AK LEGISLATURE FINANCE COMMITTEES FILES 2007-2008 3252

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The TRUST

The Alaska Mental Health Trust Authority

2/5/08

September 21, 2007

To Trust Partners and Beneficiaries:

Over the past several years, The Alaska Mental Health Trust Authority (The Trust) has voiced concern over the consequences of the State of Alaska refinancing State grant funding to Medicaid. As a result, during FY 07 The Trust commissioned a study to examine the changes in funding sources for the State's Comprehensive Mental Health Program and analyze what the changes have meant to Trust beneficiaries and the providers who serve them. The resulting report, *Financial and Program Changes to Services for AMHTA Beneficiaries: FY01- FY07* was completed in August 2007 and is attached for review by our beneficiaries, statutory advisors, other partner advisory groups, and all stakeholders of the Comprehensive Mental Health Program.

The Trust will use the information in the report to initiate and frame discussions with our advisory partners, state departments, and all other stakeholders about how to address the policy issues revealed by the data in the report and to formulate strategies to address them. The following are priority policy issues and concerns from the report for The Trust:

- The report confirms that there has been a shift through refinancing to funding much of the services in the Comprehensive Mental Health Program through Medicaid. State grant funding has been reduced in all areas. This means that there is a different mix of services being provided and of those who are being served.
- Medicaid is a medical model that funds services on the more severe end of the continuum of services, often when they are more expensive, and invests little in early intervention and prevention services.
- Medicaid does not serve all Trust beneficiaries – only those with extremely low incomes. This has created a lack of funding for some services such as alcohol and substance abuse treatment and prevention programs which have limited ability to bill Medicaid. A 1997 Legislative Audit report on Medicaid Refinancing referenced the problem of creating two classes of citizens by relying heavily on Medicaid to fund state services and recommended caution in future refinancing efforts to avoid widening the gap. The Medicaid refinancing strategy was increased beginning in FY 2000 resulting in increasing gaps in those served. State grant funding for these services must be reviewed and the consequences of the lack of alcohol and substance abuse treatment availability considered, including the ramifications on other systems such as the courts, corrections, child protection and public safety.
- Agencies are struggling to maintain services because of the freeze in Medicaid rates. The increasing cost of wages and benefits and continued inflation have eroded their financial ability to operate. The report cites agencies having to lay off employees and decrease the number of people they serve in order to cope with the

rate freezes. Medicaid rate studies are underway and the concerns in the report make a case for addressing these problems in the next legislative session. Additionally administrative concerns on the timeliness of payments, increased burden of Medicaid reporting requirements and the lack of funding mechanisms for funding of employee training that state grants used to provide are contributing to agency problems.

- Grant reporting improvements that began in FY 06 need to be continued, including requirements for reporting unduplicated counts of those served in order to track effectively the number of people served in state-funded programs.
- There is a lack of discussion and planning to address quality assurance issues around how effectively programs serve Trust beneficiaries. The main dialogue recently from the Legislature and the Department of Health and Social Services has focused on managing the growth of the Medicaid program. While this is important, there are other important issues that must be addressed in order to ensure the State has a comprehensive mental health program that is effective and based on producing outcomes for beneficiaries.

These problems have limited the ability of the behavioral health system to address the needs of the beneficiaries in the community. This has resulted in a large number of beneficiaries being caught up in the criminal justice system and is contributing to the overcrowding of our prisons. We believe that investments in the state's behavioral health system can significantly help in limiting the need for expensive new prisons.

The Trust looks forward to working with all our partners to address the results of the policy concerns documented in this report as effectively as we have in our Focus Areas of Disability Justice, Affordable Housing, Bring the Kids Home, Workforce Development, and Beneficiary Initiatives. We have found that working with all systems to plan and implement priority strategies has led to solid progress in our Focus Areas and we will continue to apply these methods in our work to address the issues in this report.

We look forward to hearing your comments on the report and any strategies you believe would help address these issues. You may send those comments directly to me at the address below or via email to jeff@mhtrust.org.

Warmest regards,

Jeff Jessee
Chief Executive Officer

Alaska Mental Health Trust Authority
3745 Community Park Loop # 200
ANCHORAGE, AK 99508

Financial and Program Changes to Services for AMHTA Beneficiaries: FY01 – FY07

JULY 2007

SUBMITTED BY

Information Insights, Inc.
212 Front Street, Suite 100
Fairbanks, Alaska 99712

Financial and Program Changes to Services for AMHTA Beneficiaries: FY01 – FY07

JULY 2007

Ellen Ganley, Principal Consultant, Information Insights
Sylvan Robb, Senior Consultant, Information Insights

Prepared for

Alaska Mental Health Trust Authority

Delisa Culpepper, Contract Manager
3745 Community Park Loop # 200
Anchorage, AK 99508

Prepared by

Information Insights, Inc.
212 Front Street, Suite 100
Fairbanks, Alaska 99701
(907) 450-2450 phone
(907) 450-2470 fax

www.infoinsights.com
info@infoinsights.com

information
insights

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INTRODUCTION

At the beginning of the decade, with a looming budget crisis, the Department of Health and Social Services (mental health, substance abuse and developmental disability services) and the Department of Administration (senior services) sought ways to reduce state general fund appropriations while maintaining services.

The State of Alaska has used various means to reconfigure the state budget to meet demands for more services with fewer funds. These changes in financing have brought many changes to how services are provided to Alaska Mental Health Trust beneficiaries.

The four refinancing measures that had the greatest impacts on the funding of services to beneficiaries are:

1. **Medicaid Waivers:** The federal government allows states to offer a variety of services to consumers under Section 1915(c) Home and Community-Based Services Waivers to allow long-term care services to be delivered in community settings. Home and Community Based Care (HCBC) waivers allow people who would otherwise need an institutional level of care to live in their home or community and receive the care they need. Forty-eight (48) states and the District of Columbia offer services through HCBS waivers. Alaska's first Waiver was approved in the 1990s. Alaska has four HCBC waivers:
   - Older Alaskans (OA)
   - Mentally Retarded/Developmentally Disabled (MRDD)
   - Children with Complex Medical Conditions (CCMC)
   - Adults with Physical Disabilities (APD)

2. **Medicaid Billing by Mental Health Services:** Over the past ten years, Medicaid became the primary payor for mental health services in Alaska. The State Medicaid program covers services required under 42 U.S.C. 1396 - 1396p (Title XIX of the Social Security Act), including:
   - Inpatient Hospital Services
   - Outpatient Hospital Including Rural Health Center and Federally Qualified Health Center Services
   - Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Services to Children Under 21
   - Physician Services

Alaska also includes the following optional services in the State Medicaid Plan:

- Mental health clinic services
- Inpatient Psychiatric Services (for persons under the age of 21
- Mental health rehabilitative services for children under 21
- Mental health rehabilitative services for adults
- Behavior rehabilitation services for children under 21
- Alcohol and substance abuse services
- Targeted Case Management (TCM)

ProShare:. The federal ProShare program makes payments for certain medical assistance services to qualified private hospitals. The hospital in turn provides services directly or grants funds to qualified providers to secure services in rural, remote areas. ProShare helps ensure continued access to services for Alaska's citizens and makes optimum use of federal participation for inpatient hospital services and allows the state to obtain federal matching funds for what otherwise would be state general funds. A number of states, including Washington and New Hampshire, used ProShare to expand community-based services for seniors. Initially, states using ProShare were under close scrutiny from the Centers for Medicare and Medicaid services, however, there have been no recent challenges to states using ProShare in ways similar to Alaska.

ProShare has been in place in Alaska since FY00. Providence Medical Center administers ProShare for the Department of Health and Social Services and receives a 2% administrative fee. The funding dispersed to community providers is 50% federal funding and 50% state dollars. A table that provides ProShare funding amounts by DHSS division and component for FY03 through FY08 can be found in the Appendices.

3. **Alcohol and Drug Abuse Treatment and Prevention Fund:** Half (50%) of state alcohol excise taxes are deposited in the Alcohol and Drug Abuse Treatment and Prevention Fund and are available for support of programs for the prevention and treatment of alcoholism, drug abuse, and misuse of hazardous volatile materials and substances by inhalant abusers. The fund is used to support behavioral health grant programs.

In the wake of the funding shift from state grants to a greater reliance on Medicaid and other funding, the Trust contracted with Information Insights to document how the Comprehensive Mental Health Program has been affected by decreased state grant funds, increased dependence on Medicaid, and refinancing strategies since FY 2001. The purpose of this report is to look at how the refinancing of beneficiary services has impacted the mix and accessibility of services.

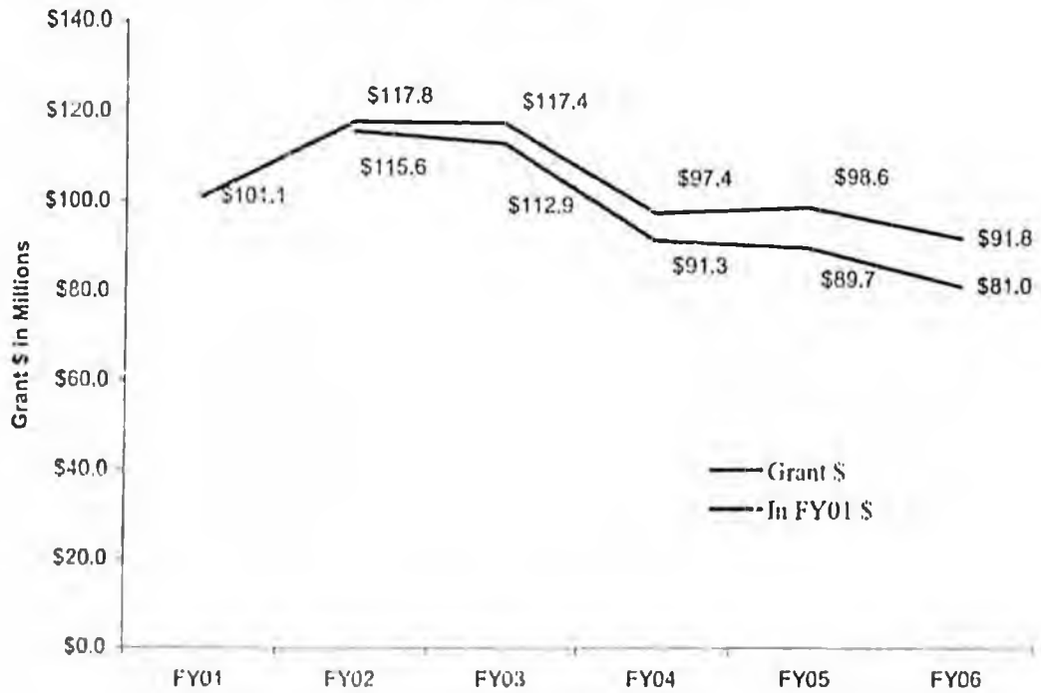
SUMMARY OF FINDINGS

Since October 2001, Alaska has relied increasingly on Medicaid to fund services for Trust beneficiaries. Approximately 20% of Alaskans are now enrolled in the state's Medicaid program. As a result of the increase in reliance on Medicaid program usage, the overall Medicaid budget has increased by almost 600 percent from FY 1997 to FY 2007. Medicaid has been pursued as a funding source because the federal government matches state dollars. This allowed the state to provide services using fewer state dollars.

However this shift in funding sources redefined many services under Medicaid definitions, often meaning a reduction in scope and flexibility of the services. At this time, the federal medical assistance percentage match (FMAP) has been continued at 57.58 percent of the total cost for most services. However, in federal FY08, effective October 1, 2007, this is planned to decrease to around 50 percent for most programs.

As can be seen on the chart below, grant funding for beneficiary services declined from $101.1 million in FY01 to $91.8 million in FY06. When the increasing costs of goods and services are considered[1], the FY06 grant total is $81.0 million, a 19.9% decrease in funding.

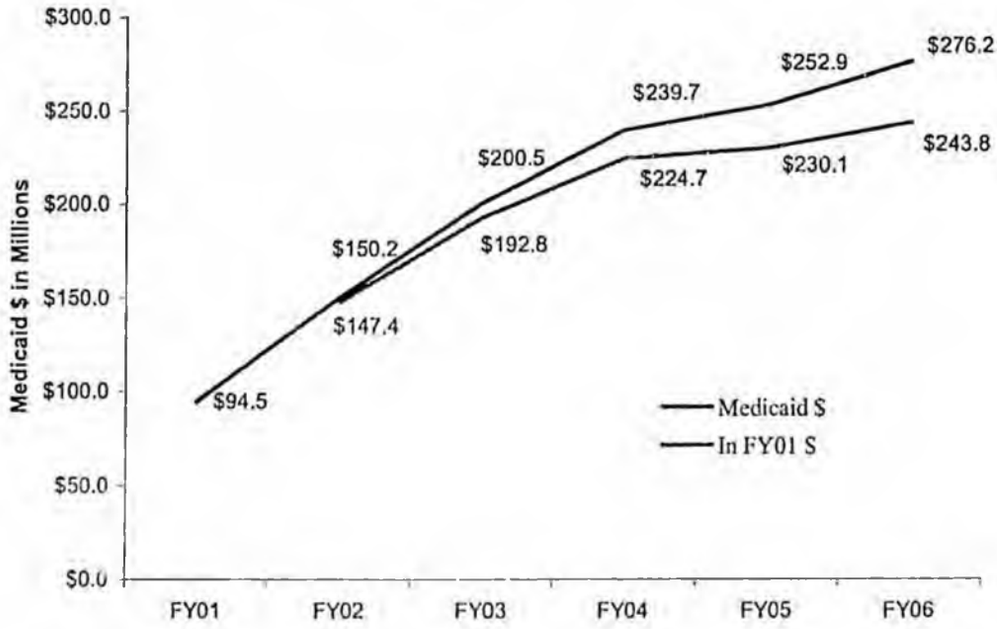
Alaska Mental Health Trust Beneficiaries
Grant Funding: FY01 – FY06



[1] Calculated with the GDP (Gross Domestic Product) deflater, which measures changes in prices of all new, domestically produced, final goods and services.

FY01 was the last year that grant funding ($101.1 million) exceeded Medicaid ($94.5 million) as a funding source for beneficiary services. Medicaid funding of services for Trust beneficiaries increased from $94.5 million to $276.2 million in FY06, which is equal to $243.8 million FY01 dollars. This represents a 158% increase in FY01 dollars.

Alaska Mental Health Trust Beneficiaries
Medicaid Funding: FY01 – FY06



Other Findings:

- Between FY03 and FY04, the total authorized through General Fund/Mental Health (GF/MH) funding decreased from $65.1 million to $36.1 million, a decrease of 44.5%. Funding from the General Fund (SGF) decreased from $13.7 to $8.2 million.
- Part of the GF/MH and SGF reduction were supplanted with funding from the Alcohol and Drug Abuse Treatment and Prevention Fund and through ProShare funding.
- Between FY01 and FY06, Senior Services was the only beneficiary group that saw an increase in grant funding, increasing from $12.5 million in FY01 to $15.0 in FY06, an increase of 19.9%.
- Developmental Disability programs experienced the greatest decrease in grant funding, from $25.8 million in FY01 to $16.4 million in FY06, a decrease of 36%.
- Medicaid funds were split relatively evenly among beneficiary groups with the exception of the chronic alcoholics with psychosis beneficiary group who received only 2% of the total funding.

- Between FY01 and FY06 the traumatic brain injury beneficiary group showed the largest growth in the number of recipients receiving Medicaid services with a 133% increase. The developmental disabilities beneficiary group followed with a 56% increase, then the mental illness beneficiary group with 53%, then the Alzheimer's and related dementias beneficiary group with 22% and finally the chronic alcoholics with psychosis beneficiary group showed the smallest increase (17%).

- Consumers living in Anchorage accounted for 52% of Medicaid beneficiary expenditures from FY01 to FY05, followed by Southcentral with 23%, Southeast with 12%, Interior with 10%, Southwest with 3%, and Northwest and Outside each less than 1%.

- Recipient data show that 53% of Medicaid beneficiaries live in Anchorage, 21% in Southcentral Alaska, 10% in Southeast, 8% in the Interior, 5% in Southwest, and 1% in the Northwest and Outside.

- Key informants felt that dependence on Medicaid funding is adversely affecting beneficiary services, especially for those who are not Medicaid eligible.

- Providers are concerned that, with the current dependence on Medicaid, the State, consumers and providers have little to say about how services are provided. They also expressed concern about what might happen if there are federal cut-backs in Medicaid or if ProShare is determined to be an inappropriate method of service re-financing.

- Medicaid service unit rates have been frozen since FY04 and personal care assistance rates have been frozen since 1998.

- The regulatory and reporting requirements for Medicaid and grant services have increased administrative overhead for all providers. The service system has become more complex without additional funding to pay for the added tracking and billing.

- State grant dollars used to provide the flexibility programs needed to meet the needs of people who do not qualify for Medicaid.

- With grant funding remaining flat or decreasing and Medicaid rates frozen, providers are finding that it is becoming more and more difficult to support agency infrastructure.

- Programs feel that the partnership between agencies, consumers and the State has disappeared.

- A number of providers have taken out lines of credit to carry over their organization while waiting for state reimbursement for services. The dollars paid in interest on the lines of credit (in one case approximately $100,000) would have gone to services.

- Providers said that they are no longer able to pay competitive wages and many have frozen salaries. They are finding it more and more difficult to recruit and retain qualified staff.

