

**SB**

**40**

**<TARGET><BILL>SB 40</BILL><SUBJECT>SB  
40</SUBJECT><COMM>SFIN29</COMM></TARGET>**

# Mental Health Budget Bill Overview

*February 10, 2015*

**Trust**  

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**Alaska Mental Health  
Trust Authority**

# The Budget Process – Why A Separate Appropriation Bill?

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- Settlement mandated an integrated, comprehensive mental health program
- Separate bill enables a holistic approach of all mental health programs rather than in silos/per department

# The Budget Process – A Separate Appropriation Bill

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- Trustees recommend to governor annual operating and capital budgets by September 15 (required by statute)
- Recommendations include not only MHTAAR but what trustees think the state should spend (GF/MH) in order to have an adequate MH program
- If governor or Legislature does not follow trustee recommendations they have to explain why

# Types of Funds in the Mental Health Budget Bill

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- GF/MH – general fund/mental health
- MHTAAR – Mental Health Trust Authority Authorized Receipts
- MHT Admin – funds to operate the Trust
- Alaska Housing Finance Corporation dividends
- Alcohol tax receipts

# Examples of Holistic Approach

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- Therapeutic Courts
- Bridge Home

# Therapeutic Courts

Prevent inappropriate use of Correctional Centers and reduce criminal recidivism for targeted populations

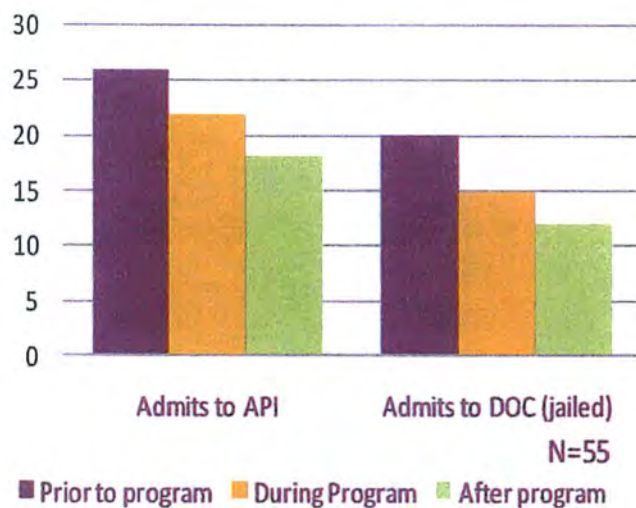
- Anchorage Mental Health Court (est. 1998)
  - Total of Trust funds ~\$1,000.0 (1<sup>st</sup> in Alaska, 3<sup>rd</sup> in the nation) over 5 years to develop, implement and evaluate
  - Combined savings of nearly 2½ times program annual operating cost (\$293,000)
  - 2005 transitioned to GF/MH and used available Trust funds to expand to Palmer
- Palmer Mental Health Court (est. 2005)
  - Total of Trust funds ~\$600.0 to develop, implement and evaluate
  - Participants were less likely to engage in new criminal conduct after exiting the program (17%) than an equivalent group (40%)
  - 2007 transitioned to GF/MH and used available Trust funds to expand to other locations
- Current Trust funded mental health courts
  - Fairbanks Juvenile Mental Health Court (est. 2008); FY14 \$245.6 MHTAAR
  - Juneau Mental Health Court (est. 2008); FY14 \$204.4 MHTAAR

# Bridge Home

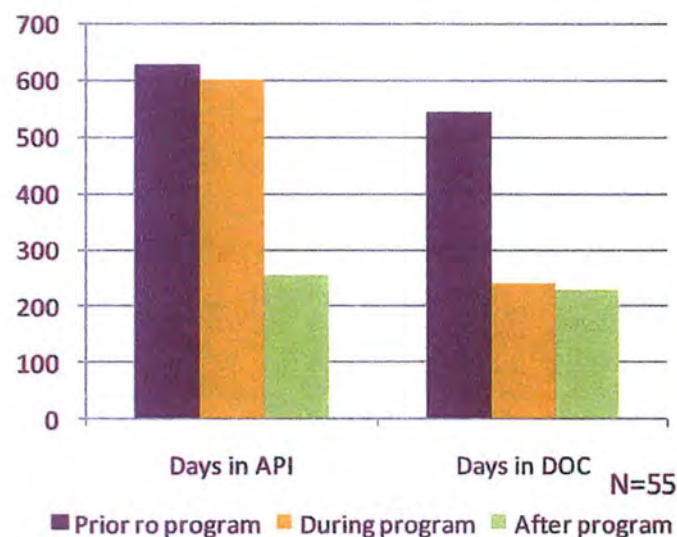
Targeting people exiting Alaska Psychiatric Institute or Dept. of Corrections through intensive community outreach project

