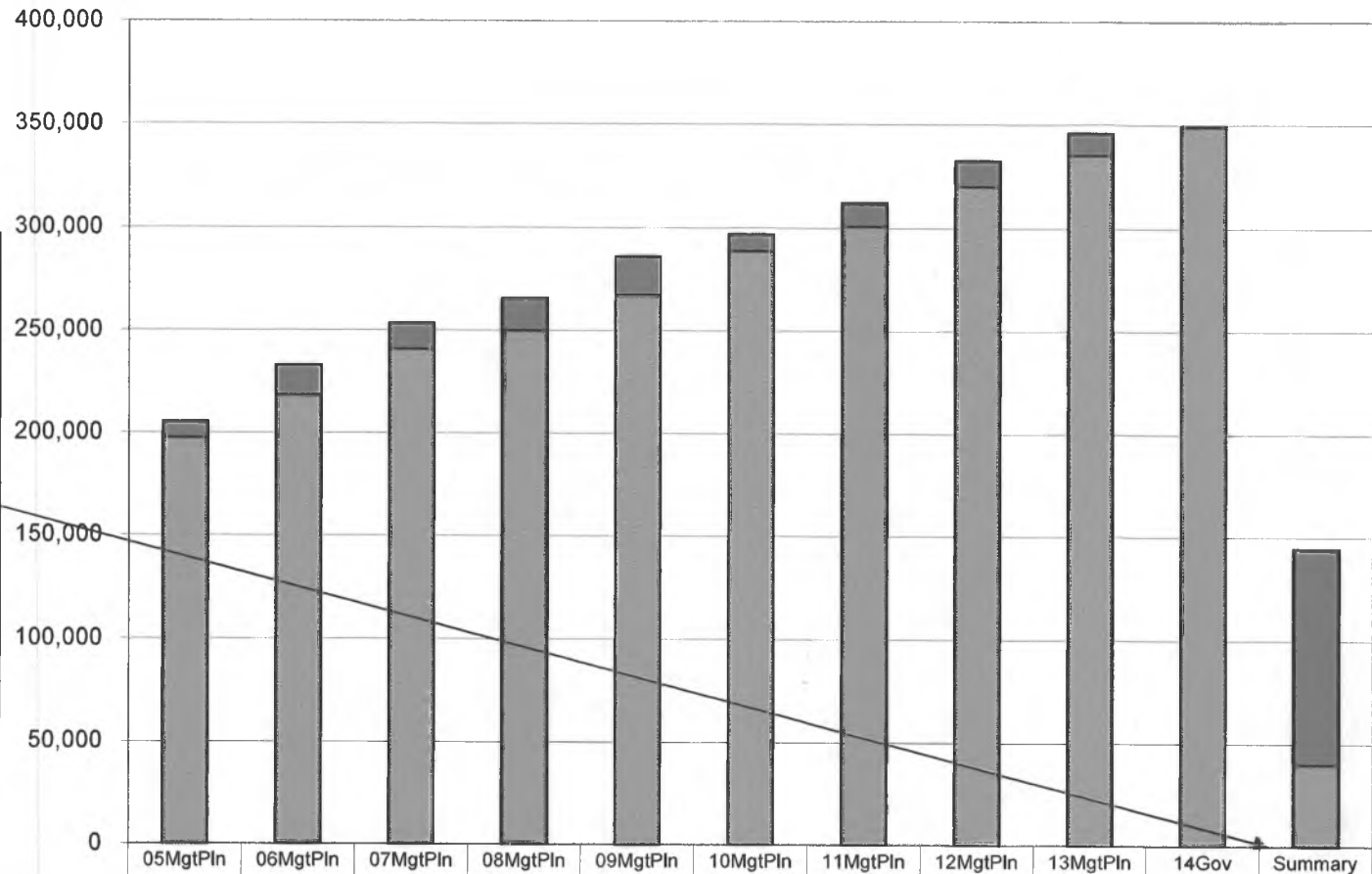
The majority (79%) of the FY14 H&SS budget is appropriated in the Grants/Benefits line.

**Department of Health & Social Services Line Items  
(All Funds)  
(\$ Thousands)**



|                   | 05MgtPln    | 06MgtPln    | 07MgtPln    | 08MgtPln    | 09MgtPln    | 10MgtPln    | 11MgtPln    | 12MgtPln    | 13MgtPln    | 14Gov       |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Miscellaneous     | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| Grants, Benefits  | 1,274,262.9 | 1,397,630.2 | 1,539,921.4 | 1,526,215.9 | 1,614,665.5 | 1,578,723.4 | 1,744,673.0 | 1,925,257.6 | 2,077,407.0 | 2,103,131.1 |
| Capital Outlay    | 2,276.3     | 2,200.1     | 2,272.3     | 1,650.5     | 1,887.6     | 1,628.7     | 2,228.6     | 1,554.5     | 1,278.3     | 1,110.3     |
| Commodities       | 27,077.2    | 30,275.1    | 33,509.9    | 32,885.1    | 34,760.2    | 34,971.2    | 35,230.5    | 36,477.6    | 41,517.0    | 40,938.6    |
| Services          | 164,539.2   | 135,971.1   | 141,567.4   | 142,430.4   | 152,974.8   | 154,828.8   | 158,752.6   | 165,018.3   | 162,402.7   | 153,436.1   |
| Travel            | 4,956.5     | 5,340.3     | 5,625.9     | 6,205.7     | 6,786.5     | 7,515.3     | 7,769.3     | 8,912.0     | 8,929.4     | 8,963.6     |
| Personal Services | 205,150.5   | 232,732.9   | 253,322.1   | 265,231.7   | 286,130.1   | 297,112.9   | 312,306.5   | 332,968.7   | 346,292.2   | 349,676.1   |

**Department of Health & Social Services**  
**Salary Adjustment Increases and Personal Services Costs**  
 (All Funds)  
 (\$ Thousands)



Personal Services increased by **\$144** million between FY05 and the FY14 Governor's Request—an increase of 70%.