PROJECT SCOPE

The original scope of this project envisioned a longitudinal analysis of funding and access to services for Trust beneficiaries since FY01. The methodology called for the collection of financial and program information from grant files for agencies providing mental health, substance abuse, early intervention/infant learning, developmental disability and senior services.

Information Insights spent weeks searching through grantee files in the Department of Health and Social Services Grants and Contracts Office and the Department Auditor's Office collecting information from the 4th quarter grantee budget and program reports. With the assistance of Department grant and auditing personnel, the Information Insights team was able to locate all of the FY03 through FY07 files. Many of the FY01 and FY02 files were destroyed before the project began.

Information was collected on program income and expenditures by funding source, and number of people receiving services by types of services for each agency. The first files that were reviewed were the first quarter FY07 files. It was soon clear that the quality and consistency of the data dropped as the research team went further back through the records. The most serious issues were:

- **Budget Reports** - Some early year-end reports, usually small programs, were either missing or incomplete. There was inconsistency in reporting of revenues and expenditures, especially as it relates to Medicaid. Medicaid revenues were often recorded as program income, federal receipts, or not at all. There were so many inconsistencies, that the only way to be able to do an analysis would be to contact each agency and attempt to reconcile the data. This was not possible in the time allotted to the project and well beyond the scope of the contract.

- **Program Reports** – Alcohol and drug abuse programs had the best and most consistent consumer information. Until recently, mental health and early intervention programs provided quarterly totals of consumers served, but not an annual total. The FY06 reports have annual unduplicated counts for both programs. Developmental disabilities programs submit quarterly rosters of consumers detailing the types of services each consumer received. There is no unduplicated count of people receiving services on an annual basis.

While the available FY01 to FY05 grant records were incomplete and inconsistent, the good news is that by FY06, the quality of information in the quarterly reports is greatly improved. Longitudinal analysis of revenues, expenditures and consumers will be possible in the next few years. All state funded providers of beneficiary services submit quarterly reports. There are currently no data systems capable of providing the type of financial and service information included in the quarterly reports. In order to encourage the continued improvement in reporting, the Trust is encouraged to:

- Work with beneficiary boards, providers and the DHSS Grants and Contracts Office to assure that the information on the quarterly reports can provide the information needed for system monitoring and policy development.
- Provide agencies with guidance and training on completion of the quarterly budget reports so that there is consistency in entry of budget information, especially as it relates to Medicaid revenues and expenses.
- Require that all beneficiary programs provide annual unduplicated counts of consumers receiving services as part of the fourth quarter report.

Because the quality of the information in the grant records made it impossible to conduct a meaningful analysis of trends in funding or services, other sources of financial information were sought. This report relies on the Legislative Finance Office "authorized expenditures" reports for FY01 through FY05 and the FY06 Operating Budgets. These reports were available by online by Department and program.

The Department of Health and Social Services provided information on Medicaid recipients for FY01 through FY06. Key informant interviews were conducted with agency directors and others who have worked with beneficiaries for at least the past decade. They provided insights into how changes in funding affected agencies and consumers.

Grant Funding Trends: Funding by Program: FY01-FY06

Methodology: The Legislative Finance Division website provides authorized budgets for State departments and programs. Because FY06 authorized was not available, the FY06 operating budget figures were used. Information in the spreadsheets includes department, program, source of funding, grant programs and funding supporting department staff.

For analysis, programs were organized by beneficiary group for each fiscal year. All of the programs were in the Department of Health and Social Services, except senior services, which was a part of the Department of Administration in FY01 and FY02. Medicaid funding was not included in this analysis.

There are a number of large funding sources, such as General Fund/Mental Health (GF/MH), General Fund (GF) and federal receipts, and many smaller sources that were grouped together to simplify analysis. State General Funds includes General Fund, General Fund Match, General Fund/Mental Health, General Fund/Program Receipts and the Alcohol and Drug Abuse Treatment & Prevention Fund. Other Fund Sources includes Statutory Designated Program Receipts, Investment Loss Trust Fund, Receipt Supported Services, CIP Receipts, and the Tobacco Use Education and Cessation Fund.

Findings: Table 1 shows that total funding for beneficiary grant programs decreased from $101.1 million in FY01 to $91.8 million in FY06, a decrease of 9.2%. Funding from state general fund sources dropped from $83.2 million in FY03 to $61.4 million in FY04, which was the first year of funding through ProShare. Inter-agency receipts more than doubled, increasing from $3.0 to $8.7 million and Mental Health Trust Authority Authorized Receipts (MHTAAR) Fund increased slightly.

Table 2 shows the compone .s of change for the combined State General Funds on Table 1. Between FY03 and FY04, the total authorized through General Fund/Mental Health funding decreased from $65.1 million to $36.1 million, a decrease of 44.5%. Funding from the General Fund decreased from $13.7 to $8.2 million. At the same time, the funding decreases were offset by an increase in funding through the Alcohol and Drug Abuse Treatment and Prevention Fund, from $3.6 million to $16.5 million. Grant funding through ProShare also replaced the reductions in GF and MH/GF funding.

Table 3 provides detail on grant funding through federal receipts (primarily the Substance Abuse and Mental Health Services Administration (SAMHSA) block grant and the five-year FASD project), MHTAAR funding, and Interagency Receipts. These funding sources remained relatively stable, except for the drop in Interagency Receipts in FY06.

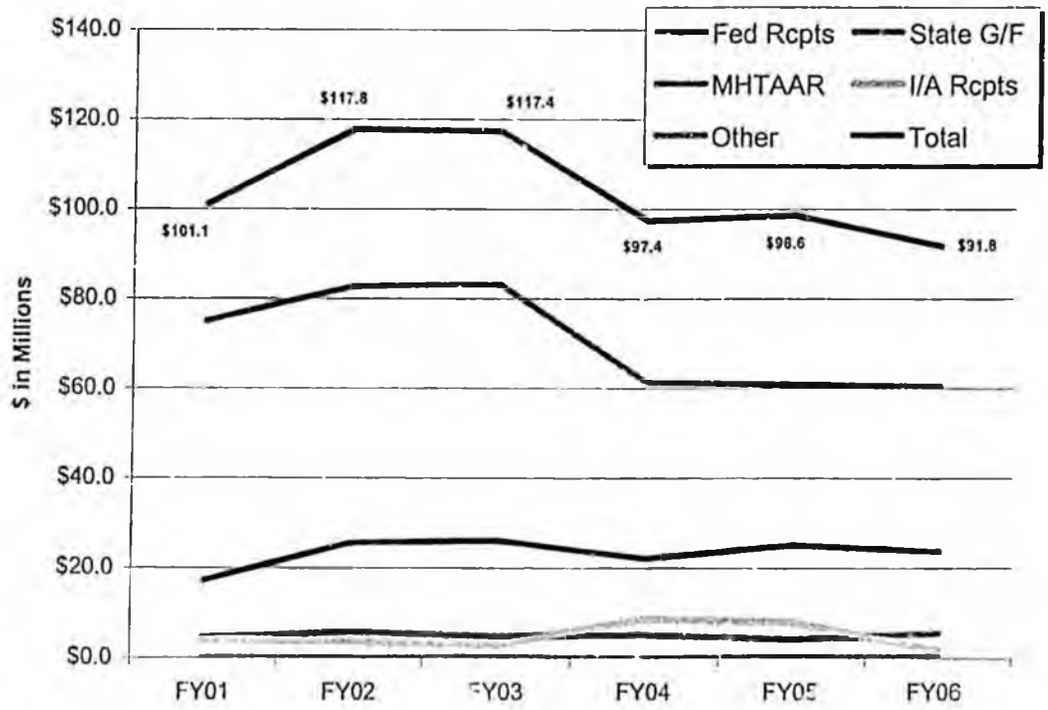
Table 4 shows the changes over time in grant funding for each beneficiary group. Starting in FY04, mental health and substance abuse services were combined into behavioral services. The FY04 budget combined what had been separate community grants into a single behavioral health line item. Programs for special services or populations, such as seriously mentally ill adults or the Alcohol Safety Action Program (ASAP) were still

separate line items and included in the analysis as either mental health or substance abuse.

The most striking aspect of Table 4 is the decrease in funding for substance abuse programs, which is mostly attributable to the integration of the community grants. However, the FY04 total for the mental health, substance abuse and behavioral health lines ($70.7 million) is 9.2% less than the FY03 total for mental health and substance abuse ($77.8 million).

Between FY01 and FY06, Senior Services was the only beneficiary group that saw an increase in grant funding, increasing from $12.5 million in FY01 to $15.0 in FY06, an increase of 19.9%. Grant funding for behavioral health services decreased by 4%, from $62.8 million to $60.4 million in FY06. Developmental Disability programs experienced the greatest decrease in grant funding, from $25.8 million in FY01 to $16.4 million in FY06, a decrease of 36%.

TABLE 1
AMHTA Beneficiary Grant Programs by Funding Source
FY01-FY05 Authorized, FY06 Operating Budget



Sources: Legislative Budget and Finance Historical Data, FY01 to FY05 Authorized and OMB DHSS FY06 Operating Budget

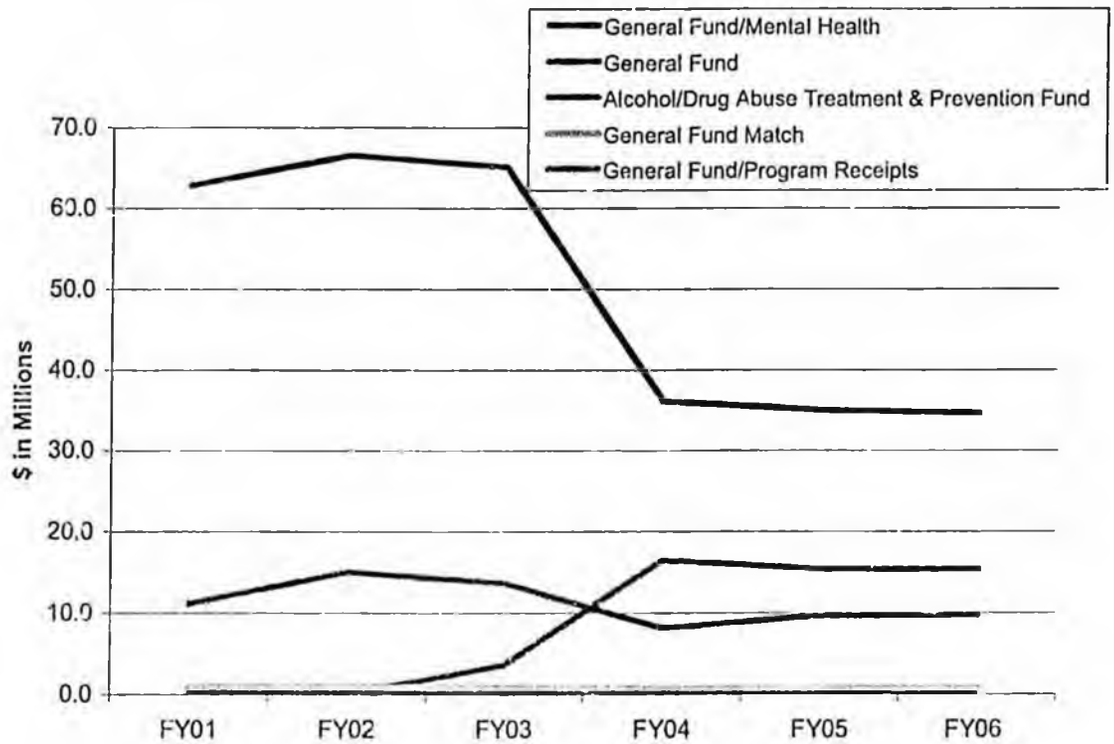
AMHTA Beneficiary Grant Programs by Funding Source
FY01-FY05 Authorized, FY06 Operating Budget
(Grant program totals in $ Thousands)

Fiscal Year	Federal Receipts	State General Fund*	MHTAAR	Inter-Agency Receipts	Other Fund Sources**	TOTAL
FY01	$17,208.4	$74,970.6	$4,623.8	$4,273.5	$5.2	$101,081.5
FY02	$25,545.4	$82,681.9	$5,824.7	$3,728.8		$117,780.8
FY03	$26,136.3	$83,239.7	$4,870.7	$3,031.4	$150.8	$117,428.9
FY04	$22,103.0	$61,413.1	$5,223.2	$8,700.8		$97,440.1
FY05	$25,055.0	$60,852.1	$4,244.4	$8,121.2	$370.0	$98,642.7
FY06	$23,671.0	$60,489.1	$5,597.9	$1,706.2	$315.9	$91,780.1

* State General Funds include:
- General Fund
- General Fund Match
- General Fund/Mental Health
- General Fund/Program Receipts
- Alcohol and Drug Abuse Treatment & Prevention Fund

** Other Fund Sources include:
- Statutory Designated Program Receipts
- Investment Loss Trust Fund
- Receipt Supported Services
- CIP Receipts
- Tobacco Use Education and Cessation Fund

TABLE 2
AMHTA Beneficiary Grant Programs: State General Fund Sources
FY01-FY05 Authorized, FY06 Operating Budget



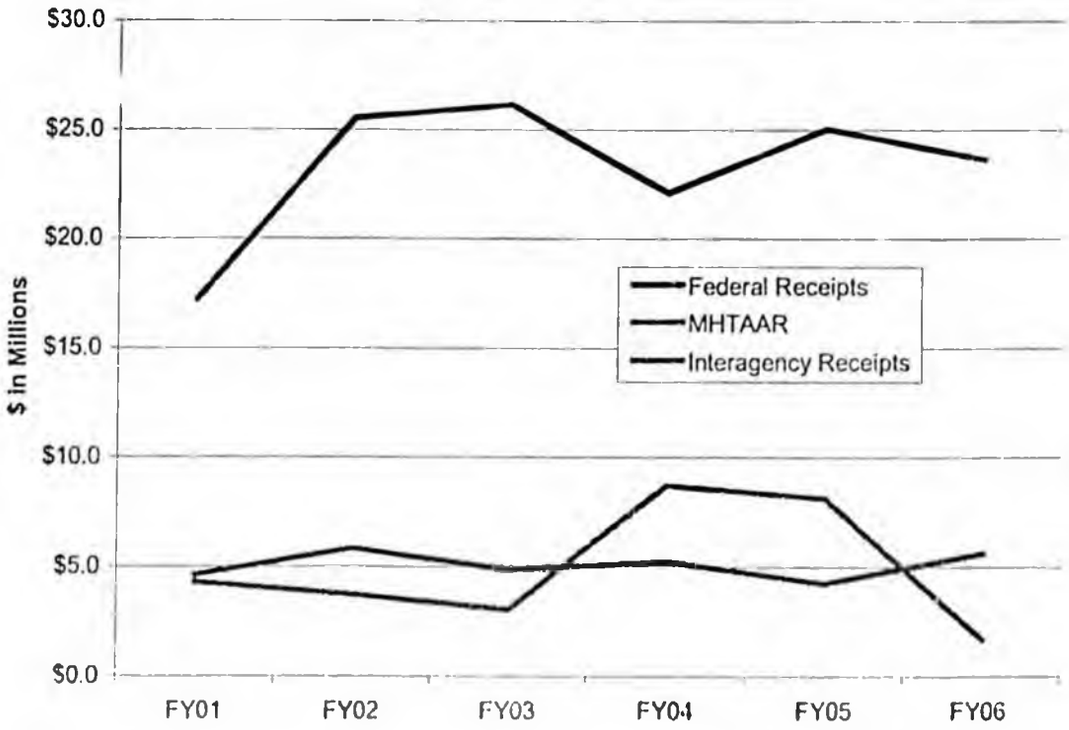
Sources: Legislative Budget and Finance Historical Data, FY01 to FY05 Authorized and OMB DHSS FY06 Operating Budget

AMHTA Beneficiary Grant Programs: State General Fund Sources
FY01-FY05 Authorized, FY06 Operating Budget
(Grant program totals in $ Thousands)

Fiscal Year	General Fund/Mental Health	General Fund	Alcohol/Drug Abuse Treatment & Prev. Fund	General Fund Match	General Fund/Program Receipts	Total
FY01	$62,819.8	$11,161.7		$842.7	$146.4	$74,970.6
FY02	$66,559.8	$15,077.7		$896.1	$148.3	$82,681.9
FY03	$65,114.1	$13,682.9	$3,600.0	$842.7		$83,239.7
FY04	$36,090.0	$8,151.5	$16,527.2	$644.4		$61,413.1
FY05	$35,003.1	$9,670.1	$15,403.0	$775.9		$60,852.1
FY06	$34,645.7	$9,758.2	$15,403.0	$682.2		$60,489.1

State General Funds include:
- General Fund
- General Fund Match
- General Fund Mental Health
- General Fund Program Receipts
- Alcohol and Drug Abuse Treatment & Prevention Fund

TABLE 3
AMHTA Beneficiary Grant Programs
Federal Receipts. MHTAAR and Interagency Receipts
FY01-FY05 Authorized, FY06 Operating Budget

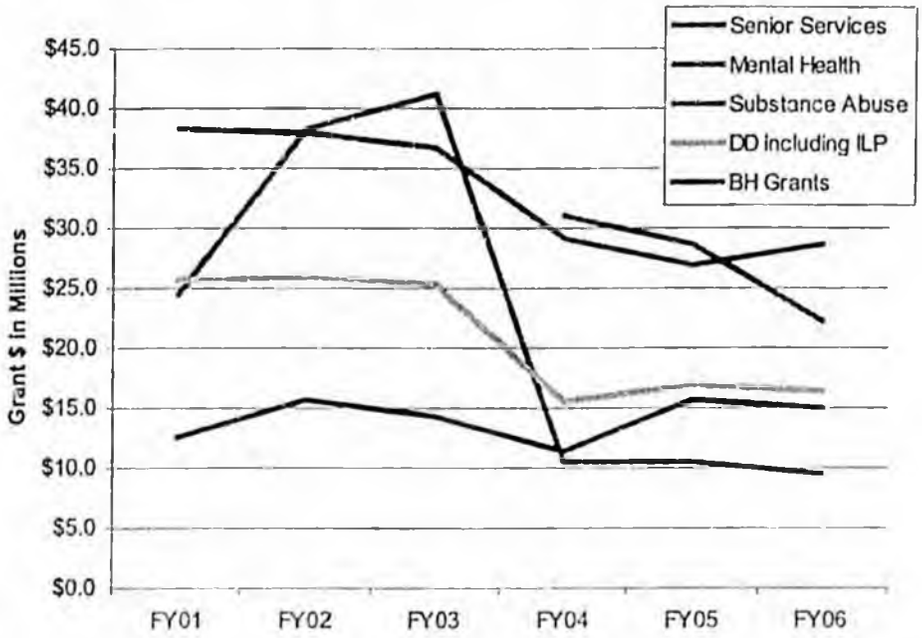


Sources: Legislative Budget and Finance Historical Data, FY01 to FY05 Authorized and OMB DHSS FY06 Operating Budget

AMHTA Beneficiary Grant Programs
Federal Receipts. MHTAAR and Interagency Receipts
FY01-FY05 Authorized, FY06 Operating Budget
(Grant program totals in $ Thousands)

Fiscal Year	Federal Receipts	MHTAAR	Interagency Receipts	TOTAL
FY01	$17,208.4	$4,623.8	$4,273.5	$26,105.7
FY02	$25,545.4	$5,824.7	$3,728.8	$35,098.9
FY03	$26,136.3	$4,870.7	$3,031.4	$34,038.4
FY04	$22,103.0	$5,223.2	$8,700.8	$36,027.0
FY05	$25,055.0	$4,244.4	$8,121.2	$37,420.6
FY06	$23,671.0	$5,597.9	$1,706.2	$30,975.1

TABLE 4
Grant Funding by DHSS Program: FY01 – FY06*



Sources: Legislative Budget and Finance Historical Data, FY01 to FY05 Authorized and OMB DHSS FY06 Operating Budget

* Mental Health and Substance Abuse Community Grants were combined beginning in FY04 and recorded as Behavioral Health Grants.