- Bridge Home Program: FY14 \$750.0 MHTAAR
- Total investment since FY06: \$6,250,000 MHTAAR
- Medicaid supportive services utilized in the program

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



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



People demonstrated ability to remain stable in housing (and out of institutions) with lower cost supportive services

# FY15 - FY16 Budget

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	MHTAAR /MHT Admin	GF/MH / GF	Other	Total
FY15 Enacted Operating	14,514.9	198,533.9	20,142.5	233,191.3
FY15 Enacted Capital	<u>1,650.0</u>	<u>10,700.0</u>	<u>0</u>	<u>12,350.0</u>
Total	16,164.9	209,233.9	20,142.5	245,541.3
FY16 Governor WIP Operating	15,323.7	199,393.8	20,142.5	234,860.0
FY16 Governor WIP Capital	<u>600.0</u>	<u>1,750.0</u>	<u>0</u>	<u>2,350.0</u>
Total	15,923.7	201,143.8	20,142.5	237,210.0

# FY15 Budget (operating)

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	MHTAAR /MHT Admin	GF/MH / GF	Other	Total
Administration	153.8	2,070.8	0	2,224.6
Corrections	475.8	7,636.1	0	8,111.9
Education	100	377.8	0	477.8
Health & Social Services	3,946.9	183,981.3	19,624.5	207,552.7
Labor	0	100.0	0	100
Law	15.0	97.0	0	112.0
Natural Resources	4,071.4	0	0	4,071.4
Revenue	3,426.7	912.5	0	4,339.2
UA	1,865.0	655.8	0	2,520.8
Court System	460.3	2,702.6	518.0	3,680.9

# FY15 Budget (DHSS Operating)

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	MHTAAR /MHT Admin	GF/MH / GF	Other	Total
Behavioral Health	1,814.4	66,140.1	18,124.5	86,079.0
Medicaid Services	0	72,485.5	1,500.0	73,985.5
Senior & Disability Services	1,368.8	16,211.9	0	17,580.7
Pioneer Homes	0	15,794.7	0	15,794.7
Children's Services	180	10,065.4	0	10,245.4
Juvenile Justice	268.7	1,232.4	0	1,501.1
Public Assistance, Health Care Services, Public Health & Departmental Support	315	2,051.3	0	2,366.3

# FY16 GF/MH Recommendations

	MHTAAR	GF/MH
<i>IT Application/Telehealth Service System Improvements</i>	\$100.0	\$100.0
<i>National Family Caregiver Grant Program</i>		\$325.0
<i>Senior In-Home Services</i>		\$350.0
<i>Long-Term Care Ombudsman Office – Increment</i>		\$35.0
<i>Area Health Education Centers</i>		\$330.0
<i>Licensed Marriage &amp; Family Therapist</i>		\$25.0
<b>TOTAL</b>	<b>\$100.0</b>	<b>\$1,165.0</b>

# AHFC Homeless Assistance Program

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HAP program funding breakdown is as follows:

- \$850.0 GF/MH - Operations/services
- \$850.0 MHTAAR – Operations/services
- \$6,300.0 GF – Operations/services
- \$1,750.0 Special Needs Housing Grant program – capital/building operations subsidy

The program supports shelters, down payment assistance, case management, and rapid re-housing for families



# Homeless Assistance Program

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Homeless Assistance Program is comprised of

- Basic Homeless Assistance Program (BHAP)
- Special Needs Housing Program (SNHG)
- In 2009, these programs were increased to more effectively serve the population, leverage Medicaid services and address recidivism and deaths on the streets.
- Between 2009-2011, there were nearly 30 deaths of people with disabilities and addictions dying from exposure on the street.
- In 2014, 12,155 people were served by these grant programs. Several thousand of these were Trust beneficiaries

# Cost of eliminating these programs

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## **Eliminating HAP will be costly to Alaska**

- Federal matching funds will be jeopardized:
  - HUD Continuum of Care (\$3.6 million)
  - Administration of Children & Families
- Cuts will result in shelters closing down, staff reductions, the elimination of prevention services (e.g. rental assistance), and poorer quality food and services.
- Also expected: displacement/loss of housing, increased emergency service utilization, increased recidivism, elimination of all youth outreach in Anchorage, and more deaths on the street.