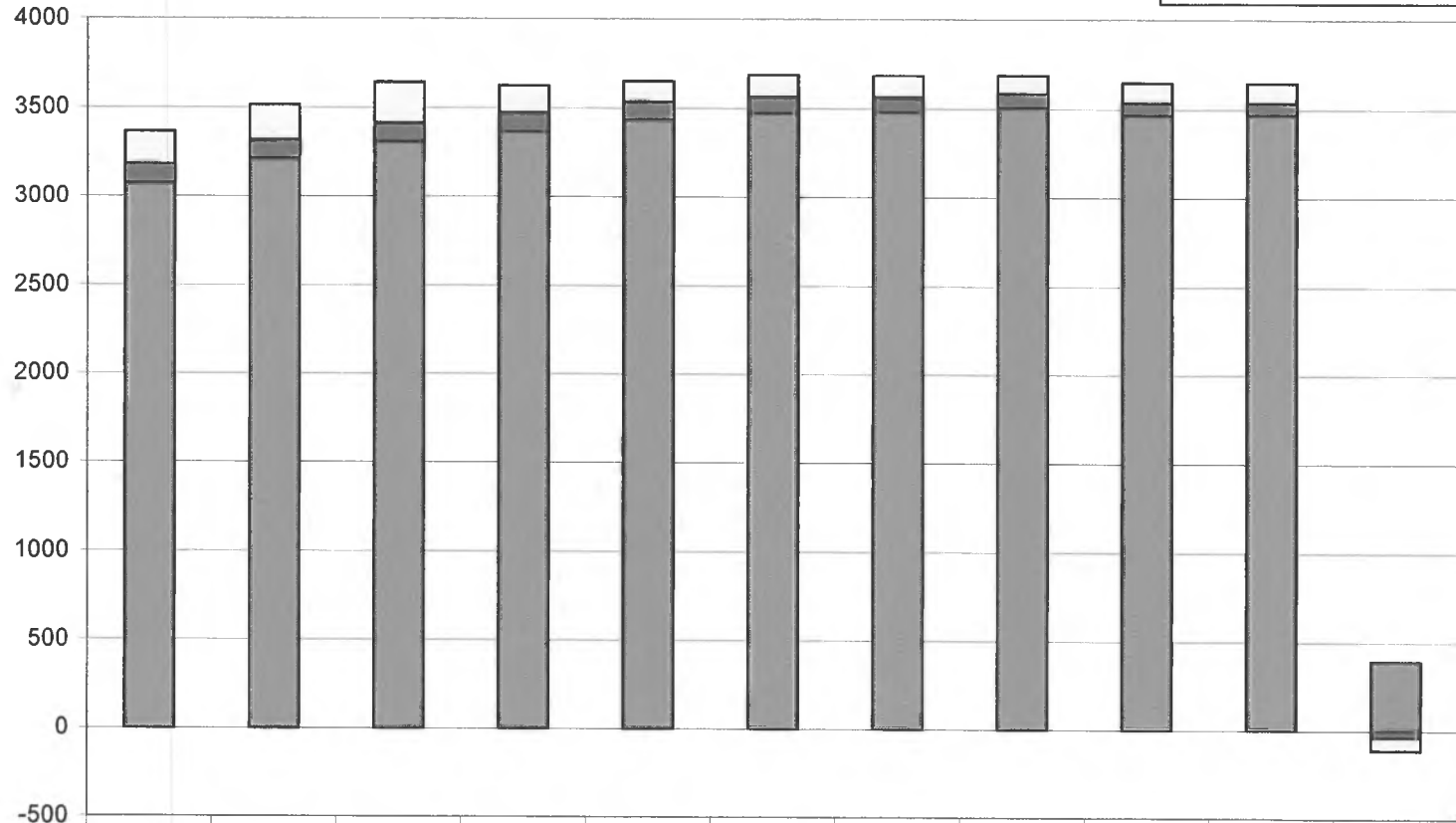
**Summary\***  
 The change consists of a \$105 million increase for contractual salary adjustments and a \$40 million increase in non-contractual personal services costs.

|                                       | 05MgtPln  | 06MgtPln  | 07MgtPln  | 08MgtPln  | 09MgtPln  | 10MgtPln  | 11MgtPln  | 12MgtPln  | 13MgtPln  | 14Gov     | Summary   |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Salary Adjustments                    | 7,661.1   | 14,442.7  | 12,515.1  | 15,470.1  | 18,964.8  | 8,114.9   | 11,536.5  | 12,648.3  | 10,734.6  | 309.6     | 104,736.6 |
| Personal Svcs less Salary Adjustments | 197,489.4 | 218,290.2 | 240,807.0 | 249,761.6 | 267,165.3 | 288,998.0 | 300,770.0 | 320,320.4 | 335,557.6 | 349,366.5 | 39,789.0  |

\* Changes in the personal services line from FY05 to FY14 are segregated into two parts: (1) base increases (primarily due to contractual negotiations) and (2) other personal services increases such as transfers between line items or increases from new positions. The final column sums the two types of changes during the period.