Grant Funding by DHSS Program: FY01 – FY06*

Program	FY01	FY02	FY03	FY04	FY05	FY06
Senior Services	$12,529.4	$15,717.3	$14,348.2	$11,329.4	$15,758.0	$15,019.3
Mental Health	$38,253.1	$38,011.4	$36,652.7	$29,184.8	$26,820.8	$28,638.8
Substance Abuse	$24,547.3	$38,217.5	$41,168.4	$10,477.8	$10,523.4	$9,550.3
DD (including ILP)	$25,751.7	$25,834.6	$25,259.6	$15,519.2	$16,949.6	$16,394.0
Behavioral Health Grants				$30,998.9	$28,590.9	$22,177.7
TOTAL	**$101,081.5**	**$117,780.8**	**$117,428.9**	**$97,510.1**	**$98,642.7**	**$91,780.1**

Methodology: Information Insights requested Medicaid data from staff at the Department of Health and Social Services, Division of Health Care Services related to potential Alaska Mental Health Trust Authority clients. Since Trust beneficiaries are not identified as such in the Medicaid data, CPT codes were used to determine who was a beneficiary and who was not. The Department provided Medicaid data for those CPT codes for services likely to be provided to Trust beneficiaries. Data related to 101 original CPT service codes and 80 replacement CPT codes were provided in three Excel data files. See the appendices for a complete list of the CPT codes. Data were transferred to SPSS statistical software for analysis.

The Recipient Location file contained 4,336 records with fiscal year, provider name, provider city and state, client city and state, PCA category, whether that category was modified, procedure code, procedure code modifier, count of distinct recipients, and sum of payments. These records do not allow for a count of unique clients. A client could be counted multiple times if he or she received services from multiple providers. That client would have been counted once for each provider he or she used, however, funding totals would not be double counted since they reflect the cost of services provided. It should be noted that while the document contained 4,336 records, they reflect services to many more clients.

The Procedure Codes files contained 19,931 records with fiscal year, provider name, provider city and state, CPT code, CPT code modifier, recipients, and net payments. These records do not allow for a count of unique clients. A client could be counted multiple times if he or she received services from multiple providers. That client would have been counted once for each provider he or she used, however, funding totals would not be double counted since they reflect the cost of services provided. It should be noted that while the document contained 19,931 records, they reflect services to many more clients.

The Ethnicity and Diagnosis file contained 87,400 records with fiscal year, provider name, provider city and state, ethnicity, diagnosis 1, diagnosis 2, recipients, and net payments. These records do not allow for a count of unique clients. A client could be counted multiple times if he or she received services from multiple providers. That client would have been counted once for each provider he or she used; however, funding totals would not be double counted since they reflect the cost of services provided.

The diagnosis codes were used to determine which records belonged to Trust beneficiaries. Among the 87,400 records in the Ethnicity and Diagnosis file, there were 1,767 unique diagnoses. The definitions of the Trust beneficiary groups from the Trust's website were used to determine which diagnosis codes should be included in each beneficiary group. (See the appendices for the Trust beneficiary group definitions.) The diagnosis codes assigned to each beneficiary group were reviewed by a steering committee composed of representatives of the beneficiary boards prior to analysis. (See

the appendices for a list of diagnosis codes included in each beneficiary group for this analysis.) Using the diagnosis codes narrowed the recipient pool considerably. Clients who had received a service with a CPT code that made them likely Trust beneficiaries, but whose primary medical diagnosis was not one that would cause them to be a beneficiary were eliminated. The pool of records believed to represent Trust beneficiaries shrank to the 71,961.

Providers were assigned to regions to correspond with DHSS regions. Analyses were then conducted to determine recipient by fiscal year, spending by fiscal year by region for each beneficiary group, recipients by fiscal year by region for each beneficiary group, and PCA services by census area.

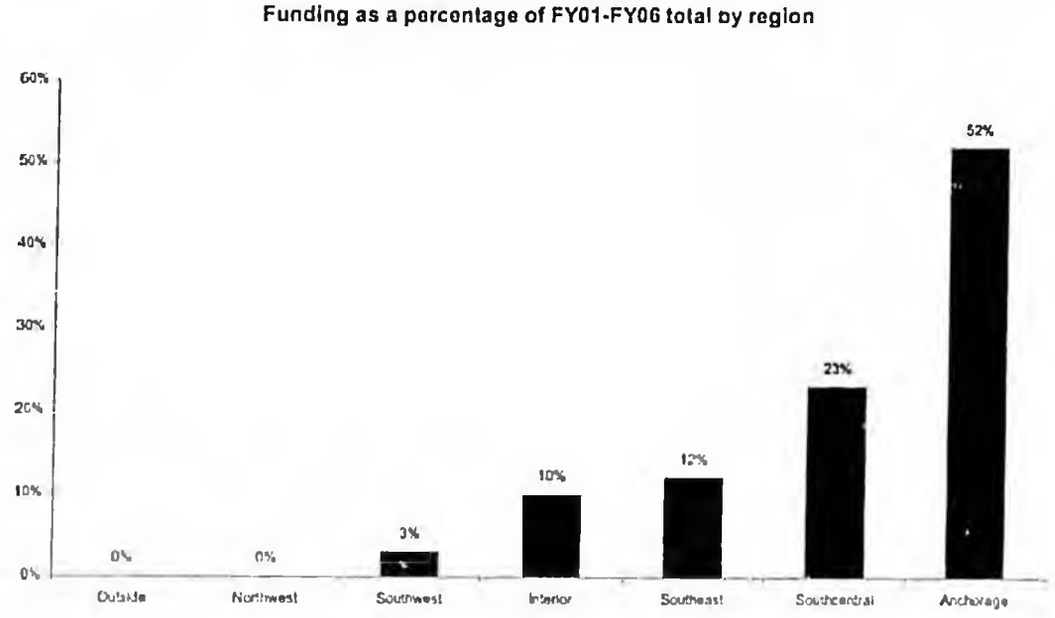
Findings: By Beneficiary Group - The smaller diagnosis-based data set was analyzed for dollars spent and for recipients. Spending data were analyzed by fiscal year, by region and beneficiary group. Total spending during the six-year period was $1,284,657,267. Funding was split relatively evenly among beneficiary groups with the exception of the chronic alcoholics with psychosis beneficiary group who received only 2% of the total funding. The mental illness beneficiary group received 28% of the funding, followed by 27% for the Alzheimer's and related dementias beneficiary group, then 26% for the developmental disabilities beneficiary group and 18% for services that we were unable to clearly assign between the Alzheimer's and related dementias beneficiary group and the developmental disabilities beneficiary group.

Between FY01 and FY06 there were dramatic changes in the level of funding. The growth was not at all evenly spread between beneficiary groups. The Alzheimer's and related dementias beneficiary group had the largest increase with a 701% funding increase during this six-year period. This was followed by the mental illness beneficiary group which saw a 554% increase in funding during this period. The remaining groups did not show nearly as dramatic an increase in funding. The funding for services we were unable to clearly assign between the Alzheimer's and related dementias beneficiary group and the developmental disabilities beneficiary group did not quite double during this time, increasing 92%. The chronic alcoholics with psychosis beneficiary group and the developmental disabilities beneficiary group each showed a relatively modest 14% funding increase.

Recipient data is not unique and represents unique clients at each provider, not unique clients across providers. Recipient data were analyzed by fiscal year, by region and beneficiary group. There were 150,508 recipients. The vast majority (82%) were in the mental illness beneficiary group, followed by 12% in the developmental disability beneficiary group, 5% in the chronic alcoholics with psychosis beneficiary group, 2% in the Alzheimer's and related dementias beneficiary group, and less than 1% in the traumatic brain injury beneficiary group. Between FY01 and FY06 the traumatic brain injury beneficiary group showed the largest growth in the number of recipients with a 133% increase. The developmental disabilities beneficiary group followed with a 56% increase, then the mental illness beneficiary group with 53%, then the Alzheimer's and related dementias beneficiary group with 22% and finally the chronic alcoholics with

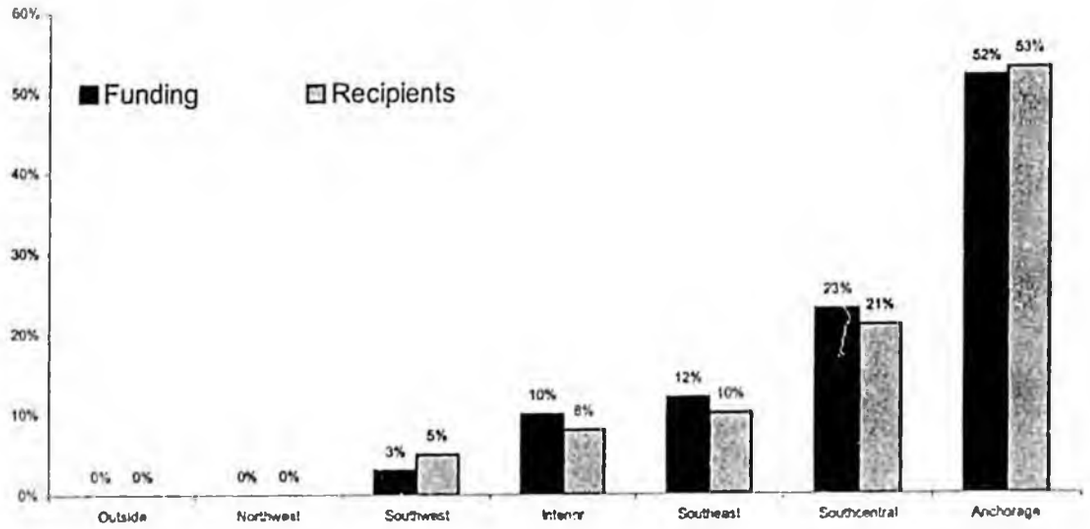
psychosis beneficiary group showed the smallest increase during that time period with a 17% increase.

By region and fiscal year: Funding data were analyzed for all beneficiary groups by region with Anchorage receiving 52% of the funding during this period, followed by Southcentral with 23%, Southeast with 12%, Interior with 10%, Southwest with 3%, and Northwest and Outside each less than 1%.



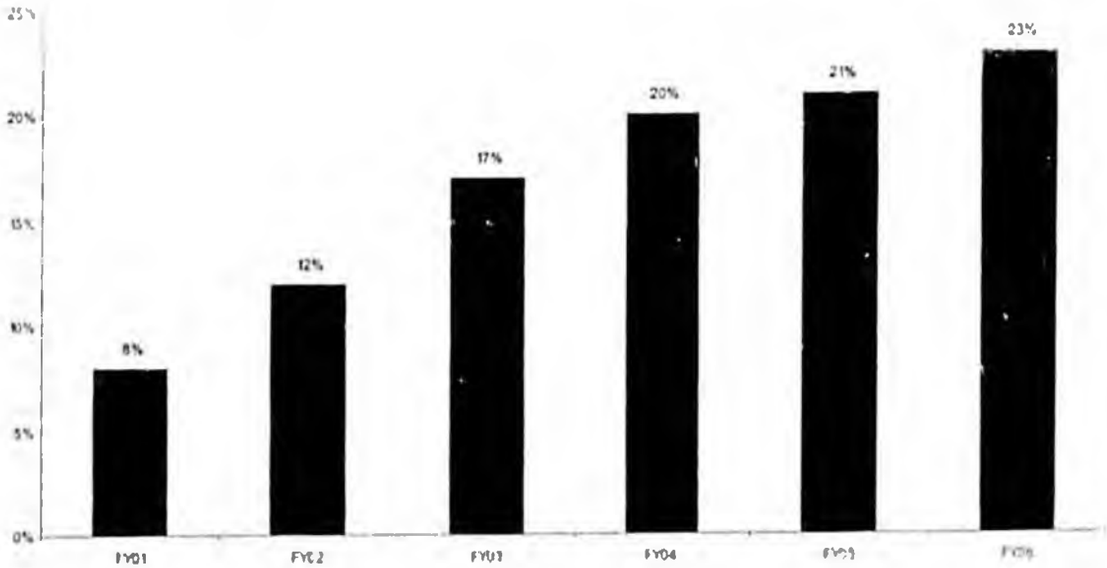
Recipient data were also analyzed by region with Anchorage accounting for 53% of recipients, Southcentral 21%, Southeast 10%, Interior 8%, Southwest 5%, and Northwest and Outside 1% each. While the funding by region is nowhere near equally split, it reflects recipients by region.

Funding & recipients as percentage of total during FY01-FY06 period

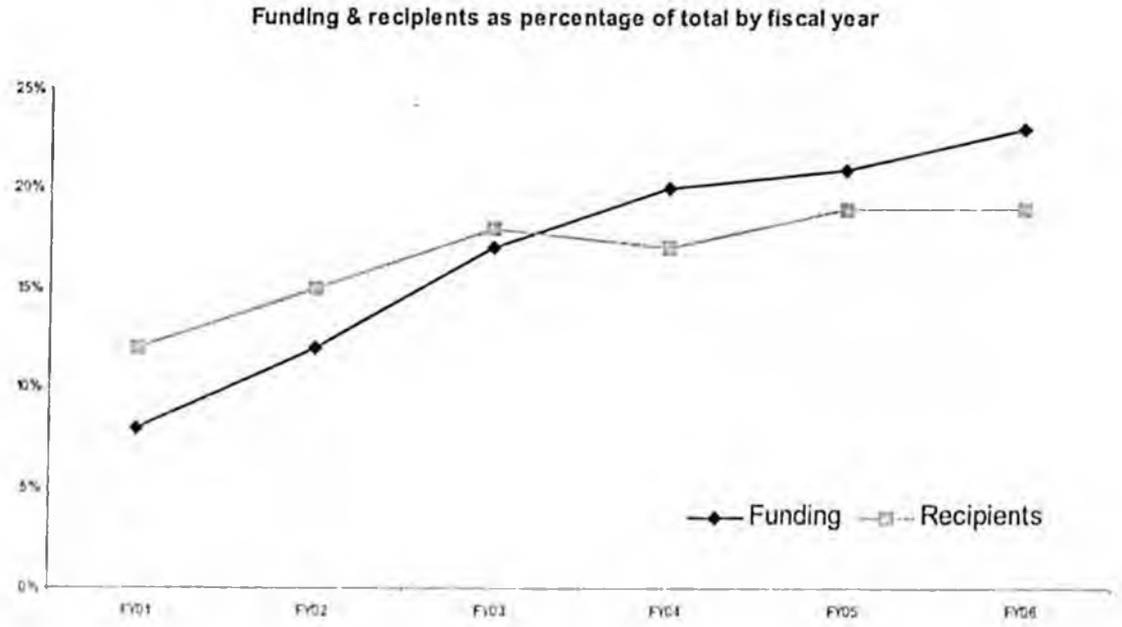


As a percentage of the total funding for the six-year period, the percentage claimed by more recent years is increasing. Eight percent of the total funding was spent in FY01 while 23% was spent in FY06. The percentage climbed each fiscal year—FY01 was 8%, FY02 12%, FY03 17%, FY04 20%, FY05 21% and FY06 23%.