# Current Priorities

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- Restore Homeless Assistance Program Funding
- Medicaid Expansion and Reform
- Recidivism
- Substance Abuse Prevention & Treatment

# Thank You

## Trust

Alaska Mental Health  
Trust Authority





## Impact of the Loss of AHFC Basic Homeless Assistance Program (BHAP) Funding

The Basic Assistance Homeless Assistance Program (BHAP) provides shelter and services to Alaska's neediest. To eliminate ALL funding for this essential program - especially with the impending impacts of a downturn in the economy - will actually cost the state more, while leaving increasing numbers of Alaskans homeless. **(An \$8 million dollar loss in funding)**

### Capital Budget: Department of Revenue: AHFC Basic Homeless Assistance Program

Fund Source	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
GF				\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 0
GF/MH	\$ 500	\$ 500	\$ 500	\$ 850	\$ 850	\$ 850	\$ 850	\$ 0
MHTAAR	\$ 1,500	\$ 1,150	\$ 1,150	\$ 850	\$ 850	\$ 850	\$ 850	\$ 0
AHFC	\$ 3,500		\$ 3,350					\$ 0
Fed		\$ 2,000	\$ 2,000					\$ 0
AIDEA			\$ 3,000					\$ 0
Statutory designation	\$ 2,500	\$ 1,000						\$ 0
AK Capital Fund		\$ 4,000						\$ 0
<b>Total (in thousands)</b>	<b>\$ 8,000</b>	<b>\$ 8,650</b>	<b>\$10,000</b>	<b>\$ 8,000</b>	<b>\$ 8,000</b>	<b>\$ 8,000</b>	<b>\$ 8,000</b>	<b>\$ 0</b>

### Eliminating BHAP will be costly to Alaska

- Federal matching funds will be jeopardized; HUD Continuum of Care (\$3.6 million), Administration of Children & Families, and more.
- Cuts will result in shelters closing down, staff reductions, the elimination of prevention services (e.g. rental assistance), and poorer quality food and services.
- Also expected: displacement/loss of housing, increased emergency service utilization, increased recidivism, elimination of all youth outreach in Anchorage, and more deaths on the street.
- BHAP is the sole source of funding for 5 communities.**

**Anchorage:** Partners for Progress program would be eliminated; 40-50 homeless prison reentrants each month would be unhoused and more likely to recidivate.

**Fairbanks:** Cuts jeopardize the operation of the Fairbanks Rescue Mission that houses 150 people per night—the only adult emergency shelter in the Interior region.

**Mat-Su:** BHAP funds the collaboration of 8 agencies to prevent homelessness, elimination will endanger the 2,700 households currently being served.

**Nome:** The NEST Shelter has saved lives and created a 32% drop in alcohol-related police actions & corrections admissions, and 25% decrease in alcohol-related emergency room visits during winter months. All NEST's homeless prevention services will be cut.

## GOAL: RESTORE FUNDING FOR BHAP TO THE FY2015 LEVEL OF \$8 MILLION

**BHAP Funding can be restored in Capital Bills SB 26 and HB 71 & Mental Health Bills SB 28 and HB 73**

### Agencies Impacted: Funding Lost

Organization	Community	Award
Alaska Mental Health Consumer Web	Anchorage	\$96,496
Alaska Youth Advocates	Anchorage	\$56,079
Anchorage Community Mental Health	Anchorage	\$180,508
AWAIC	Anchorage	\$251,502
Catholic Social Services	Anchorage	\$837,213
Covenant House	Anchorage	\$387,075
New Life Development	Anchorage	\$245,858
Partners for Progress	Anchorage	\$144,267
RurAL CAP	Anchorage	\$74,237
Safe Harbor Inn	Anchorage	\$217,037
Shiloh Community Housing, Inc.	Anchorage	\$148,444
The Salvation Army - McKinnell	Anchorage	\$80,124
Tundra Women's Coalition	Bethel	\$62,930
Fairbanks Rescue Mission	Fairbanks	\$293,838
Fairbanks Youth Advocates	Fairbanks	\$183,040
Interior Center for Non-Violent Living	Fairbanks	\$50,000
The Salvation Army - Fairbanks	Fairbanks	\$148,769
South Peninsula Haven House	Homer	\$94,380
GHS ,Glory Hole, & 3 other agencies	Juneau	\$589,883
Love INC of the Kenai Peninsula	Kenai	\$307,260
The Lee Shore Center	Kenai	\$50,509
Love INC Gateway Affiliate	Ketchikan	\$97,034
Kodiak Brother Francis Shelter	Kodiak	\$231,126
Valley Charities, Inc. (8 agencies)	Mat-Su	\$894,286
Nome Emergency Shelter Team - NEST	Nome	\$115,355
The Salvation Army - Sitka	Sitka	\$72,160
The Salvation Army - Small Community	Southeast	\$27,825
Unalaskans Against Sexual Assault - USAFV	Unalaska	\$27,571