### Department of Health & Social Services Budgeted Positions

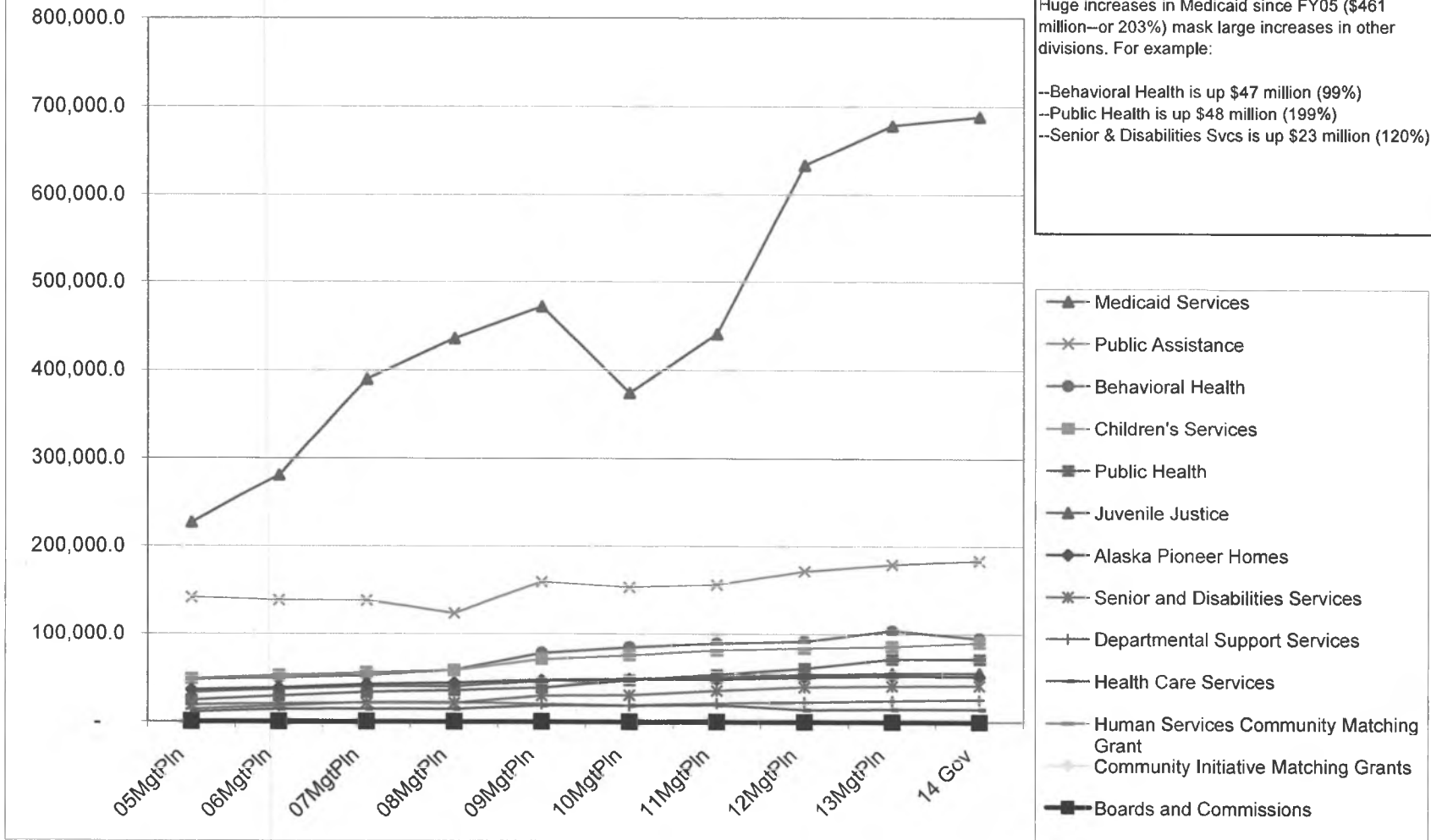
Between FY05 & FY14 a net of 280 positions were added (an increase of 8%).



|                  | 05MgtPln | 06MgtPln | 07MgtPln | 08MgtPln | 09MgtPln | 10MgtPln | 11MgtPln | 12MgtPln | 13MgtPln | 14Gov   | 05MgtPln to 14 Gov |
|------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|---------|--------------------|
| □ Temporary      | 188      | 199      | 231      | 155      | 116      | 123      | 120      | 104      | 116.0    | 113.0   | (75)               |
| ■ Perm Part Time | 103      | 105      | 104      | 103      | 98       | 93       | 85       | 76       | 65.0     | 64.0    | (39)               |
| ■ Perm Full Time | 3076     | 3211     | 3307     | 3367     | 3436     | 3474     | 3481     | 3510     | 3,469.0  | 3,470.0 | 394                |

## Appropriations within the Department of Health & Social Services Formula and Non-Formula

(GF Only)  
(\$ Thousands)



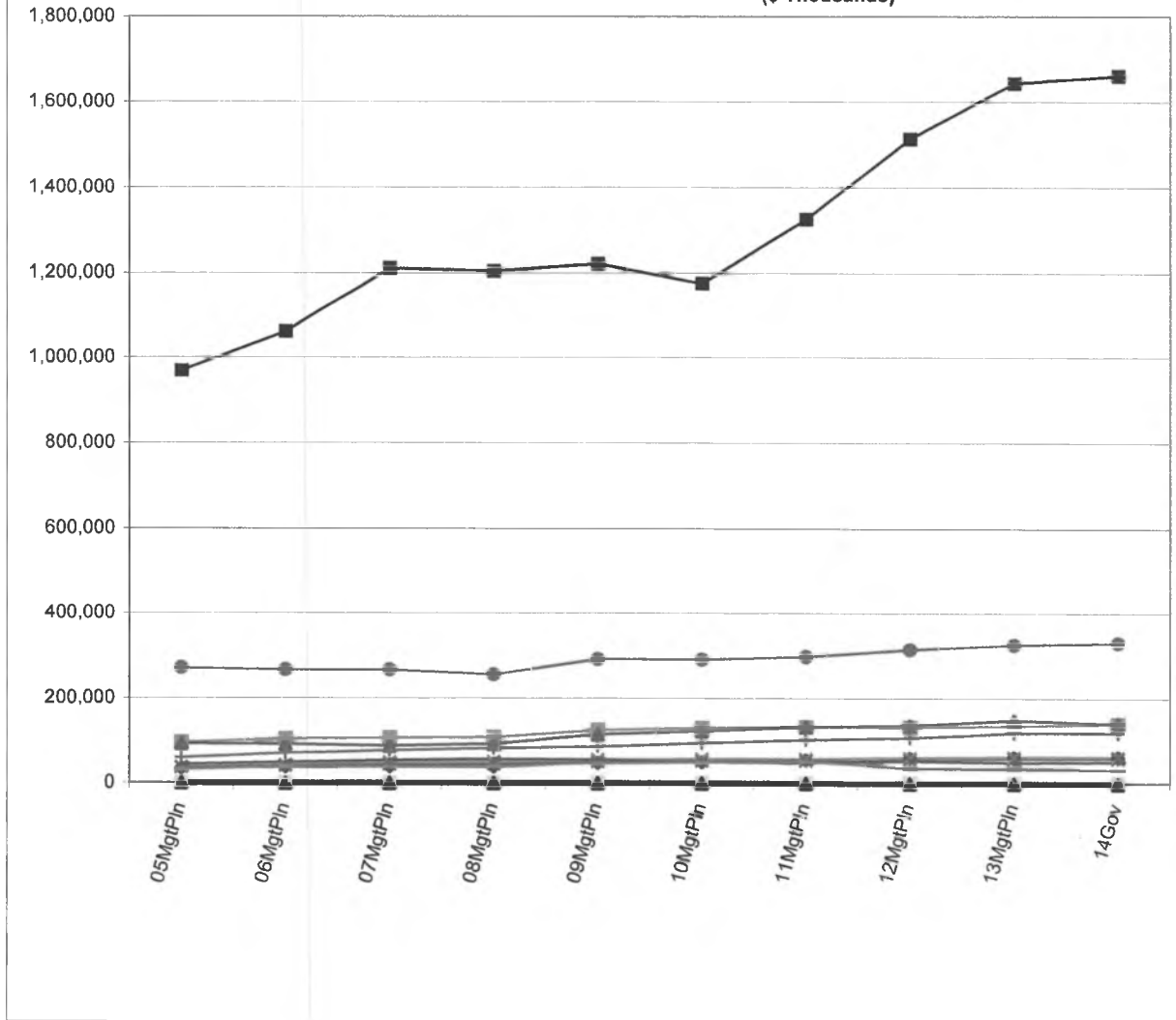
Overall, the Departments GF budget increased by \$717 million (119%)