Funding as a percentage of six year total by fiscal year



A similar trend can be seen among recipients. For all beneficiary groups, the trend of recipients is climbing very slowly. FY01 accounted for 12% of recipients, FY02 15%, FY03 18%, FY04 17%, and FY05 and FY06 each accounting for 19% of the total recipients during this six year period. As shown below, the rise in funding is happening much faster than the rise in recipients.



Key Informants: Changes in Funding and Access

While an analysis of program funding tells part of the story, it provides little detail for how re-financing affected services to beneficiaries. In order to give a more complete picture of how services have changed since FY01, key informant interviews were conducted with service providers for each of the beneficiary groups. Administrators who have long-term perspectives from many years as service providers were asked for their opinions and observations.

The key informant comments fell into five general categories. The following is a summary of their thoughts:

1. **Impact of Re-financing:** All of the key informants interviewed felt that dependence on Medicaid funding is adversely affecting beneficiary services, especially for those who are not Medicaid eligible. They said that Medicaid refinancing worked when there was a balance between funding sources – Medicaid, grant funding, Tricare, and private or insurance dollars. The system has tipped too far and is too dependent on Medicaid.

   Medicaid Waivers and mental health funded services provide services to those with the most intensive needs. Medicaid funding does not pay for preventive treatment. One behavioral health provider noted that consumers have to get worse to get services. A developmental disabilities provider said that it was difficult to explain to families the difference between a Medicaid Waiver and a grant service, and why one person gets services and another doesn't.

   Another example is the State initiative to integrate mental health and substance abuse into behavioral health. A substance abuse program provider noted that they were still not able to bill for most substance abuse services and that reimbursement rates for essentially the same units of service are higher for mental health providers.

   Another concern for providers is that, with the current dependence on Medicaid, the State, consumers and providers have little to say about how services are provided. For example, many mental health providers have eliminated their residential services because Medicaid does not pay for it. This has left many consumers who need support on their own. A number of key informants expressed concern that cut backs in federal funding for Medicaid will mean loss of services if the State does not increase grant funding to replace federal dollars.

   A senior services provider said that some agencies are still using Medicaid Waiver reimbursement rates negotiated in FY01 and there has been no increase in the personal care unit rate since 1998. All rates were frozen in FY04. The provider thought that most programs are probably taking a loss on Medicaid Waiver services.

2. **Importance of Grant Dollars:** Key informants said that State grant dollars used to provide the flexibility programs needed to meet the needs of people who do not qualify for Medicaid. A director noted that 25% of developmental disability consumers are not Medicaid eligible. They felt that there is now a lack of equity in the system between Medicaid and non-Medicaid consumers.

   Some of the key respondents observed that as grant dollars decreased, State control of services increased. One director noted that, if there's an opening in respite, the DSDS Regional Program Specialist goes to the wait list and awards the services to the person with the highest score, rather than someone who might have a lower score but needs the service now. He said that programs needed the flexibility to provide services to people as they come through the door in need of help.

   A substance abuse provider said that the temporary nature of federal grants leads to inconsistency in services. The example the provider cited was the federally funded FASD Prevention Project, which brought $25 million in prevention and treatment services to the state for five years. Now that the program has ended, there are a few diagnostic teams still providing services, but all of the prevention services are gone.

   With grant funding remaining flat or decreasing, all of the key informants said that it is becoming more and more difficult to support their agency's infrastructure. A director of a developmental disability program said that grant funding for the program dropped 34% between FY01 and FY06. The cost of Worker's Compensation, health insurance, food and fuel increased and agencies are freezing salaries, laying off workers and tapping reserves to fund shortfalls.

3. **Increased Regulation and Reporting Requirements:** The regulatory and reporting requirements for Medicaid services have increased administrative overhead for all providers. The service system has become more complex without additional funding to pay for the added tracking and billing. All of the programs have added new positions to handle paperwork and billing using funds that could have gone into direct services.

   A developmental disability program providers pointed out that the State will soon require that grant funded services be reported on the same unit basis as Medicaid Waiver services, thereby further increasing administrative overhead costs.

4. **The Relationship Between Consumers, Agencies and the State:** Programs feel that the partnership between agencies, consumers and the State has disappeared. The developmental disability and mental health providers noted that families have less input and control over services than they did in the past. One provider said that the role of the State should be funding, accreditation, and oversight and not micro-managing and dictating treatment.

   They also felt that the State not is not providing enough technical assistance, and that if an agency makes a mistake they lose funding without an adequate explanation of

how to correct the problem. This is particularly an issue with Medicaid billing and audit requirements.

5. **Payment Issues:** A number of key informants noted that the State used to pay prospectively each quarter, with a percentage of the total set aside until all requirements were met at the end of the fiscal year. Now agencies do not receive payments until they submit their quarterly report, and sometimes months later. As a result, many agencies have taken out lines of credit. The dollars paid in interest on the lines of credit (in one case approximately $100,000) would have gone to services. One agency exhausted their line of credit waiting for an advance from the State and had to put their building up as collateral. Many programs now receive their grant funding through Providence Medical Center and the ProShare program. All payments are now on a reimbursable basis.

6. **Workforce Issues:** All of the key informants said that they are no longer able to pay competitive wages. A developmental disabilities provider said that health insurance had increased 103% in 3 years. Another provider said that they had laid off the agency's IT coordinator, staff development director, care coordination director, facility manager, and much of the mid-management. A substance abuse director said that cuts in the Rural Human Services program resulted in reduction in hours for village Rural Human Services (RHS) Program workers and the loss of coordinator positions. The majority of people served by the RHS program receive substance abuse services.

   Key informants also noted that there were no time or resources left for staff training and that they are very concerned about how this is impacting the quality of services. A mental health provider noted that their agency's 4-year salary freeze impacts their ability to recruit and retain staff.

APPENDICES

ProShare Funding by Division and Component: FY03 – FY08

Division	Component	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
OCS	Family Preservation	250,000	52,636	802,860	690,593	690,594	690,593
OCS	Human Svr Comm Match Grants	1,278,400					
OCS	Residential Child Care	1,309,148					
DPH	Community Health Grants	760,360	3,333,440	2,510,281	2,510,281	2,510,281	2,510,281
DPH	Emergency Medical Services	1,710,100	1,710,100				
DPH	Epidemiology	63,000					
DPH	Tobacco	1,498,125					
DPH	Nursing	298,844					
DSDS	Community Dev. Dis. Grants	11,216,229	12,955,709	10,314,467	10,314,457	10,314,467	10,314,467
DBH	Behavioral Health Grants	237,100	4,547,943	7,398,324	7,385,495	7,385,503	7,385,503
DBH	Substance Abuse Treatment Programs	120,000					
DBH	Psych Emergency Services	1,757,700		3,494,703	3,494,699	3,494,703	3,494,703
DBH	CMI Services	5,978,100	7,483,200	7,121,534	7,134,347	7,121,534	7,121,534
DBH	SED Youth Services	2,496,108	609,800	1,931,054	1,931,052	1,931,054	1,931,054
	Total Grants	**28,973,214**	**30,692,828**	**33,573,223**	**33,460,924**	**33,448,137**	**33,448,135**

Source: DHSS FMS, Medicaid Budget Group

Alaska Mental Health Trust
Medicaid Study
Beneficiary Group Definitions

Beneficiary Groups:

- People with Mental Illness
- People with Developmental Disabilities
- People with Chronic Alcoholism
- People with Alzheimer's Disease and Related Disorders
- People with Traumatic Head Injury Resulting in Permanent Brain Injury

People with Mental Illness

Beneficiary group: People with Mental Illness
Statutory definition: "The Mentally Ill" includes persons with the following mental disorders:

1. schizophrenia;
2. delusional (paranoid) disorder;
3. mood disorders;
4. anxiety disorders;
5. somatoform disorders;
6. organic mental disorders;
7. personality disorders;
8. dissociative disorders;
9. other psychotic or severe and persistent mental disorders manifested by behavioral changes and symptoms of comparable severity to those manifested by persons with mental disorders listed in this subsection; and
10. persons who have been diagnosed by a licensed psychologist, psychiatrist, or physician licensed to practice medicine in the state and, as a result of the diagnosis, have been determined to have a childhood disorder manifested by behaviors or symptoms suggesting risk of developing a mental disorder listed in this subsection.

[AS 47.30.056(d)]

People with Developmental Disabilities

Beneficiary group: People with Developmental Disabilities

Statutory definition: "*The Mentally Defective and Retarded*" includes persons with the following neurologic or mental disorders:

1. cerebral palsy;
2. epilepsy;
3. mental retardation;
4. autistic disorder;
5. severe organic brain impairment;

6. significant developmental delay during early childhood indicating risk of developing a disorder listed in this subsection;
7. other severe and persistent mental disorders manifested by behaviors and symptoms similar to those manifested by persons with disorders listed in this subsection.

[AS 47.30.056(e)]

GCDSE definition: The Governor's Council on Disabilities and Special Education uses the state's definition of a person with a developmental disability to define The Trust's beneficiaries. Alaska's definition of a developmental disability, amended in 1992, is consistent with the federal definition. According to AS 47.80.900 (7): ?...person with a developmental disability? means a person who is experiencing a severe, chronic disability that

A. is attributable to a mental or physical impairment or combination of mental and physical impairments;
B. is manifested before the person attains age 22;
C. is likely to continue indefinitely;
D. results in substantial functional limitations in three or more of the following areas of major life activity: self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency; and
E. reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated.

In addition, the Council considers infants and toddlers who have developmental delays and who are at risk of acquiring developmental disabilities to be Trust beneficiaries. These children ages birth to three have disabilities or delays which can be significantly ameliorated or whose function can be maximized at an early age, but who would otherwise require more intensive long-term services.

People with Chronic Alcoholism

Beneficiary group: People with Chronic Alcoholism

Statutory definition: "Chronic Alcoholics with Psychoses" includes persons with the following disorders:

1. alcohol withdrawal delirium (delirium tremens);
2. alcohol hallucinosis;
3. alcohol amnesiac disorder;
4. dementia associated with alcoholism;
5. alcohol-induced organic mental disorder;
6. alcoholic depressive disorder;
7. other severe and persistent disorders associated with a history of prolonged or excessive drinking or episodes of drinking out of control and manifested by behavioral changes and symptoms similar to those manifested by persons with disorders listed in this subsection.

[AS 47.30.056(f)]

ABADA definition: The Advisory Board on Alcohol and Drug Abuse has developed an operational definition of alcoholism with psychosis which translates the above data into assessment features collected in the State's Management Information System, which is collected

by all state-funded treatment programs along with those previously funded by the Indian Health Service and those private providers who choose to collect and report the data. These criteria are as follows:

- alcohol is first drug of choice (information collected from initial assessment)
- client assessed as either dysfunctional or dependent
- client reports consuming alcohol at least six days per week (this question is eliminated for persons receiving services while incarcerated in the penal system)

People with Alzheimer's Disease and Related Disorders

Beneficiary group: People with Alzheimer's Disease and Related Disorders

Statutory definition: "Senile people who as a result of their senility suffer major mental illness" includes persons with the following mental disorders:

1. primary degenerative dementia of the Alzheimer type;
2. multi-infarct dementia;
3. senile dementia;
4. presenile dementia;
5. other severe and persistent mental disorders manifested by behaviors and symptoms similar to those manifested by persons with disorders listed in this subsection.

[AS 47.30.056(f)]

ACoA definition: The Alaska Commission on Aging (ACoA) finds that, in the case of Alzheimer's' Disease, there is no definitive diagnostic test and the diagnosis becomes one of exclusion. In defining the population for which they advocate, the Commission includes people with Alzheimers disease, stroke, frail with no cognitive impairment, and other Alzheimer's Disease and other Related Dementia (ADRD) including Supra Nuclear Palsy, cerebral atrophy, Huntington's chorea, brain tumor, attention deficit disorder with cognitive impairment, Pick's disease, multiple sclerosis, organic brain disorder, multi-infarct dementia, Parkinson's disease, cancer-related dementia, hydrocephalus, and hypoxia.

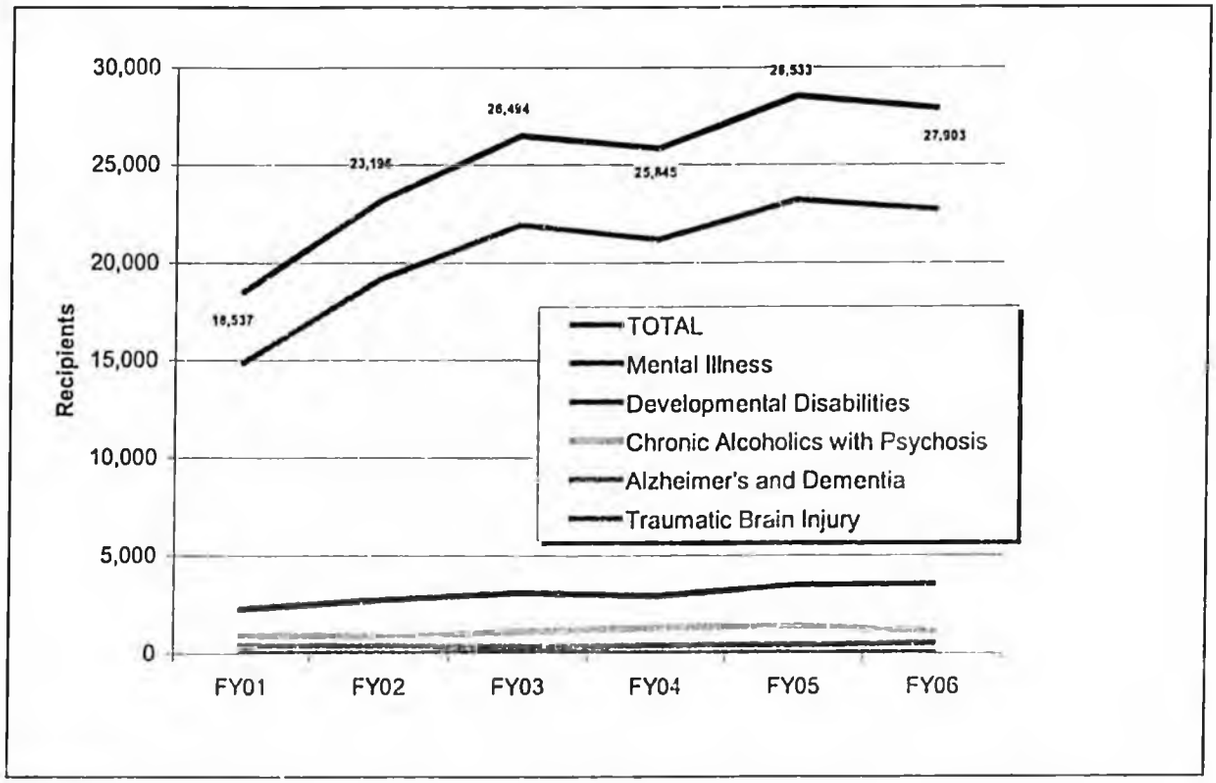
A very few people with cognitive impairments related to other diagnoses qualify in this population: people with alcohol-related dementia, chronic mental illness, major depression, brain injury, developmental disability, DD-related Alzheimer's, and AIDS-related dementia. The common denominator among these diagnoses is cognitive impairment, except for the frail category.

People with a Traumatic Head Injury Resulting in Permanent Brain Injury

Beneficiary group: People with a Traumatic Head Injury Resulting in Permanent Brain Injury

Definition: Includes head injuries that result in cognitive impairment similar to that described in the Alzheimer's Disease or Related Dementia section above.