## Impact of the Loss of AHFC Special Needs Housing Grant (SNHG) Funding

The Alaska Coalition on Housing and Homelessness stresses the importance of the Special Needs Housing Grant to providing a permanent solution to ending chronic homelessness in Alaska. Cuts to this program will have substantial negative impacts on the communities and agencies working to end homelessness. **(A \$1.75 million dollar loss in funding)**

### Capital Budget: Department of Revenue: AHFC Special Needs Housing Grant

Fund Source	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
GF				\$ 1,074	\$ 1,074	\$ 1,750	\$ 1,750	\$ 0
AHFC	\$ 1,750	\$ 1,750	\$ 1,750	\$ 677	\$ 677			\$ 0
Total— in thousands	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 0

### Permanent Supportive Housing is the Solution to Ending Chronic Homelessness

Permanent supportive housing (PSH) is considered an evidence-based best practice by the Substance Abuse and Mental Health Services Administration (SAMSHA), US Interagency Council on the Homeless, and the US Department of Housing and Urban Development (HUD). In recent years, HUD has prioritized funding for permanent supportive housing units in its Continuum of Care (CoC) program due to the effectiveness of the approach in stabilizing residents and ending homelessness.

The Anchorage and Balance of State Continuum of Care programs have indicated to the Governor's Council on the Homeless that the development of additional permanent supportive housing units throughout the state is the top priority.

On the federal level, President Obama's FY16 budget calls for resources to create 25,500 new units of permanent supportive housing – the proven, cost-effective solution to chronic homelessness.

**AHFC's Special Needs Housing Grant is the only source for development of additional PSH units.**

### Eliminating SNHG Funds Will Jeopardize Current Permanent Supportive Housing Units

Current grantees rely on SNHG for operating costs:

- **RurAL CAP:** SNHG provides 80% of the operational and supportive service budget for the 46 unit Karluk Manor Housing First project. 18 additional PSH units in Mountain View operate with SNHG funding. **A total of 64 units risk closure without funding.**
- **Tanana Chiefs Conference:** 47 unit Housing First program would be severely diminished without SNHG funding, to the point of closure. Without Housing First, the **47 tenants most likely would return to homelessness** and over-using of emergency crisis services such as ER, Detox or the jail.
- **New Life Development** would be able to offer **zero supportive housing units** for reentrants from the prison system in Anchorage without SNHG.
- **Anchorage Community Mental Health Services** has SNHG operating and supportive service funding for 6 highly acute, frequent users of institutions. Loss of SNHG would result in less support for this high risk population and likely increase institutionalization use.

### Communities Impacted

Organization	Community	Award
Anchorage Community Mental Health	Anchorage	
Catholic Social Services	Anchorage	
New Life Development	Anchorage	\$1,298,295
RurAL CAP	Anchorage	
Tanana Chiefs Conference	Fairbanks	\$547,969
Interior Center for Non-Violent Living	Fairbanks	
Kenai Peninsula Housing Initiatives	Homer	\$32,404
Reach, Inc.	Juneau	\$21,185
Valley Residential Services	Wasilla	\$195,612
Kenai Peninsula Housing Initiatives	Soldotna	\$60,500

**More federal, state, local, and community investment is needed in the development of permanent supportive housing in Alaska**

Prior to the budget downturn, advocates in Anchorage and the Balance of State were prepared to campaign for significant increases in development funds to increase the number of permanent supportive housing units in Alaska.

**GOAL: RESTORE FUNDING FOR SNHG TO THE FY2015 LEVEL OF \$1.75 MILLION AND PREPARE FOR INCREASED INVESTMENTS IN SUBSEQUENT YEARS.**

SNHG Funding can be restored in: Capital Bills SB 26 and HB 71 Mental Health Bills SB 28 and HB 73