Huge increases in Medicaid since FY05 (\$461 million—or 203%) mask large increases in other divisions. For example:

- Behavioral Health is up \$47 million (99%)
- Public Health is up \$48 million (199%)
- Senior & Disabilities Svcs is up \$23 million (120%)



**Appropriations within the Department of Health & Social Services**  
**Formula and Non-Formula**  
 (All Funds)  
 (\$ Thousands)



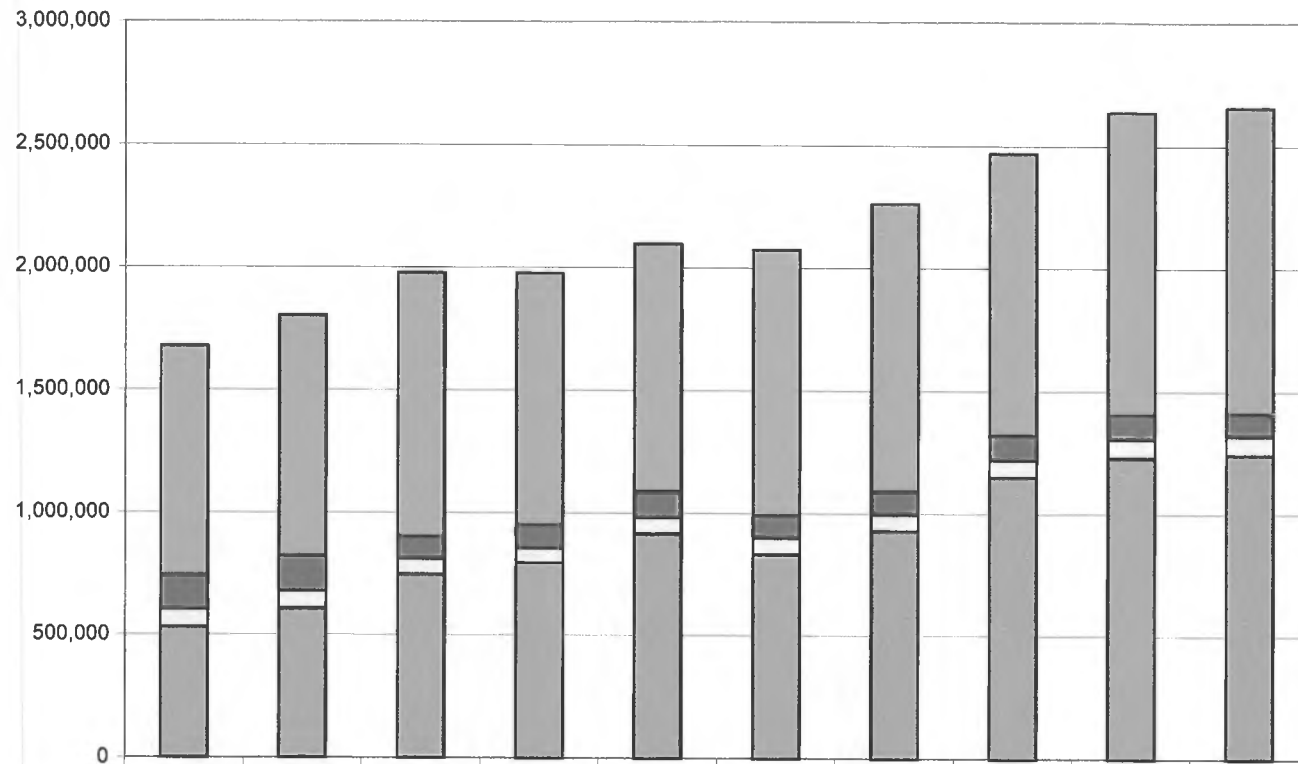
The Department's total funds budget increased by \$979 million (58%).