Medicaid Recipients by Beneficiary Group: FY01 – FY06
Duplicated at the Service Provider Level



Medicaid Recipients by Beneficiary Group: FY01 – FY06
Duplicated at the Service Provider Level

Fiscal Year	Mental Illness	Developmental Disabilities	Chronic Alcoholics w/Psychosis	Alzheimer's and Dementia	Traumatic Brain Injury	TOTAL
FY01	14,889	2,272	964	406	6	18,537
FY02	19,176	2,726	888	404	2	23,196
FY03	21,924	3,109	1,124	332	5	26,494
FY04	21,179	2,936	1,316	404	10	25,845
FY05	23,213	3,495	1,402	419	4	28,533
FY06	22,715	3,552	1,125	497	14	27,903

Medicaid Recipients by Beneficiary Group and Region: FY01 – FY06
Duplicated at the Service Provider Level

Beneficiary Group/ Fiscal Group	Northwest	Interior	Southwest	Southeast	Southcentral	Anchorage	Outside	Total
Mental Illness								
FY01	101	1,496	728	1,170	2,984	8,295	115	14,889
FY02	147	1,665	773	1,877	4,025	10,540	149	19,176
FY03	287	1,718	965	1,967	4,281	12,426	280	21,924
FY04	202	1,845	1,209	1,971	4,499	11,064	389	21,179
FY05	256	1,965	1,280	2,579	4,392	12,466	275	23,213
FY06	327	2,089	1,130	2,649	4,287	12,015	218	22,715
Chronic Alcoholics with Psychosis								
FY01	11	80	105	187	266	315	0	964
FY02	15	91	97	203	227	254	1	888
FY03	28	63	110	230	283	410	0	1,124
FY04	32	65	161	241	289	519	9	1,316
FY05	29	77	176	305	334	472	9	1,402
FY06	37	70	145	245	241	384	3	1,125
Alzheimer's and Related Dementias								
FY01	0	24	37	57	88	184	16	406
FY02	2	29	28	32	79	224	10	404
FY03	5	23	70	44	72	114	4	332
FY04	5	28	53	29	130	158	1	404
FY05	4	23	102	28	110	150	2	419
FY06		4	78	47	176	180	7	497
Developmental Disabilities								
FY01	17	203	27	156	466	1402	1	2,272
FY02	34	223	35	182	659	1590	3	2,726
FY03	52	244	63	249	817	1673	11	3,109
FY04	44	223	95	232	843	1479	20	2,936
FY05	40	231	118	357	824	1915	10	3,495
FY06	57	233	156	382	793	1919	12	3,552
Traumatic Brain Injury								
FY01	0	0	0	0	1	3	2	6
FY02	0	0	0	0	0	1	1	2
FY03	0	0	0	0	1	4	0	5
FY04	0	0	0	1	1	8	0	10
FY05	0	0	0	0	0	4	0	4
FY06	0	0	0	4	2	8	0	14

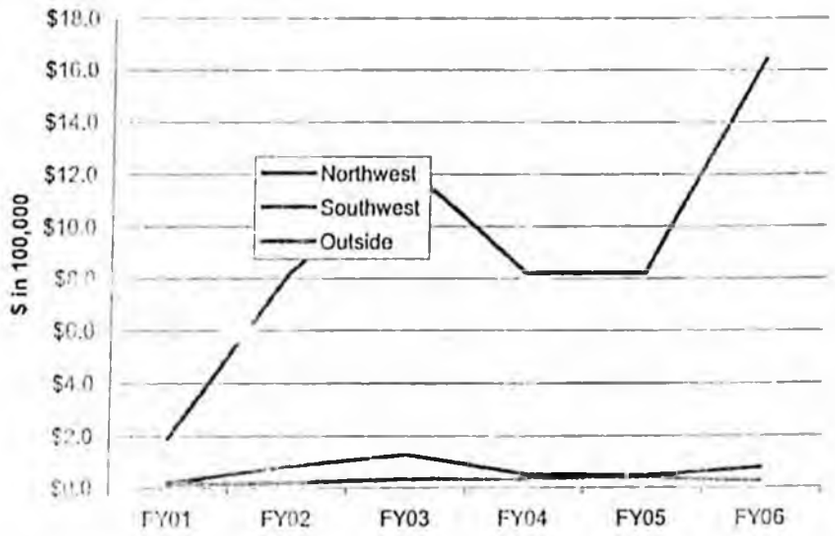
Change in Number of Medicaid Recipients by Beneficiary Group: FY01 – FY06
Duplicated at the Service Provider Level

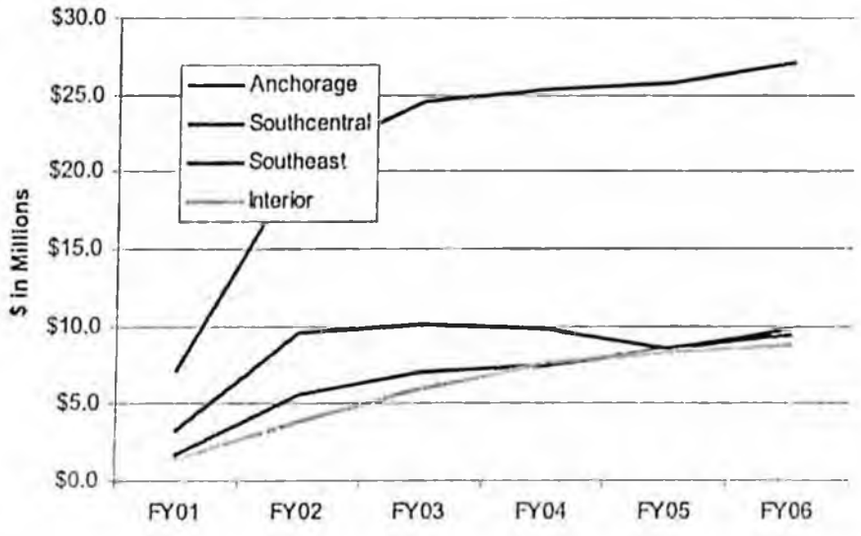
Beneficiary Group	FY01	FY06	Change FY01-06	% Change
Mental Illness	14,889	22,715	7,826	52.6%
Developmental Disabilities	2,272	3,552	1,280	56.3%
Chronic Alcoholics with Psychosis	964	1,125	161	16.7%
Alzheimer's and Related Dementias	406	497	91	22.4%
Traumatic Brain Injury	6	14	8	133.3%

Medicaid Recipients by Beneficiary Group and Ethnicity: FY01 – FY06
Duplicated at the Service Provider Level

Beneficiary Group/ Fiscal Group	White	AK Native/ Amer. Indian	Asian	Black	Hispanic	Pacific Islander	Other/ Unknown	Total
Mental Illness								
FY01	8754	4,319	277	889	310	69	271	14,889
FY02	11,180	5,492	354	1,232	414	95	409	19,176
FY03	12,319	6,642	459	1,284	569	128	523	21,924
FY04	11,476	6,826	490	1,215	525	149	498	21,179
FY05	12,004	8,124	466	1,436	558	193	432	23,213
FY06	11,887	7,998	472	1,257	505	178	418	22,715
Chronic Alcoholics with Psychosis								
FY01	389	534	1	19	13	0	8	964
FY02	369	470	1	16	16	0	16	888
FY03	428	622	5	34	19	1	15	1,124
FY04	436	812	1	34	11	5	17	1,316
FY05	387	959	1	20	17	3	15	1,402
FY06	321	768	2	15	10	2	7	1,125
Alzheimer's and Related Dementias								
FY01	214	143	8	26	5	0	10	406
FY02	237	103	9	34	11	0	10	404
FY03	153	139	9	16	5	0	10	332
FY04	208	146	9	16	13	0	12	404
FY05	185	187	6	19	9	2	11	419
FY06	254	184	12	18	11	4	14	497
Developmental Disabilities								
FY01	1,371	568	15	227	25	21	45	2,272
FY02	1,630	689	24	225	62	26	70	2,726
FY03	1,776	850	24	283	66	10	100	3,109
FY04	1,657	879	27	219	49	17	88	2,936
FY05	1,894	1,085	58	266	74	28	90	3,495
FY06	1,861	1,185	50	252	96	30	78	3,552
Traumatic Brain Injury								
FY01	6	0	0	0	0	0	0	6
FY02	2	0	0	0	0	0	0	2
FY03	5	0	0	0	0	0	0	5
FY04	5	0	1	0	2	0	2	10
FY05	1	2	1	0	0	0	0	4
FY06	8	5	0	0	0	0	1	14

Beneficiary Medicaid Expenditures by Region
Mental Health Beneficiaries: FY01 to FY06

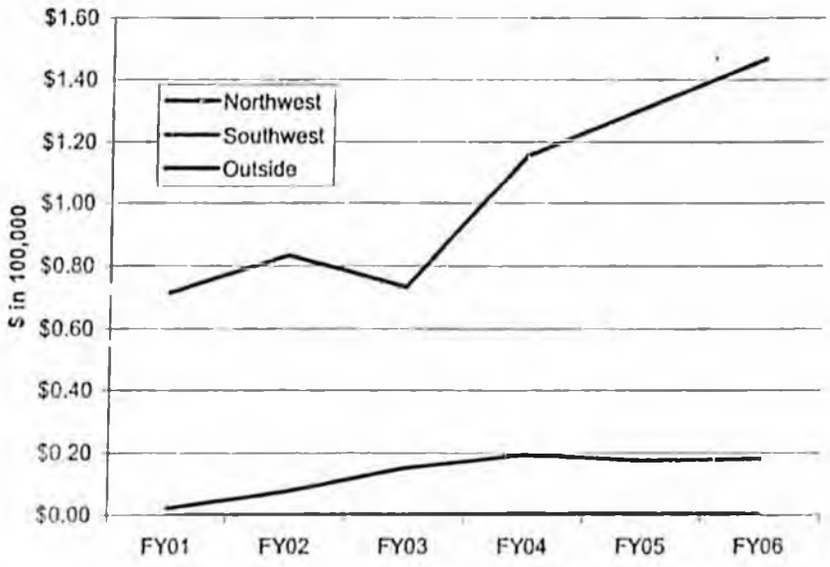


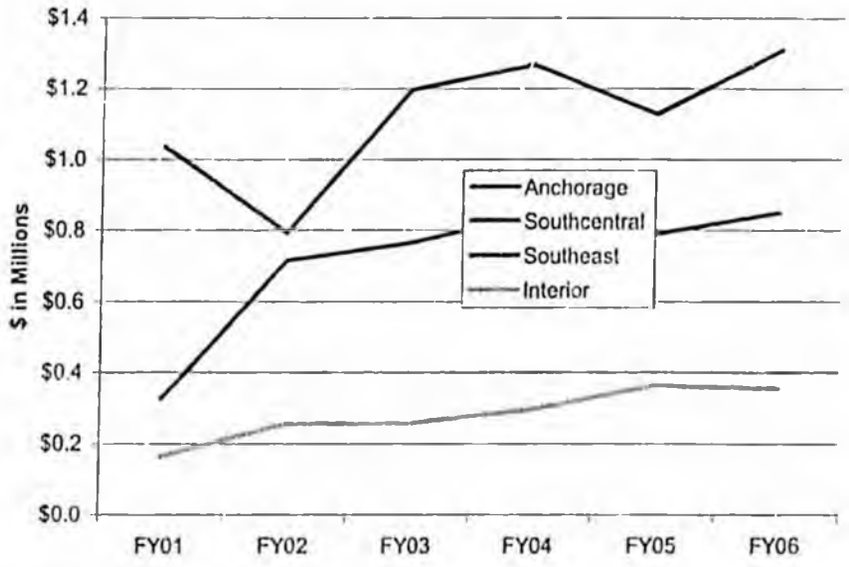


Beneficiary Medicaid Expenditures by Region
Mental Health Beneficiaries: FY01 to FY06

Fiscal Year	Northwest	Interior	Southwest	Southeast	Southcentral	Anchorage	Outside	Total
FY01	$18,513.75	$1,466,768.68	$193,762.65	$1,767,392.72	$3,283,423.80	$7,234,256.08	$15,815.68	**$13,979,933**
FY02	$81 17.50	$3,909,710.66	$821,650.28	$5,512,152.71	$9,613,994.52	$20,672,786.06	$18,664.13	**$40,630,206**
FY03	$127,303.16	$5,980,574.73	$1,218,496.59	$7,004,687.73	$10,045,065.51	$24,514,158.78	$31,954.93	**$48,922,241**
FY04	$55,143.15	$7,568,608.07	$821,808.37	$7,402,688.92	$9,757,249.22	$25,288,577.73	$33,114.86	**$50,927,190**
FY05	$46,805.67	$8,323,114.88	$821,430.12	$8,447,609.16	$8,535,726.61	$25,760,436.41	$40,412.71	**$51,975,536**
FY06	$75,931.17	$8,711,136.22	$1,642,105.26	$9,389,805.68	$9,792,865.59	$27,066,321.08	$25,264.73	**$56,703,430**

Beneficiary Medicaid Expenditures by Region
Chronic Alcoholics with Psychosis: FY01 to FY06

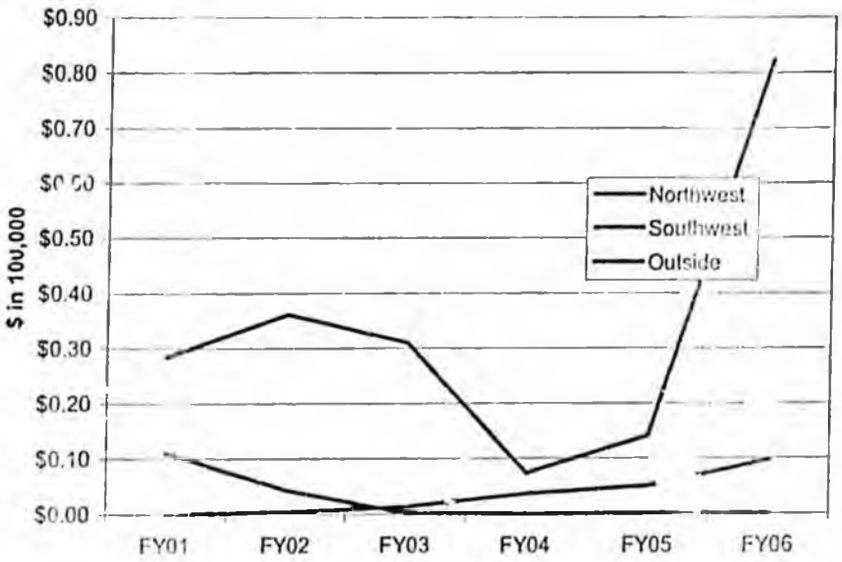


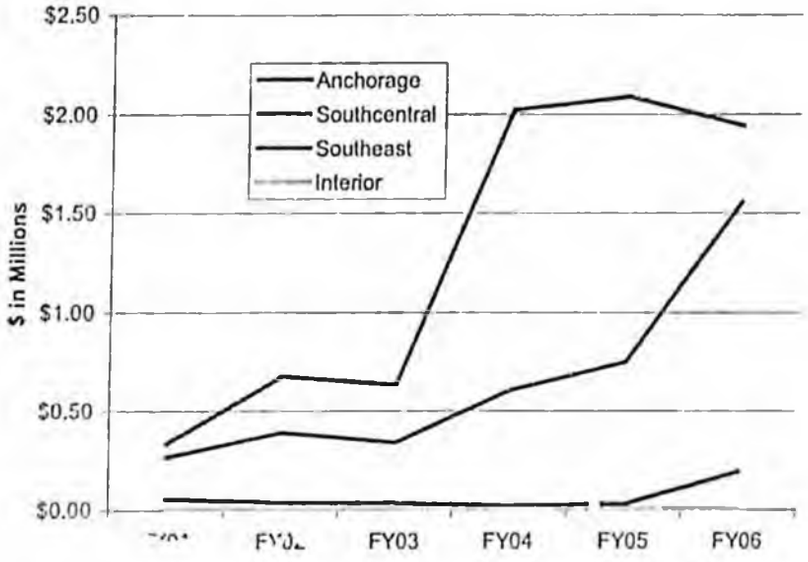


Beneficiary Medicaid Expenditures by Region
Chronic Alcoholics with Psychosis: FY01 to FY06

Fiscal Year	Northwest	Interior	Southwest	Southeast	Southcentral	Anchorage	Outside	Total
FY01	$2,071.25	$149,639.23	$71,463.25	$165,627.50	$326,260.77	$1,036,147.05	$0.00	**$1,751,209**
FY02	$7,560.00	$92,355.36	$83,334.80	$253,827.36	$715,379.30	$791,964.85	$40.20	**$1,944,462**
FY03	$15,083.75	$104,369.76	$73,193.25	$256,094.76	$763,555.48	$1,196,966.15	$0.00	**$2,409,263**
FY04	$19,391.25	$136,930.12	$115,434.03	$295,750.63	$840,089.16	$1,268,487.23	$408.90	**$2,676,491**
FY05	$17,563.75	$120,987.64	$131,111.24	$363,241.16	$788,766.64	$1,128,522.98	$332.54	**$2,550,526**
FY06	$18,108.75	$84,638.80	$146,677.16	$354,798.81	$848,592.41	$1,308,679.01	$121.92	**$2,761,617**

Beneficiary Medicaid Expenditures by Region
Alzheimer's and Related Dementia: FY01 to FY06

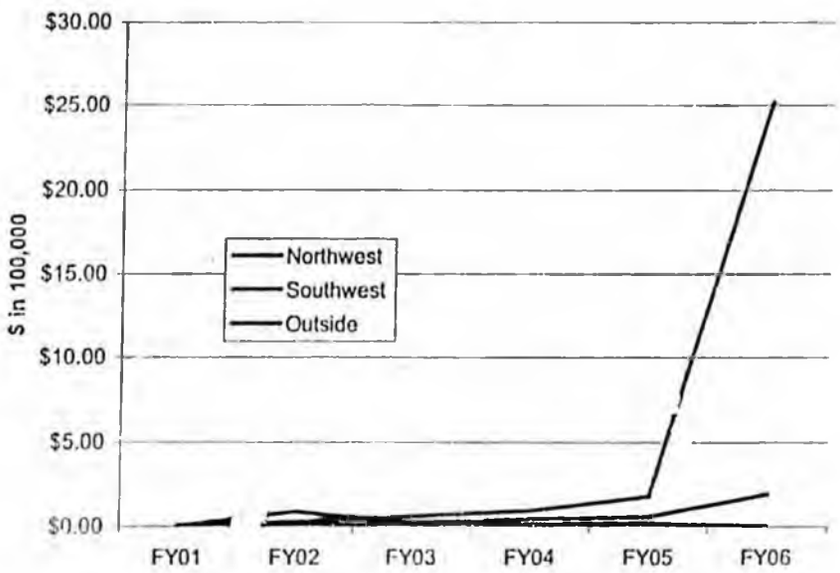


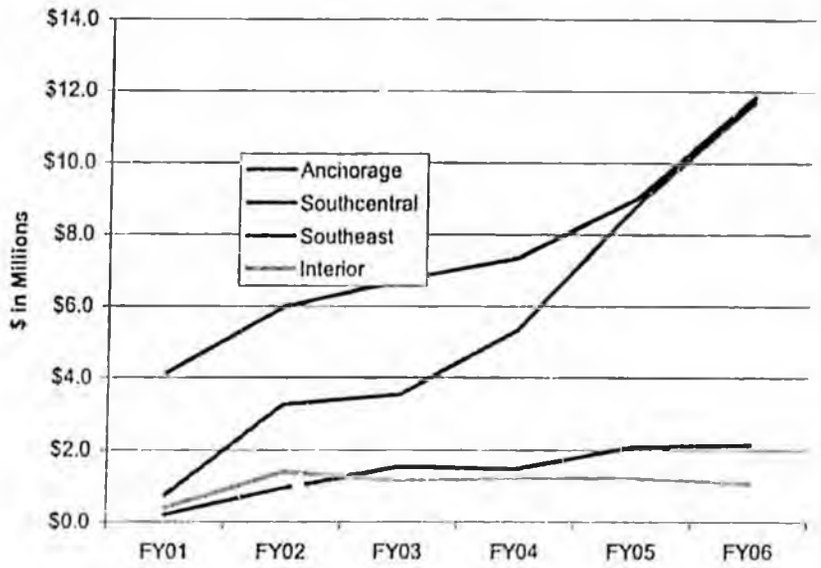


Beneficiary Medicaid Expenditures by Region
Alzheimer's and Related Dementia: FY01 to FY06