Medicaid changes (FY05-FY14):  
 --Total funding increased by \$693 million (71%)  
 --GF increased by \$461 million (203%)

- Medicaid Services
- Public Assistance
- Children's Services
- ▲ Behavioral Health
- + Public Health
- ◆ Senior and Disabilities Services
- × Alaska Pioneer Homes
- \* Juvenile Justice
- Departmental Support Services
- Health Care Services
- Human Services Community Matching Grant
- Community Initiative Matching Grants
- ▲ Boards and Commissions

Between FY05 & FY14:  
 --UGF increased by \$714 million (134.5%)  
 --DGF increased by \$3.5 million (4.9%)  
 --Other funds decreased by \$47 million (-33%)  
 --Federal funds increased by \$308 million (33%)

**Department of Health & Social Services  
 Total Funding Comparison by Fund Group  
 Formula and Non-Formula  
 (All Funds)  
 (\$ Thousands)**

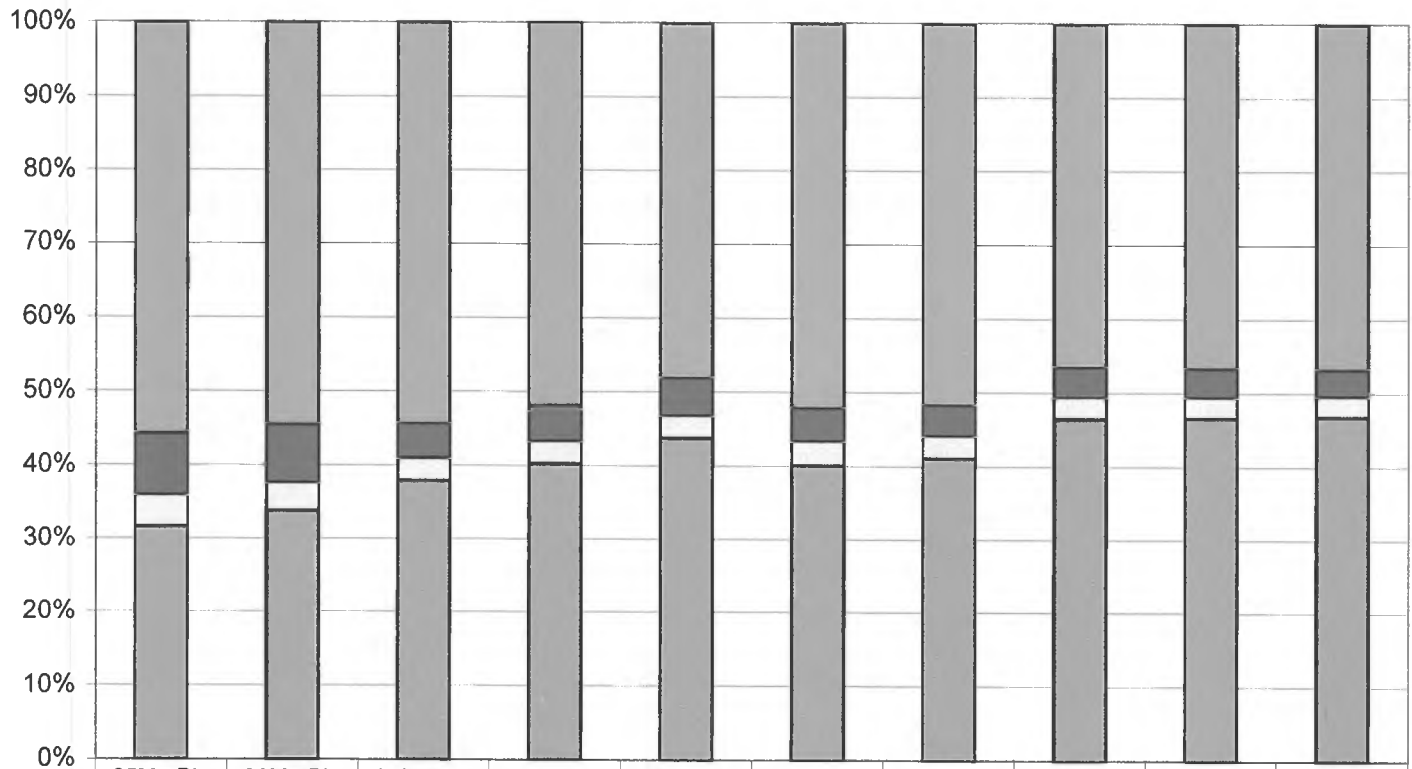


|                              | 05MgtPln  | 06MgtPln  | 07MgtPln   | 08MgtPln   | 09MgtPln   | 10MgtPln   | 11MgtPln   | 12MgtPln   | 13MgtPln   | 14Gov      |
|------------------------------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|
| ■ Federal Receipts (Fed)     | 935,222.7 | 984,296.5 | 1,075,244. | 1,023,813. | 1,008,215. | 1,081,482. | 1,168,424. | 1,148,399. | 1,230,591. | 1,244,030. |
| ■ Other State Funds (Other)  | 141,209.5 | 141,602.7 | 91,261.5   | 95,649.0   | 106,778.3  | 93,198.4   | 94,489.5   | 99,460.2   | 101,910.1  | 94,225.2   |
| □ Designated General (DGF)   | 71,279.0  | 69,894.5  | 61,227.4   | 60,551.2   | 65,086.5   | 67,586.2   | 68,170.4   | 72,239.9   | 74,086.0   | 74,801.0   |
| ■ Unrestricted General (UGF) | 530,551.4 | 608,356.0 | 748,485.6  | 794,605.2  | 917,124.9  | 832,513.0  | 929,876.1  | 1,150,088. | 1,231,238. | 1,244,199. |

The percentage of general funds (UGF & DGF) in the HSS budget was 36% in FY05 and is 50% in FY14.

The percentage of federal funds in the HSS budget was 56% in FY05 and is 47% in the FY13 Budget.

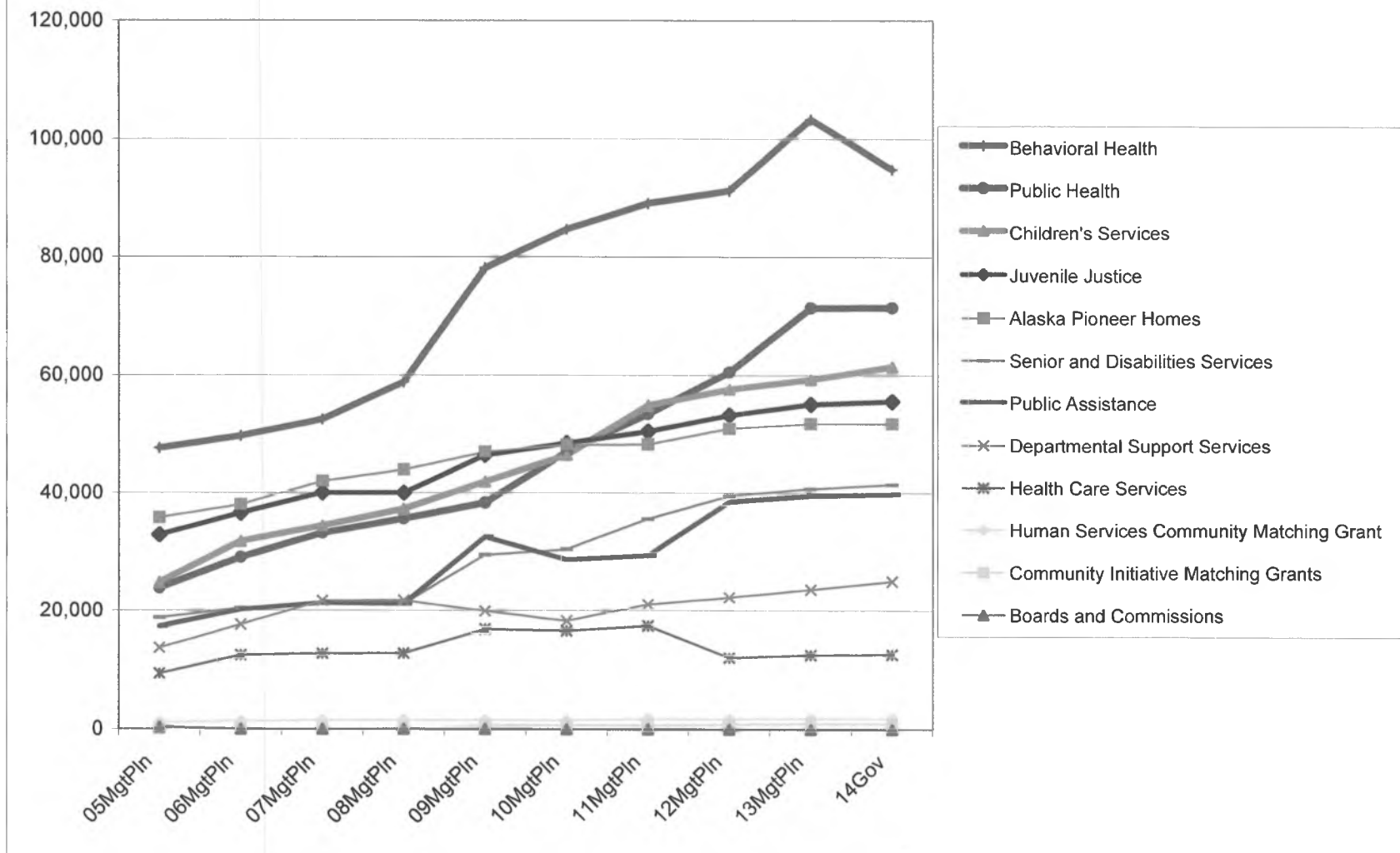
**Department of Health & Social Services**  
**Percent of the Total Department's Budget by Fund Group**  
 Formula and Non-Formula  
 (All Funds)  
 (\$ Thousands)



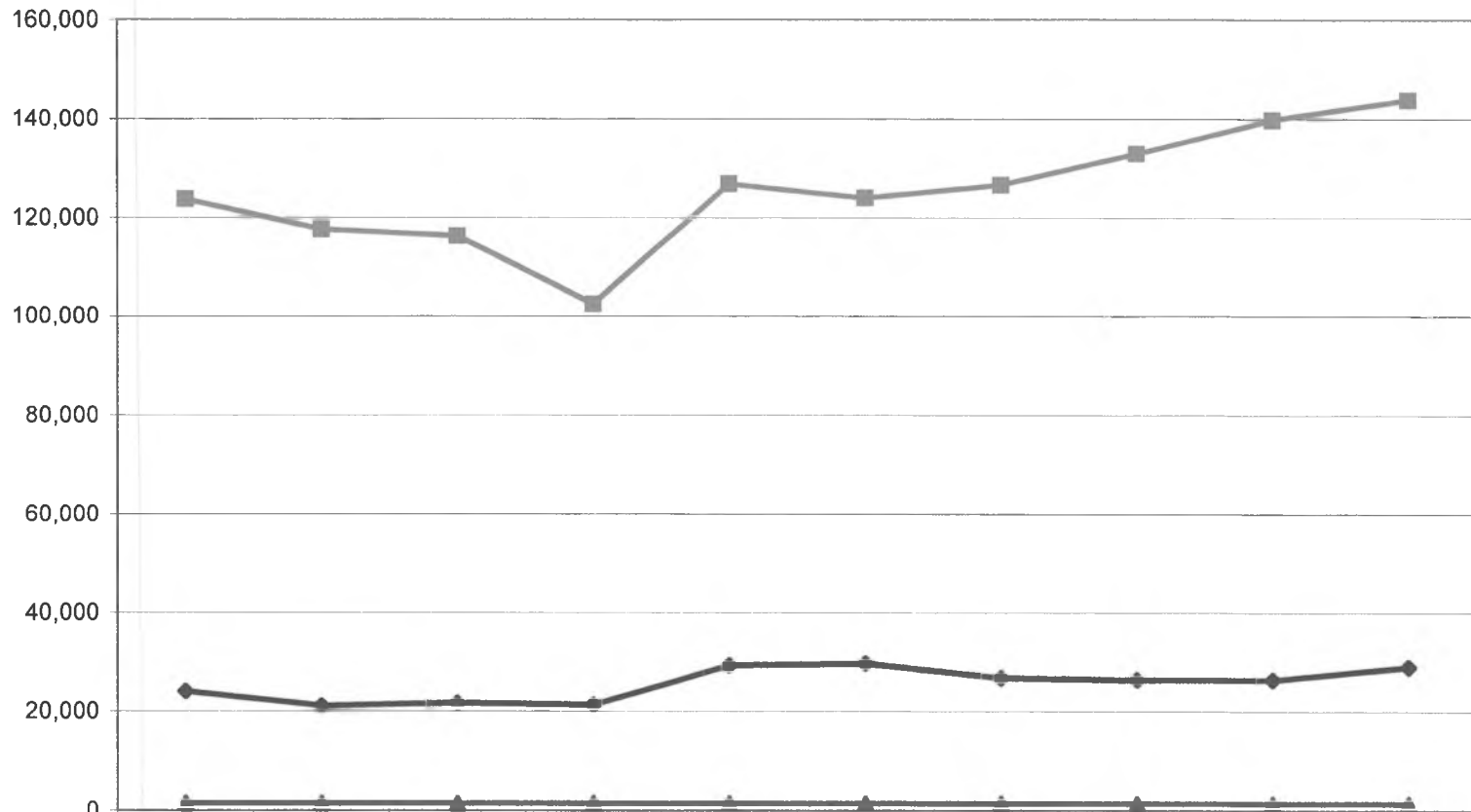
|                              | 05MgtPln  | 06MgtPln  | 07MgtPln    | 08MgtPln    | 09MgtPln    | 10MgtPln    | 11MgtPln    | 12MgtPln    | 13MgtPln    | 14Gov       |
|------------------------------|-----------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| ■ Federal Receipts (Fed)     | 935,222.7 | 984,296.5 | 1,075,244.5 | 1,023,813.9 | 1,008,215.0 | 1,081,482.7 | 1,168,424.5 | 1,148,399.9 | 1,230,591.6 | 1,244,030.2 |
| ■ Other State Funds (Other)  | 141,209.5 | 141,602.7 | 91,261.5    | 95,649.0    | 106,778.3   | 93,198.4    | 94,489.5    | 99,460.2    | 101,910.1   | 94,225.2    |
| □ Designated General (DGF)   | 71,279.0  | 69,894.5  | 61,227.4    | 60,551.2    | 65,086.5    | 67,586.2    | 68,170.4    | 72,239.9    | 74,086.0    | 74,801.0    |
| ■ Unrestricted General (UGF) | 530,551.4 | 608,356.0 | 748,485.6   | 794,605.2   | 917,124.9   | 832,513.0   | 929,876.1   | 1,150,088.7 | 1,231,238.9 | 1,244,199.4 |