Fiscal Year	Northwest	Interior	Southwest	Southeast	Southcentral	Anchorage	Outside	Total
FY01	$0.00	$5,195.53	$28,519.84	$57,440.64	$333,421.51	$267,707.48	$11,139.71	$703,425
FY02	$420.00	$8,610.01	$36,201.54	$40,309.80	$677,409.27	$390,134.46	$4,307.30	$1,157,392
FY03	$1,290.00	$8,141.34	$31,035.29	$35,914.96	$632,883.88	$340,869.58	$176.40	$1,050,311
FY04	$3,603.26	$7,207.86	$7,358.34	$22,364.50	$2,022,015.85	$607,102.03	$20.32	$2,669,672
FY05	$5,047.32	$7,511.33	$14,095.67	$27,368.50	$2,090,450.22	$748,091.85	$128.24	$2,892,693
FY06	$9,657.52	$1,598.02	$82,223.93	$189,507.99	$1,945,551.77	$1,558,726.95	$142.24	$3,787,408

Beneficiary Medicaid Expenditures by Regior
Developmental Disabilities: FY01 to FY06

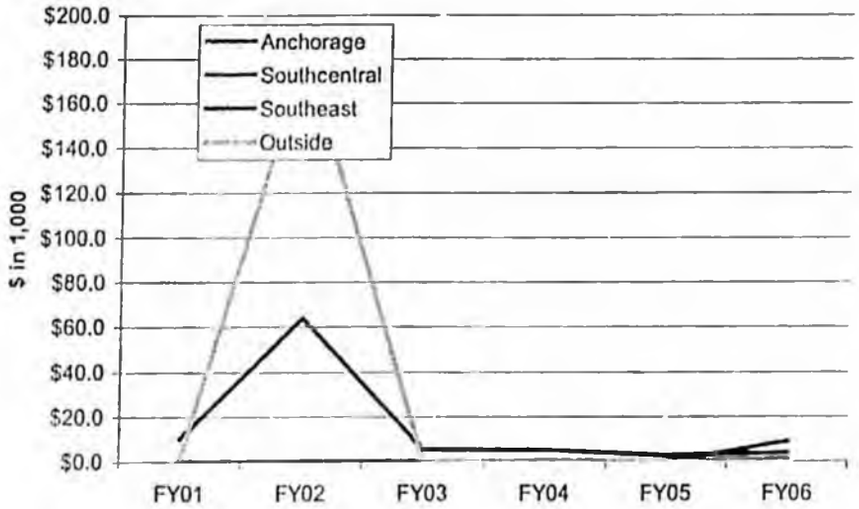




Beneficiary Medicaid Expenditures by Region
Developmental Disabilities: FY01 to FY06

Fiscal Year	Northwest	Interior	Southwest	Southeast	Southcentral	Anchorage	Outside	Total
FY01	$3,090.00	$384,806.70	$3,115.40	$204,869.16	$750,952.42	$4,128,487.99	$79.83	**$5,475,402**
FY02	$86,074.82	$1,390,806.37	$28,513.00	$940,627.78	$3,262,642.15	$5,973,203.99	$17,991.59	**$11,699,860**
FY03	$19,078.83	$1,177,114.30	$60,070.00	$1,551,648.75	$3,528,775.44	$6,725,448.53	$3,285.70	**$13,065,422**
FY04	$45,560.29	$1,236,882.85	$94,616.70	$1,493,747.77	$5,332,642.81	$7,358,045.36	$12,770.99	**$15,574,267**
FY05	$55,896.27	$1,229,033.14	$179,539.44	$2,083,702.49	$8,811,303.02	$9,017,465.95	$21,075.58	**$21,398,016**
FY06	$194,535.90	$1,081,210.73	$2,519,042.71	$2,153,991.87	$11,682,219.34	$11,833,485.71	$863.63	**$29,465,350**

Beneficiary Medicaid Expenditures by Region
Traumatic Brain Injury: FY01 to FY06



Beneficiary Medicaid Expenditures by Region
Traumatic Brain Injury: FY01 to FY06

Fiscal Year	Northwest	Interior	Southwest	Southeast	Southcentral	Anchorage	Outside	Total
FY01	$0.00	$0.00	$0.00	$0.00	$30.00	$10,265.26	$1,087.18	$11,382
FY02	$0.00	$0.00	$0.00	$0.00	$0.00	$63,975.76	$182,235.51	$246,211
FY03	$0.00	$0.00	$0.00	$0.00	$30.00	$5,406.06	$0.00	$5,436
FY04	$0.00	$0.00	$0.00	$27.88	$450.00	$5,212.72	$0.00	$5,691
FY05	$0.00	$0.00	$0.00	$0.00	$0.00	$2,765.00	$0.00	$2,765
FY06	$0.00	$0.00	$0.00	$8,997.67	$970.50	$3,938.85	$0.00	$13,907

AMHTA Medicaid Study
ICD9 Codes for Beneficiaries Receiving Medicaid Services

Code	Diagnosis	Cases in data – not recipients
Mental Illness		**59,654**
292	Drug-induced mental disorders	194
293	Transient mental disorders due to conditions classified elsewhere	811
294	Persistent mental disorders due to conditions classified elsewhere	1,119
295	Schizophrenic disorders	4,807
296	Episodic mood disorders	17,793
297	Delusional disorders	125
298	Other nonorganic psychoses	1,106
300	Anxiety, dissociative and somatoform disorders	5,431
301	Personality disorders	1,300
304	Drug dependence	2,441
305	Nondependent abuse of drugs	2,105
306	Physiological malfunction arising from mental factors	1
307	Special symptoms or syndromes, not elsewhere classified	714
308	Acute reaction to stress	131
309	Adjustment reaction	10,740
311	Depressive disorder, not elsewhere classified	3,795
312	Disturbance of conduct, not elsewhere classified	3,591
313	Disturbance of emotions specific to childhood and adolescence	3,152
316	Psychic factors associated with diseases classified elsewhere	20
V11.8	Personal history of mental disorder	2
V15.42	History of emotional abuse	1
V71.02	Observation for suspected mental condition--childhood or adolescent antisocial behavior	23
V71.09	Observation for suspected mental condition--other suspected mental condition	249
V79.10	Special screening exam for mental disorder and developmental handicaps--depression	1
Chronic Alcoholics with Psychosis		**2,446**
291	Alcohol-induced mental disorders	306
303	Alcohol dependence syndrome	2,139
V79.1	Special screening exam for mental disorder and developmental handicaps-alcoholism	1
Alzheimer's and Related Dementia		**1,161**
191	Malignant neoplasm of brain	3
272	Pick's Disease	8
290	Dementia	227
310	Specific nonpsychotic mental disorders due to brain damage	137
331	Other cerebral degenerations	79
332	Parkinson's disease	72
333	Other extrapyramidal disease and abnormal movement disorders	58
340	Multiple sclerosis	95
356	Hereditary and idiopathic peripheral neuropathy	6
742	Congenital brain atrophy	41
799	Hypoxia	5[illegible]

Code	Diagnosis	Cases in data – not recipients
Developmental Disabilities		**8,658**
299	Pervasive developmental disorders	1,362
314	Hyperkinetic syndrome of childhood	5,811
315	Specific delays in development	216
317	Mild mental retardation	384
318	Other specified mental retardation	439
319	Unspecified mental retardation	133
343	Infantile cerebral palsy	247
345	Epilepsy and recurrent seizures	51
V40.00	Problems with learning	9
V79.8	Special screening examination for mental disorder and developmental handicaps	6
Traumatic Brain Injury		**46**
803	Other and unqualified skull fractures	2
804	Closed without mention of intracranial injury	1
850	Concussion	6
852	Subarachnoid, subdural, and extradural hemorrhage, following injury	3
853	Other and unspecified intracranial hemorrhage following injury	9
854	Intracranial injury of other and unspecified nature	25
Other		**6,202**
001-139	Infectious and parasitic diseases	474
140-239 (except 191)	Neoplasms	154
240-279 (except 272)	Endocrine, nutritional and metabolic diseases, and immunity disorders	356
280-289	Diseases of the blood and blood-forming organs	41
302	Mental disorders (Sexual and gender identity disorders)	174
320-359 (except 331-333, 340, 343, 345, & 350)	Diseases of the nervous system and sense organs	523
390-459	Diseases of the circulatory system	741
460-519	Diseases of the respiratory system	361
520-579	Diseases of the digestive system	69
580-629	Diseases of the genitourinary system	116
630-677	Complications of pregnancy, childbirth, and the peurperium	44
700-709	Other diseases of the skin and subcutaneous tissue	27
710-739	Diseases of the musculoskeletal system and connective tissue	965
740-759 (except 742)	Congenital anomalies	222
760-779	Certain conditions originating in the perinatal period	52
780-799	Symptoms, signs, and ill-defined conditions	467
800-999 (except 803, 804, 850, 852, 853, & 854)	Injury and poisoning	513
V01-V86 (except V11.8, V15.42, V40.00, V71.02, V71.09, V79.0, V79.1, & V79.8)	Supplementary classification of factors influencing health status and contact with health services	903

Code	Diagnosis	Cases in data – not recipients
No valid diagnosis code or missing diagnosis code		**9,195**
None	No code	9,083
0	No such code	112

Alaska State Unique Codes and National Replacement Codes

Community Mental Health Clinics

CPT Procedure Codes:Children's Clinic Services/Community Mental Health Clinic

Service Code	Service Desc	Replacement Code	Service Desc
8011F	Psychiatric Assessment (Maximum = 4 Assessments/ Calendar Year)	90801	Psychiatric diagnostic interview[Psychiatric assessment]
8011F	Psychiatric Assessment (Maximum = 4 Assessments/ Calendar Year)	90802	Interactive psychiatric diag[Psychiatric assessment]
90804*		Unchanged	Individual psychotherapy ins
90810*		Unchanged	Individual psychotherapy int
8473F	Family Psychotherapy, Per 30 Minutes	90847	Family psychotherapy
8530F	Multiple- Family Group Psychotherapy, Per Recipient, Per 30 Minutes	90849	Multiple-family group psycho
8115F	Group Psychotherapy, Per Recipient, Per 30 Minutes	90853	Group psychotherapy
90862*		Unchanged	Pharmacologic management

*Individual, Group, and Family Psychotherapy: Combined limit of 10 hours per calendar year

*Pharmacologic Management: No more than one visit per week during the initial month following entry to a program; then no more than one visit per month unless unusual reaction or more frequent monitoring is required.

HCPCS and ABC Procedure Codes: Children's Clinic Services/Community Mental Health Clinic

Service Code	Service Desc	Replacement Code	Service Desc
8015F	Intake Assessment, Initial, Per 15 Minutes (Maximum = 3 Hours/ Admission)	H0031	Mental health assessment, by non-physician[Intake assessment]
8115F	Intake Assessment, Semi- Annual, Per 15 Minutes (Maximum = 1 Hour, 2 Times Per Year)	H0031	Mental health assessment, by non-physician[Intake assessment]
3115F	Crisis Intervention, Per 15 Minutes (Maximum = 2Hours/ Day, 22 Hours/ Calendar Year)	S9484	Crisis intervention mental health services, per hour
6015F	Psychological Testing and Evaluation, Per 15 Minutes (Maximum = 6 Hours/ Calendar Year)	CDBAQ	Psychological testing comprehensive assessment each 15 minutes
7015F	Neuro- Psychological Testing and Evaluation, Per 15 Minutes (Maximum = 12 Hours/Calendar Year)	CDBAS	

HCPCS and ABC Procedure Codes: Children's Rehabilitation Services/CommunityMental Health Clinic

Service Code	Service Desc	Replacement Code	Service Desc
		H0018	Behavioral health; short term residential (non- hospital residential treatment program) without room and board, per diem[Daily behavioral health residential rehabilitation]
9086F	Medication Administration, on Clinic Premises, per day (Maximum = Daily Rate)	H0033	Oral medication administration, direct observation[on-premises]
9087F	Medication Administration, off Clinic Premises, per day (Maximum = Daily Rate)	H0033 /HK	Oral medication administration, direct observation[on-premises]
8210F	Case Management Services, per 15 Minutes (Maximum = 180 hours/ calendar year)	T1016	Case Management, each 15 minutes
8212F	Individual Skill Development Services, per 15 minutes (Maximum = 100 hours/ calendar year)	CDAEP	Behavior modification training, social skills, individual, Counseling
8213F	Family Skill Development Services, per 15 minutes (Maximum = 180 hours/ calendar year)	CDABF	Family-involvement training family each 15 minutes[Family skill development]
		CDAKQ	Social skills assistance group each 15 minutes[Group skill development]
		CDACM	Coping skills development assistance, individual each 15 minutes
8214F	Group Skill Development Services, per 15 minutes (Maximum = 140 hours/ calendar year)	CDAEQ	Behavior modification training, social skills, group, Counseling
8215F	Functional Assessment, Initial, Per 15 Minutes (Maximum = 4 Hours/ Admission)	CDBAP	Psychological testing brief assessment each 15 minutes
8315F	Functional Assessment, Semi- Annual, Per 15 Minutes (Maximum = 1 Hour, 2 Times Per Year)	CDBAP	Psychological testing brief assessment each 15 minutes

CPT Procedure Codes: Adult's Clinic Services/Community Mental Health Clinic

Service Code	Service Desc	Replacement Code	Service Desc
8011F	Psychiatric Assessment (Maximum = 4 Assessments/ Calendar Year)	90801	Psychiatric diagnostic inter[Psychiatric assessment]
8011F	Psychiatric Assessment (Maximum = 4 Assessments/ Calendar Year)	90802	Interactive psychiatric diag[Psychiatric assessment]
90804*		Unchanged	Individual psychotherapy ins
8473F	Family Psychotherapy, Per 30 Minutes	90847	Family psychotherapy
8530F	Multiple- Family Group Psychotherapy, Per Recipient, Per 30 Minutes	90849	Multiple-family group psycho
8415F	Group Psychotherapy, Per Recipient, Per 30 Minutes	90853	Group psychotherapy
90862*		Unchanged	Pharmacologic management

*Individual, Group, and Family Psychotherapy: Combined limit of 10 hours per calendar year

*Pharmacologic Management: No more than one visit per week during the initial month following entry to a program; then no more than one visit per month unless unusual reaction or more frequent monitoring is required.