### H&SS Budget Comparisons (by Appropriations)

Non-Formula  
(GF Only)  
(\$ Thousands)



**NON-MEDICAID FORMULA APPROPRIATIONS  
(GF ONLY)  
(\$ Thousands)**

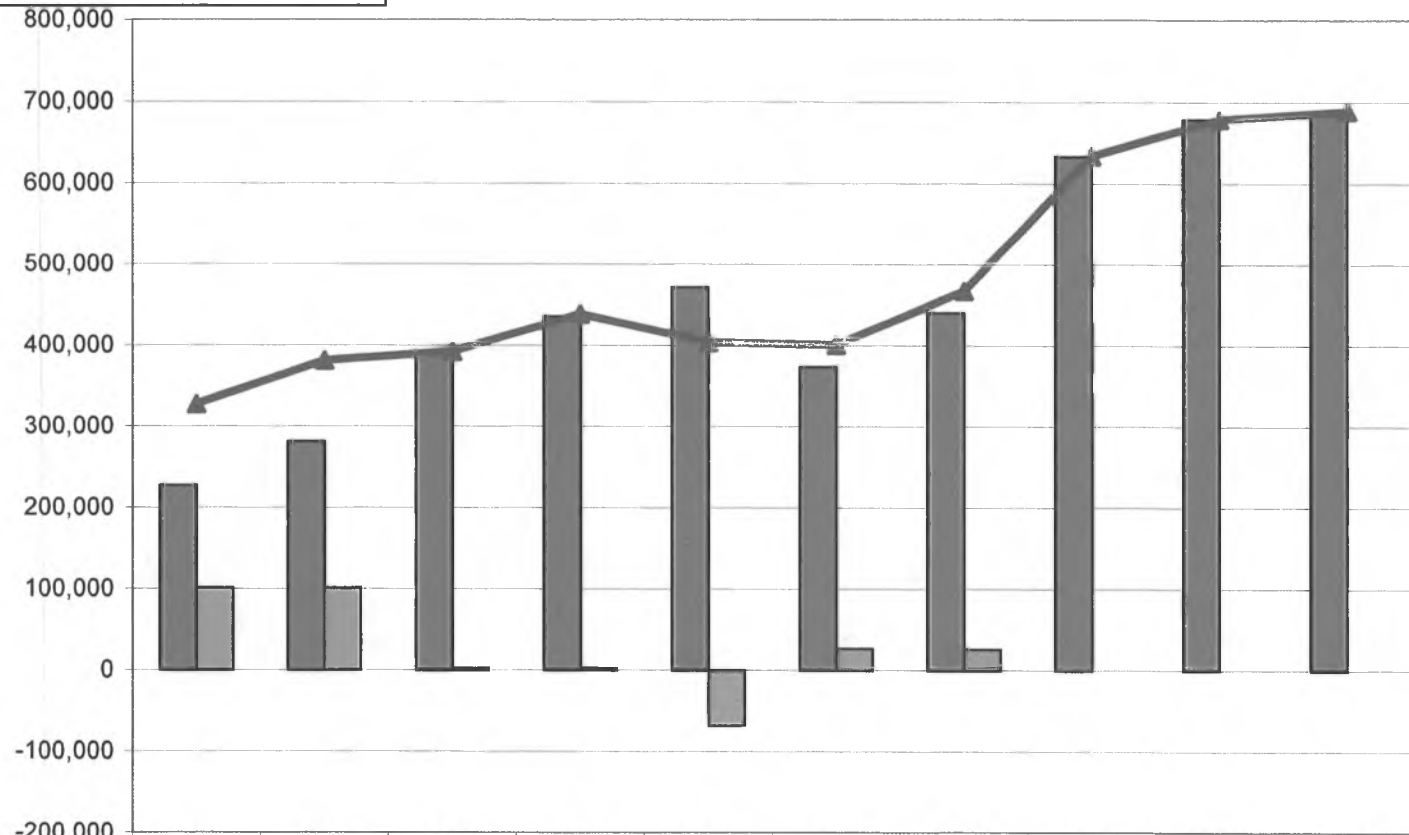


|                      |           |           |           |           |           |           |           |           |           |           |
|----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Public Assistance    | 123,772.3 | 117,725.8 | 116,318.1 | 102,534.0 | 126,875.9 | 124,060.2 | 126,667.8 | 132,959.3 | 139,783.6 | 143,817.6 |
| Children's Services  | 24,000.4  | 21,048.1  | 21,623.3  | 21,314.5  | 29,303.5  | 29,637.6  | 26,730.7  | 26,403.4  | 26,403.4  | 29,003.4  |
| Health Care Services | 1,471.0   | 1,471.0   | 1,471.0   | 1,471.0   | 1,471.0   | 1,471.0   | 1,471.0   | 1,471.0   | 1,471.0   | 1,471.0   |

Medicaid has grown by \$360 million (110%) between the FY05 Final Budget and the FY14 Governor's Request. Of this increase:

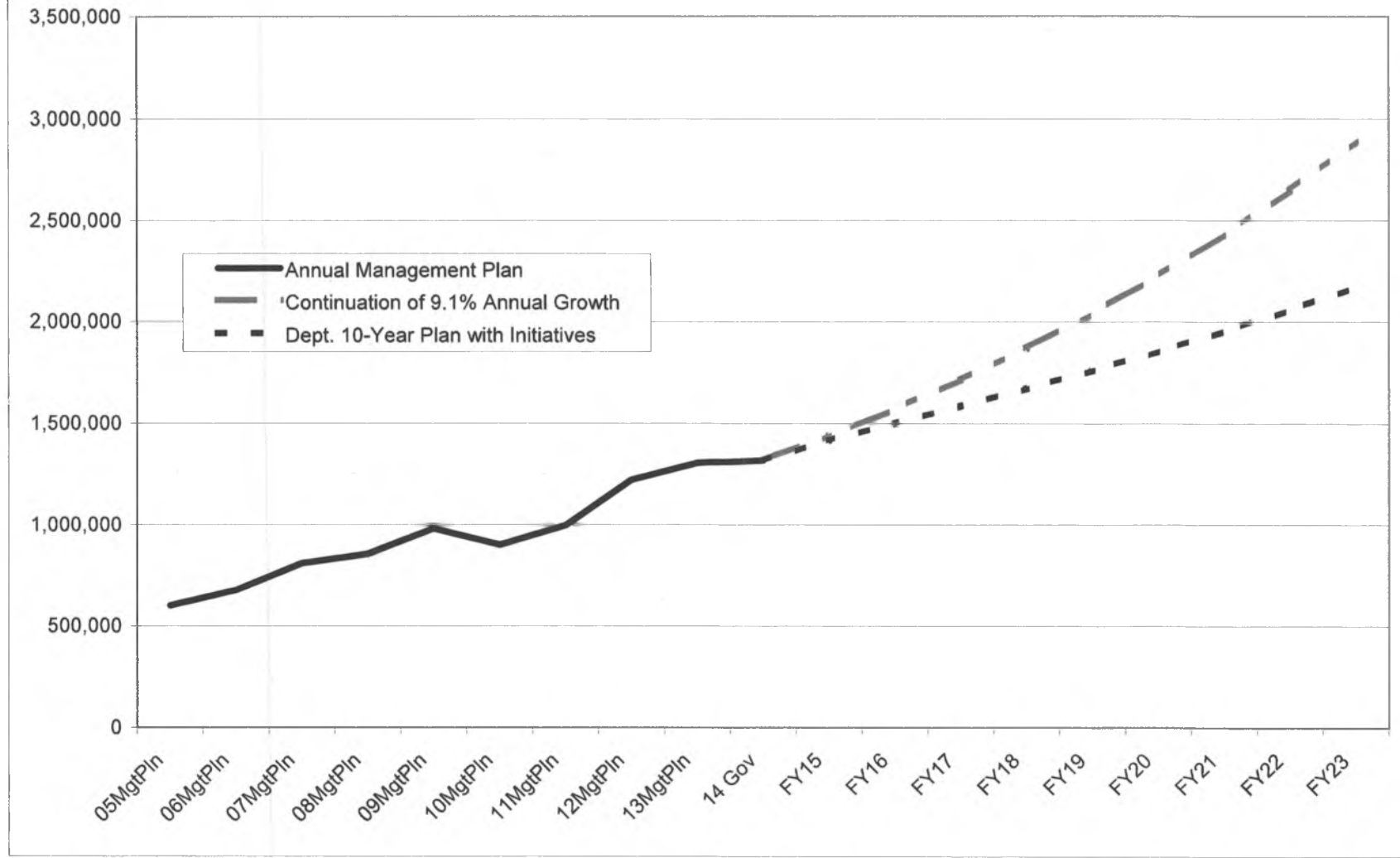
- \$134.8 million is attributable to FairShare/ProShare
- \$75.2 million is attributable to FMAP changes
- \$32.5 million is attributable to Rate Rebased

### TOTAL FORMULA APPROPRIATIONS (GF ONLY) (\$ Thousands)



|                                | FY05      | FY06      | FY07      | FY08      | FY09       | FY10      | FY11      | FY12      | FY13      | FY14      |
|--------------------------------|-----------|-----------|-----------|-----------|------------|-----------|-----------|-----------|-----------|-----------|
| Management Plan                | 226,932.6 | 281,049.8 | 389,776.9 | 435,844.1 | 472,144.8  | 374,055.2 | 441,206.3 | 633,261.8 | 677,823.8 | 688,275.2 |
| Supplementals/RPLs/Adjustments | 100,447.9 | 100,638.4 | 2,744.0   | 3,061.6   | (68,250.0) | 26,817.0  | 26,261.1  | -         | -         | -         |
| Total Funding                  | 327,380.5 | 381,688.2 | 392,520.9 | 438,905.7 | 403,894.8  | 400,872.2 | 467,467.4 | 633,261.8 | 677,823.8 | 688,275.2 |

**Department of Health & Social Services  
Continued Budget Growth Compared to 10-Year Plan  
(GF Only)  
(\$ Thousands)**



**Department of Health & Social Services  
Continued Budget Growth Compared to 10-Year Plan  
(All Funding)  
(\$ Thousands)**