HCPCS and ABC Procedure Codes: Adult's Clinic Services/Community Mental Health Clinic

Service Code	Service Desc	Replacement Code	Service Desc
8015F	Intake Assessment, Initial, Per 15 Minutes (Maximum = 3 Hours/ Admission)	H0031	Mental health assessment, by non-physician[Intake assessment]
8115F	Intake Assessment, Semi- Annual, Per 15 Minutes (Maximum = 1 Hour, 2 Times Per Year)	H0031	
3115F	Crisis Intervention, Per 15 Minutes (Maximum = 2Hours/ Day, 22 Hours/ Calendar Year)	S9484	Crisis intervention mental health services, per hour
6015F	Psychological Testing and Evaluation, Per 15 Minutes (Maximum = 6 Hours/ Calendar Year)	CDBAQ	Psychological testing comprehensive assessment each 15 minutes
7015F	Neuro- Psychological Testing and Evaluation, Per 15 Minutes (Maximum = 12 Hours/Calendar Year)	CDBAS	

HCPCS and ABC Procedure Codes: Adult's Rehabilitation Services/CommunityMental Health Clinic

Service Code	Service Desc	Replacement Code	Service Desc
9086F	Medication Administration, on Clinic Premises, per day (Maximum = Daily Rate)	H0033	Oral medication administration, direct observation[on-premises]
9087F	Medication Administration, off Clinic Premises, per day (Maximum = Daily Rate)	H0033 /HK	Oral medication administration, direct observation[on-premises]
8210F	Case Management Services, per 15 Minutes (Maximum = 180 hours/ calendar year)	T1016	Case Management, each 15 minutes
8212F	Individual Skill Development Services, per 15 minutes (Maximum = 240 hours/ calendar year)	CDAEP	Social skills assistance individual each 15 minutes[Individual skill development]
		CDAKQ	Social skills assistance group each 15 minutes[Group skill development]
		CDACM	Coping skills development assistance, individual each 15 minutes
8215F	Functional Assessment, Initial, Per 15 Minutes (Maximum = 4 Hours/ Admission)	CDBAP	Psychological testing brief assessment each 15 minutes
8315F	Functional Assessment, Semi- Annual, Per 15 Minutes (Maximum = 1 Hour, 2 Times Per Year)	CDBAP	Psychological testing brief assessment each 15 minutes
8214F	Group Skill Development Services, per 15 minutes (Maximum = 140 hours/ calendar year)	CDAEQ	Behavior modification training, social skills, group, Counseling
8220F	Recipient Support Services, per Hour, (Maximum = 4 hours/ day; 1,460 hours/ calendar year)	CDAJC	Coping support skill, Counseling

Substance Abuse Services

Procedure Codes: Substance Abuse Rehabilitative Services

Service Code	Service Desc	Replacement Code	Service Desc
Unchanged		80100	Drug screen, qualitative; [Multiple Drug]
7030F	Medication Management, per Visit	90862 /HF	Pharmacologic management
1041F	Individual Counseling, 15- minute Service Unit (Combined Maximum of 40 Hours or 160 Units per Consecutive 12- Month Period for Individual, Group and Family Counseling)	CDADK	Substance abuse treatment, individual, Counseling, Mental Health Service, Practice specialties[Combined maximum of 40 hours or 160 units per consecutive 12-month period for Individual, Group, and Family Counseling
1040F	Assessment/ Diagnosis (Maximum of 2 per Consecutive 12- month Period)	H0001	Alcohol and/or drug assessment[Maximum of 2 per consecutive 12-month period]
7021F	Intake Physical for Non- Methadone Recipient	H0002	Behavioral health screening to determine eligibility for admission to treatment program[Intake physical for non-Methadone recipient]
7020F	Medical Evaluation for Admission into Methadone Treatment	H0002/HF	Behavioral health screening to determine eligibility for admission to treatment program[Medical evaluation for admission into Methadone Treatment]
1042F	Group Counseling, 15- minute Service Unit (Combined Maximum of 40 Hours or 160 Units per Consecutive 12- Month Period for Individual, Group and Family Counseling)	H0005	Alcohol and/or drug services; group counseling by a clinician[Combined maximum of 40 hours or 160 units per consecutive 12-month period for Individual, Group, and Family Counseling]
7010F	Care Coordination, 15- minute Service Unit (Maximum of 32 Service Units per 6- month Period or 64 Service Units per Consecutive 12- month Period)	H0006	Alcohol and/or drug services; case management[Maximum of 32 service units per 6-month period or 64 service units per consecutive 12-month period]
1024F	Detoxification, Per Consecutive 24- hour Period	H0013	Alcohol and/or drug services; acute detoxification(residential addiction program outpatient)
1044F	Intensive Outpatient Services, 15- minute Service Unit (Minimum 3 Days or Evenings/ Week, 8 to 12 Hours or 32 to 48 Units a Week; Not to Exceed 8 Consecutive Weeks per Consecutive 12- month Period)	H0015	Alcohol and/or drug services; intensive outpatient (treatment program that operates at least 3 hours/day and at least 3 days/week and is based on an individual treatment plan), including assessment, counseling, crisis intervention, and activity therapies or education[Minimum 3 days or evenings/week, 8 to 12 hours or 32 to 48 units a week; not to exceed 8 consecutive weeks per consecutive 12-month period]

Service Code	Service Desc	Replacement Code	Service Desc
7035F	Medication Dispensing; Methadone or Antabuse, per Visit	H0020	Alcohol and/or drug services; Methadone administration and/or service (provision of the drug by a licensed program)
1046F	Intermediate Services, 15- minute Service Unit (Maximum of 20 Hours or 80 Units/ Week or 640 Units/ Consecutive 12- month Period)	H0022	Alcohol and/or drug intervention service (planned facilitation)[Maximum of 20 hours or 80 units per week; 8 weeks or 640 units per consecutive 12-month period]
1043F	Family Counseling, 15- minute Service Unit (Combined Maximum of 40 Hours or 160 Units per Consecutive 12- Month Period for Individual, Group and Family Counseling)	T1006	Alcohol and/or substance abuse services, family/couple counseling[Combined maximum of 40 hours or 160 units per consecutive 12-month period for Individual, Group, and Family Counseling]
7011F	Medical Evaluation for Admission Into Methadone Treatment	T1007	Alcohol and/or substance abuse services, treatment plan development and/or modification
7022F	Rehabilitation Treatment, 15- minute Service Unit (Maximum of 10 Hours or 40 Units per Week, 40 Hours or 160 Units per Consecutive 12- month Period)	T1012	Alcohol and/or substance abuse services, skills development[Maximum of 10 hours or 40 units per week; 40 hours or 160 units per consecutive 12-month period]

Consumer Directed PCA Services

Procedure Codes: Personal Care Agency Services

Service Code	Service Desc	Replacement Code	Service Desc
0761P/ JQ	Personal Care Services Provided by a Personal Care Agency, Per Hour (less than 8 hours/day)	T1019/ U3	Personal care services, per 15 minutes, not for an inpatient or resident of a hospital, nursing facility, ICF/ MR or IMD, part of the individualized plan of treatment (code may not be used to identify services provided by home health aide or certified nurse assistant)
0762P/ JQ	Personal Care Services Provided by a Personal Care Agency, Per Day (over 8 hours/day)	T1020/ U3	Personal care services, per diem, not for an inpatient or resident of a hospital, nursing facility, ICF/ MR or IMD, part of the individualized plan of treatment (code may not be used to identify services provided by home health aide or certified nurse assistant)

PCA Agency Services

Procedure Codes: Personal Care Agency Services

Service Code	Service Desc	Replacement Code	Service Desc
0761P	Personal Care Services Provided by a Personal Care Agency, Per Hour (less than 8 hours/day)	T1019	Personal care services, per 15 minutes, not for an inpatient or resident of a hospital, nursing facility, ICF/ MR or IMD, part of the individualized plan of treatment (code may not be used to identify services provided by home health aide or certified nurse assistant)
0762P	Personal Care Services Provided by a Personal Care Agency, Per Day (over 8 hours/day)	T1020	Personal care services, per diem, not for an inpatient or resident of a hospital, nursing facility, ICF/ MR or IMD, part of the individualized plan of treatment (code may not be used to identify services provided by home health aide or certified nurse assistant)
0762P	Initial RN Evaluation by a Personal Care Agency for Client Requesting PCA Care(Includes Assessment and Development of Treatment Plan)		

Day Treatment

State Unique Procedure Codes: Children's Day Treatment Services

Service Code	Service Desc	Replacement Code	Service Desc
1002F	Children's Day Treatment Services, Full Day, Minimum of Six Hours Per Day	H2012	Behavioral Health Day Treatment, per hour
1022F	Children's Day Treatment Services, Half Day, Minimum of Three Hours Per Day	H2012	Behavioral Health Day Treatment, per hour

Mental Health Physician Clinic

CPT Procedure Codes: Children's Clinic Services/Mental Health Physician Clinic

Service Code	Service Desc	Replacement Code	Service Desc
90804*	Individual Psychotherapy - Insight Oriented	Unchanged	Individual Psychotherapy - Insight Oriented
[illegible]	Individual Psychotherapy - Interactive	Unchanged	Individual Psychotherapy - Interactive
[illegible]	Pharmacologic Management	Unchanged	Pharmacologic Management

[illegible] Unique Procedure Codes: Children's Clinic Services/ Mental Health Physician Clinic

[illegible] Code	Service Desc	Replacement Code	Service Desc
[illegible]	Intake Assessment, Initial, Per 15 Minutes (Maximum = 3 Hours/Admission)	H0031	Mental health assessment, by non- physician
[illegible]	Intake Assessment, Semi-Annual, Per 15 Minutes (Maximum = 1 Hour, 2 Times Per Year)	H0031	Mental health assessment, by non- physician
[illegible]	Psychiatric Assessment (Maximum = 4 Assessments/ Calendar Year)	90801 or 90802 based on service performed performed	90801 - Psychiatric diagnostic interview examination 90802 - Interactive psychiatric diagnostic interview examination using play equipment, physical devices, language interpreter, or other mechanisms of communication
[illegible]	Psychological Testing and Evaluation, Per 15 Minutes (Maximum = 6 Hours/Calendar Year)	CDBAQ	Psychological testing, comprehensive, Testing, evaluation and interpretation
[illegible]	Neuro-Psychological Testing and Evaluation, Per 15 Minutes (Maximum = 12 Hours/Calendar Year)	CDBAS	Neuropsychological testing, Testing, evaluation and interpretation
[illegible]*	Crisis Intervention, Per 15 Minutes (Maximum = 2 Hours/Day, 22 Hours/Calendar Year)	S9484	Crisis intervention mental health services, per hour
[illegible]**	Family Psychotherapy, Per 30 Minutes	90847	Family psychotherapy (conjoint psychotherapy) (with patient present)
[illegible]**	Multiple-Family Group Psychotherapy, Per Recipient, Per 30 Minutes	90849	Multiple- family group psychotherapy
[illegible]**	Group Psychotherapy, Per Recipient, Per 30 Minutes	90853	Group psychotherapy (other than of a multiple-family group)

* Crisis Intervention: (Maximum of 2 hours per day and no more than 72 hours in one psychiatric emergency, Maximum 22 hours per calendar year)
** Individual, Group, Family Psychotherapy: Combined maximum of 10 hours per calendar year

CPT Procedure Codes: Adult's Clinic Services/ Mental Health Physician Clinic

Service Code	Service Desc	Replacement Code	Service Desc
90804*	Individual Psychotherapy - Insight Oriented	Unchanged	
90862**	Pharmacologic Management	Unchanged	

*Individual, Group, and Family Psychotherapy: Combined limit of 10 hours per calendar year

**Pharmacologic Management: No more than one visit per week during the initial month following entry to a program; then no more than one visit per month unless unusual reaction or more frequent monitoring is required.

State Unique Procedure Codes: Adult's Clinic Services/ Mental Health Physician Clinic

Service Code	Service Desc	Replacement Code	Service Desc
8015F	Intake Assessment, Initial, Per 15 Minutes(Maximum = 3 Hours/Admission)	H0031	Mental health assessment, by non- physician
8115F	Intake Assessment, Semi-Annual, Per 15 Minutes(Maximum = 1 Hour, 2 Times Per Year)	H0031	Mental health assessment, by non- physician
8011F	Psychiatric Assessment, (Maximum = 4 Assessments/ Calendar Year)	90801 or 90802 based on service performed performed	90801 - Psychiatric diagnostic interview examination 90802 - Interactive psychiatric diagnostic interview examination using play equipment, physical devices, language interpreter, or other mechanisms of communication
6015F	Psychological Testing and Evaluation, Per 15 Minutes, (Maximum = 6 Hours/Calendar Year)	CDBAQ	Psychological testing, comprehensive, Testing, evaluation and interpretation
7015F	Neuro-Psychological Testing and Evaluation, Per 15 Minutes (Maximum = 12 Hours/Calendar Year)	CDBAS	Neuropsychological testing, Testing, evaluation and interpretation
3115F*	Crisis Intervention, Per 15 Minutes(Maximum = 2 Hours/Day, 22 Hours/Calendar Year)	S9484	Crisis Intervention mental health services, per hour
8473F**	Family Psychotherapy, Per 30 Minutes	90847	Family psychotherapy (conjoint psychotherapy) (with patient present)
8530F**	Multiple-Family Group Psychotherapy; Per Recipient, Per 30 Minutes	90849	Multiple- family group psychotherapy
8415F**	Group Psychotherapy; Per Recipient, Per 30 Minutes	90853	Group psychotherapy (other than of a multiple-family group)

* Crisis Intervention; (Maximum of 2 hours per day and no more than 72 hours in one psychiatric emergency, Maximum 22 hours per calendar year)

** Individual, Group, Family Psychotherapy; Combined maximum of 10 hours per calendar year

HCBW

Care Coordination Waiver Services

Service Code	Service Desc	Replacement Code	Service Desc
7001M	Care Coordination Screening	T1023	Screening to determine the appropriateness of an individual for participation in a specified program, project, or treatment protocol, per encounter
7002M	Care Coordination Assessment	T2024	Service assessment/plan of care development, waiver
7003M	Care Coordination Plan of Care Development (One Per Recipient)	T2024-U2	Service assessment/plan of care development, waiver
7004M	Care Coordination Reassessment (One During Initial Waiver Year*; Two Per Year After Initial Waiver Year)	T2024-U4	Service Assessment/Plan of Care Development, Waiver
7005M	Ongoing Care Coordination, Per Month	T2022	Case Management; per month

Home and Community-Based Agency Waiver Services

Service Code	Service Desc	Replacement Code	Service Desc
Habilitation			
7101M	Residential: Individual Home, Per Day	T2017-U4	In-Home Habilitation, residential, waiver; per 15 minutes
7103M	Residential: Shared Care, Per Day	S5140-U2 and S5145-U2	**S5140-U2** - Shared care services, adult (age 18 and over); per diem. **S5145-U2** - Shared care services, child (through age 17), per diem
7105M	Residential: Foster Care, Per Day	S5140 and S5145	**S5140** - Family habilitation home services, adult (age 18 and over); per diem. **S5145** - Family habilitation home services, child (through age 17), per diem
7107M	Residential: Supported Living, Per Day	T2017	Supported Living Habilitation, residential, waiver; per 15 minutes
7111M	Residential: Group Home, Per Day	T2016	Group Home Habilitation, residential, waiver; per diem
7113M	Day Habilitation: Per Day	T2021	Day habilitation, residential, waiver; per 15 minutes
7115M	Supported Employment, Per Day	T2019	Supported Employment Habilitation, waiver; per 15 minutes
7117M	Intensive Active Treatment/Therapy, Per Day	T2034	Intensive Active Treatment, waiver; per diem
7118M	Educational Services, Per Day	**Eliminated**	**Service not in use.**

Adult Day Care (For Older Alaskans & Adult Disabled Only)

Service Code	Service Desc	Replacement Code	Service Desc
7341M	Adult Day Care, Per Day	S5101	Day care services, adult; per half day
Respite			
7201M	Hourly Respite1		
		S5150	Unskilled respite care, not hospice; per 15 minutes
7202M	Daily Respite1	S5151	Unskilled respite care, not hospice; per diem
		S5150-U2	(Family-directed) Unskilled respite care, not hospice; per 15 minutes
		S5151-U2	(Family-directed) Unskilled respite care, not hospice; per diem
Chore Services			
7301M	Chore Services,	S5120	Chore services; per 15 minutes
Environmental Modifications			
7401M	Environmental Modifications, Per Hour Per Recipient, Per 36-month Waiver Period	S5165	Home modifications; per service
7402M	Home and Community-Based Agency Administrative Fee for Overseeing Modifications	S5165-U2	Home modifications (admin fee); per service
Meals			
7311M	Meal in Recipient's Residence, Per Meal	S5170	Home delivered meals, including preparation; per meal
7312M	Meal in Congregate Setting, Per Meal	T2025	Meal in Congregate Setting, per Meal
Waiver Transportation			
7021M	One-way Trip, Recipient	T2003	Non-emergency transportation; encounter/trip
7022M	One-way Trip, Escort	T2001	Non-emergency transportation; patient attendant/escort

Residential Supported Living/Assisted Living Homes Waiver Services

Service Code	Service Desc	Replacement Code	Service Desc
7331M	Residential Supported Living/Assisted Living Homes,Per Day	T2031	Assisted Living, waiver, per diem

Specialized Medical Equipment and Supplies

Service Code	Service Desc	Replacement Code	Service Desc
7501M	Tumbleform	T2029	Specialized equipment, NOS (not otherwise specified)
7502M	Tumbleform Wedge	T2029	Specialized equipment, NOS
7503M	Tumbleform Floor Sitter w/wheels	T2029	Specialized equipment, NOS
7504M	Pediatric Bath chair	T2029	Specialized equipment, NOS
7505M	Wheelchair Tray	N/A	(Covered by regular Medicaid)
7506M	Pediatric Transport chair tray	T2029	Specialized equipment, NOS
7507M, 7511M	Hand controls for vehicle; Van lift	T2039	Vehicle modifications, waiver; per service
7508M	Ramp	T2029	Specialized equipment, NOS
7512M	Car seat	T5001	Positioning seat for persons w/special orthopedic needs for use in vehicle.
7513M	Pediatric Potty Chair	T2029	Specialized equipment, NOS
7514M	Pediatric Corner Chair	T2029	Specialized equipment, NOS
7515M	Floor Base	T2029	Specialized equipment, NOS
7516M	Gait Trainer	T2029	Specialized equipment, NOS
7517M	Pediatric Bed	T2029	Specialized equipment, NOS
7518M	Therapy Mat	T2029	Specialized equipment, NOS
7521M	Communication Device	NAACN	Communication enhancement, hearing deficit, common interventions, Interventions, Nursing - Working toward accepting and learning alternate methods for living with diminished hearing.
7521M	Communication Device	NAACO	Communication enhancement, speech deficit, common interventions, Interventions, Nursing - Working toward accepting and learning alternate methods for living with diminished speech.
7521M	Communication Device	NAACP	Communication enhancement, visual deficit, common interventions, Interventions, Nursing - Working toward accepting and learning alternate methods for living with diminished vision.
7522M	Eating Device	T2029	Specialized equipment, NOS (not otherwise specified)
7523M	Bib	T2029	Specialized equipment, NOS
7530M	Reclining Lift Chair	T2029	Specialized equipment, NOS
7531M	Reacher	T2029	Specialized equipment, NOS
7533M	Handheld shower	T2029	Specialized equipment, NOS
7534M	Microwave Oven	Eliminated	No longer covered

Specialized Medical Equipment and Supplies (cont.)

Service Code	Service Desc	Replacement Code	Service Desc
7542M	Rental PERS/Lifeline	S5161	Emergency Response System monthly fee
7543M	Install PERS/Lifeline	S5160	Emergency Response System installation and testing
7750M	Nutritional Supplement (Thickit) per can	Eliminated	Regular Medicaid
7751M	Ensure Nutritional Supplement per can	Eliminated	Regular Medicaid
7799M	Unlisted SME	T2028	Specialized supply, NOS (not otherwise specified)
7799M	Unlisted SME	T2029	Specialized equipment, NOS

HB

312

SENATE FINANCE COMMITTEE REPORT

DATE: 3/5/08

FURTHER:

DATE TURNED IN TO OFFICE: 3-19-08

Finance Committee considered CS FOR HOUSE BILL NO. 312(FIN)

HB 312 APPROP: MENTAL HEALTH BUDGET

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

and recommends:

[X] be **replaced** with [X] **SCS** or [ ] **CS** CSHB 312 (FIN)

[ ] adopt **previous** [ ] **SCS** or [ ] **CS** _____ (_____)

[ ] attached amendment(s)

[ ] adopt _____ Letter of Intent

[ ] further referral to _____ Committee

SENATE BILL:
[X] Same Title
[ ] New Title

HOUSE BILL:
[ ] Same Title
[ ] Technical Title Change
[ ] New Title w/ SCR #_____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

[ ] APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Elton	✓			
	Thomas	✓			
	Dyson			✓	
	Olson	✓			
CO-CHAIR:	Stedman	✓			
CO-CHAIR:		✓			

25-GH2008\M
Bailey
3/14/08

Adopted

SENATE CS FOR CS FOR HOUSE BILL NO. 312(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

(SECTION 1 OF THIS ACT BEGINS ON PAGE 2)

* **Section 1.** The following appropriation items are for operating expenditures from the general fund or other funds as set out in section 2 of this Act to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2008 and ending June 30, 2009, unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated reduction set out in this section may be allocated among the appropriations made in this section to that department, agency, or branch.

	Allocations	Appropriation Items	General Funds	Other Funds
*****		*****		
***** **Department of Administration** *****				
*****		*****		
Legal and Advocacy Services		**1,875,100**	**1,736,300**	**138,800**
Office of Public Advocacy	1,581,700			
Public Defender Agency	293,400			
*****		*****		
***** **Department of Corrections** *****				
*****		*****		
Administration and Support		**25,000**		**25,000**
Office of the Commissioner	25,000			
Population Management		**611,500**	**611,500**	
Offender Habilitation Programs	611,500			
Inmate Health Care		**6,413,400**	**5,980,400**	**433,000**
Inmate Health Care	6,413,400			
*****			*****	
***** **Department of Education and Early Development** *****				
*****			*****	
Teaching and Learning Support		**339,800**	**39,800**	**300,000**
Student and School Achievement	339,800			
Alaska Postsecondary		**200,000**		**200,000**

	Allocations	Appropriation Items	General Funds	Other Funds
Education Commission				
Program Administration & Operations	200,000			

* * * * * * * * * *

* * * * * **Department of Health and Social Services** * * * * *

* * * * * * * * * *

No money appropriated in this appropriation may be expended for an abortion that is not a mandatory service required under AS 47.07.030(a). The money appropriated for Health and Social Services may be expended only for mandatory services required under Title XIX of the Social Security Act and for optional services offered by the state under the state plan for medical assistance that has been approved by the United States Department of Health and Human Services. This statement is a statement of the purpose of the appropriation and is neither merely descriptive language nor a statement of legislative intent.

It is the intent of the legislature that the Department continues to aggressively pursue Medicaid cost containment initiatives. Efforts should continue where the Department believes additional cost containment is possible including further efforts to contain travel expenses. The Department must continue efforts imposing regulations controlling and materially reducing the cost of Personal Care Attendant (PCA) services. Efforts must be continued utilizing existing resources to impose regulations screening applicants for Residential Psychiatric Treatment Center (RPTC) services, especially for out-of-state services. The department must address the entire matrix of optional Medicaid services, reimbursement rates and eligibility requirements that are the basis of the Medicaid growth algorithm. This work is to utilize the results of the Medicaid Assessment and Planning analysis. The legislature requests that by January 2009 the Department be prepared to present projections of future Medicaid funding requirements under our existing statute and regulations and be prepared to present and evaluate the consequences of viable policy alternatives that could be implemented to lower growth rates and reducing projections of future costs.

It is the intent of the legislature that the Department of Health and Social Services eliminate the requirement for narrative and financial quarterly reports for all grant recipients whose grants are $50,000 or less. This is an unnecessary burden and is not a requirement of the federal grants.

	Allocations	Appropriation Items	General Funds	Other Funds
It is the intent of the legislature that the Department of Health and Social Services make a single "upfront" payment for any grant award that is $50,000 or less and includes a signature of the grantee certifying compliance with the terms of the grant with their approved application. Signature of the grantee would also certify that if a final report certifying completion of the grant requirements is not filed, future grants will not be considered for that grantee until all requirements of prior grants are completed satisfactorily. In the event a grantee is deemed ineligible for a future grant consideration due to improper filing of final reports, the grantee will be informed about the department's procedures for future consideration of grant eligibility. The department will establish procedures to consider retroactivity for specific grant consideration or express that the retroactivity cannot be considered for certain grants during the selection process.				
Alaska Pioneer Homes		**13,353,200**	**13,353,200**	
It is the intent of the legislature that the Department maintain regulations requiring all residents of the Pioneer Homes to apply for all appropriate benefit programs prior to a state subsidy being provided for their care from the State Payment Assistance program.				
It is the intent of the legislature that all pioneers' homes and veterans' homes applicants shall complete any forms to determine eligibility for supplemental program funding, such as Medicaid, Medicare, SSI, and other benefits as part of the application process. If an applicant is not able to complete the forms him/herself, or if relatives or guardians of the applicant are not able to complete the forms, Department of Health and Social Services staff may complete the forms for him/her, obtain the individuals' or designee's signature and submit for eligibility per AS 47.25.120.				
Alaska Pioneer Homes Management	64,300			
Pioneer Homes	13,288,900			
Behavioral Health		**114,025,600**	**90,732,100**	**23,293,500**
Alcohol Safety Action Program (ASAP)	335,500			
Behavioral Health Medicaid Services	44,066,900			
Behavioral Health Grants	23,597,100			

	Appropriation	General	Other
	Allocations	Items	Funds	Funds

It is the intent of the legislature that the department continue developing polices and procedures surrounding the awarding of recurring grants to assure that applicants are regularly evaluated on their performance in achieving outcomes consistent with the expectations and missions of the Department related to their specific grant. The recipient's specific performance should be measured and incorporated into the decision whether to continue awarding grants. Performance measurement should be standardized, accurate, objective and fair, recognizing and compensating for differences among grant recipients including acuity of services provided, client base, geographic location and other factors necessary and appropriate to reconcile and compare grant recipient performances across the array of providers and services involved.

It is the intent of the legislature that the $1,000.0 increment in the FY 09 budget for Community Prevention & Early Intervention for Behavioral Health Programs be used to provide statewide community based youth development programs.

It is the intent of the legislature that the $2,000.0 increment in the FY 09 budget for Behavioral Health Grants be used to provide additional base funding for existing core services of current behavioral health grantees who have demonstrated successful outcomes documented in accordance with the department's performance based evaluation procedures, with an emphasis on increasing substance abuse treatment capacity for adolescents and adults.

Behavioral Health	4,376,500		
Administration			

It is the intent of the legislature that the $200.0 increment in the FY09 budget for the Suicide Prevention Strategy and Implementation Plan be dedicated to developing a best practices, evidence based multi-dimensional strategy and implementation plan to reduce the rates of suicide in targeted rural regions of the state with the highest current rate of suicide. The strategy and plan must specifically propose the means to reduce the rate of suicide and address various dimensions of the issue including differing age and social demographics of at-risk populations as well as implementation alternatives available in the targeted regions. The plan must be developed in coordination with stakeholders and relevant resources in the targeted regions. The Suicide Prevention Strategy and Implementation Plan must be completed and available to the legislature no later than December 15, 2008.

It is the intent of the legislature that, in accordance with AS 37.05.315, $333, 800 in general

	Allocations	Appropriation Items	General Funds	Other Funds
fund mental health funds be provided as a grant to the City of Bethel for the Bethel Community Patrols program.				
It is the intent of the legislature that by providing $500,000 in general funds for the "Planning and Design for Clitheroe Center Replacement", there is no further obligation by the State for continued funding.				
Community Action Prevention & Intervention Grants	958,100			
Rural Services and Suicide Prevention	2,115,200			
Psychiatric Emergency Services	7,893,000			
Services to the Seriously Mentally Ill	12,774,200			
Designated Evaluation and Treatment	1,761,900			
Services for Severely Emotionally Disturbed Youth	10,702,200			
Alaska Psychiatric Institute	5,319,400			
Suicide Prevention Council	125,600			
Children's Services		**12,209,200**	**11,979,200**	**230,000**
Children's Medicaid Services	4,185,600			
Children's Services Management	64,100			
Front Line Social Workers	148,600			
Family Preservation	150,000			
Foster Care Augmented Rate	500,000			
Foster Care Special Need	747,900			
Residential Child Care	1,956,300			
Infant Learning Program Grants	4,456,700			
Adult Preventative Dental		**1,400,000**		**1,400,000**

	Allocations	Appropriation Items	General Funds	Other Funds
Medicaid Services				
It is the intent of the legislature that the Adult Preventative Dental Medicaid Services not over spend authority granted by authorizing statute and adjust benefits available to individual participants as necessary to maintain and conduct the program throughout the entire fiscal year.				
Adult Preventative Dental Medicaid Services	1,400,000			
Juvenile Justice		**945,500**	**745,800**	**199,700**
McLaughlin Youth Center	654,500			
Fairbanks Youth Facility	101,000			
Bethel Youth Facility	56,700			
Probation Services	133,300			
Public Health		**1,048,300**	**718,300**	**330,000**
Women, Children and Family Health	750,000			
Certification and Licensing	120,000			
Community Health Grants	98,300			
Health Planning and Infrastructure	80,000			
It is the intent of the legislature that, in accordance with AS 37.05.316, $250,000 in general funds be provided as a grant to Anchorage Project Access.				
Senior and Disabilities Services		**14,474,600**	**13,721,900**	**752,700**
It is the intent of the legislature that regulations related to the General Relief / Temporary Assisted Living program be reviewed and revised as needed to minimize the length of time that the state provides housing alternatives and assure the services are provided only to intended beneficiaries who are actually experiencing harm, abuse or neglect. The department should educate care coordinators and direct service providers about who should be referred and when they are correctly referred to the program in order that referring agents correctly match consumer needs with the program services intended by the department.				
General Relief/Temporary	740,300			

	Allocations	Appropriation Items	General Funds	Other Funds
Assisted Living				
Senior and Disabilities Services Administration	2,390,100			
Senior Community Based Grants	3,419,400			

It is the intent of the legislature that the $1,000.0 increment in the FY 09 budget for Senior Community Based Grants be used to invest in successful home and community based supports provided by grantees who have demonstrated successful outcomes documented in accordance with the department's performance based evaluation procedures.

Community Developmental Disabilities Grants	7,924,800			
Departmental Support Services		**1,758,400**	**1,758,400**	
Commissioner's Office	105,000			

It is the intent of the legislature that the Department of Health and Social Services complete the following tasks related to fiscal audits required in chapter 66, SLA 2003 of all Medicaid providers:

1. Develop regulations addressing the use of extrapolation methodology following an audit of Medicaid providers that clearly defines the difference between actual overpayment of funds to a provider and ministerial omission or clerical billing error that does not result in overpayment to the provider. The extrapolation methodology will also define percentage of "safe harbor" overpayment rates for which extrapolation methodology will be applied.

2. Develop training standards and definitions regarding ministerial and billing errors versus overpayments. Include the use of those standards and definitions in the State's audit contracts.

All audits initiated after the effective date of this intent and resulting in findings of overpayment will be calculated under the Department's new regulations governing overpayment standards and extrapolation methodology.

It is the intent of the legislature that the department develops a ten year funding source and use of funds projection for the entire department.

It is the intent of the legislature that the department continue working on implementing a provider rate rebasing process and specific funding recommendations for both Medicaid and non-Medicaid providers to be completed and available to the legislature no later than

	Allocations	Appropriation Items	General Funds	Other Funds
December 15, 2008.				
Administrative Support Services	476,100			
Information Technology Services	827,300			
HSS State Facilities Rent	350,000			
Boards and Commissions		**1,787,300**	**465,400**	**1,321,900**
AK Mental Health & Alcohol & Drug Abuse Boards	849,000			
Commission on Aging	193,600			
Governor's Council on Disabilities and Special Education	744,700			
* * * * *		* * * * *		
* * * * * **Department of Law** * * * * *				
* * * * *		* * * * *		
Civil Division		**76,800**	**76,800**	
Human Services and Child Protection	76,800			
* * * * *		* * * * *		
* * * * * **Department of Natural Resources** * * * * *				
* * * * *		* * * * *		
Resource Development		**1,686,400**		**1,686,400**
Mental Health Trust Lands Administration	1,686,400			
* * * * *		* * * * *		
* * * * * **Department of Revenue** * * * * *				
* * * * *		* * * * *		
Alaska Mental Health Trust Authority		**2,467,000**		**2,467,000**
Mental Health Trust	2,467,000			

	Allocations	Appropriation Items	General Funds	Other Funds
Operations				
* * * * *		* * * * *		
* * * * * University of Alaska * * * * *				
* * * * *		* * * * *		
Statewide Programs and Services		390,000		390,000
Statewide Services	390,000			
University of Alaska Anchorage		1,488,300	295,800	1,192,500
Anchorage Campus	1,488,300			
University of Alaska Fairbanks		40,000		40,000
Fairbanks Campus	40,000			
* * * * *		* * * * *		
* * * * * Alaska Court System * * * * *				
* * * * *		* * * * *		
Alaska Court System		1,577,700	589,900	987,800
Trial Courts	1,577,700			

(SECTION 2 OF THIS ACT BEGINS ON PAGE 11)

* **Sec. 2.** The following sets out the funding by agency for the appropriations made in sec. 1 of this Act.

Funding Source		Amount
Department of Administration		
1037	General Fund / Mental Health	1,736,300
1092	Mental Health Trust Authority Authorized Receipts	138,800
*** Total Agency Funding ***		$1,875,100
Department of Corrections		
1037	General Fund / Mental Health	6,591,900
1092	Mental Health Trust Authority Authorized Receipts	458,000
*** Total Agency Funding ***		$7,049,900
Department of Education and Early Development		
1037	General Fund / Mental Health	39,800
1092	Mental Health Trust Authority Authorized Receipts	500,000
*** Total Agency Funding ***		$539,800
Department of Health and Social Services		
1037	General Fund / Mental Health	133,474,300
1092	Mental Health Trust Authority Authorized Receipts	8,615,500
1180	Alcohol and Other Drug Abuse Treatment & Prevention Fund	18,912,300
*** Total Agency Funding ***		$161,002,100
Department of Law		
1037	General Fund / Mental Health	76,800
*** Total Agency Funding ***		$76,800
Department of Natural Resources		
1092	Mental Health Trust Authority Authorized Receipts	1,686,400

*** Total Agency Funding ***		$1,686,400
Department of Revenue		
1094	Mental Health Trust Administration	2,467,000
*** Total Agency Funding ***		$2,467,000
University of Alaska		
1037	General Fund / Mental Health	295,800
1092	Mental Health Trust Authority Authorized Receipts	1,622,500
*** Total Agency Funding ***		$1,918,300
Alaska Court System		
1037	General Fund / Mental Health	589,900
1092	Mental Health Trust Authority Authorized Receipts	987,800
*** Total Agency Funding ***		$1,577,700
* * * * * Total Budget * * * * *		$178,193,100

(SECTION 3 OF THIS ACT BEGINS ON PAGE 13)

* **Sec. 3.** The following sets out the statewide funding for the appropriations made in sec. 1 of this Act.

Funding Source		Amount
General Funds		
1037	General Fund / Mental Health	142,804,800
Total General Funds		$142,804,800
Federal Funds		
Total Federal Funds		$0
Other Non-Duplicated Funds		
1092	Mental Health Trust Authority Authorized Receipts	14,009,000
1094	Mental Health Trust Administration	2,467,000
1180	Alcohol and Other Drug Abuse Treatment & Prevention Fund	18,912,300
Total Other Non-Duplicated Funds		$35,388,300
Duplicated Funds		
Total Duplicated Funds		$0

(SECTION 4 OF THIS ACT BEGINS ON PAGE 14)

* **Sec. 4.** The following appropriation items are for capital projects and grants from the general fund or other funds as set out in section 5 of this Act by funding source to the agencies named for the purposes expressed and lapse under AS 37.25.020, unless otherwise noted.

	Appropriation	General	Other
	Allocations Items	Funds	Funds
* * * * *		* * * * *	
* * * * * **Department of Health and Social Services** * * * * *			
* * * * *		* * * * *	
MH Essential Program	250,000	250,000	
Equipment (HD 1-40)			

(SECTION 5 OF THIS ACT BEGINS ON PAGE 15)

* **Sec. 5.** The following sets out the funding by agency for the appropriations made in sec. 4 of this Act.

Funding Source	Amount
Department of Health and Social Services	
1037 General Fund / Mental Health	250,000
*** Total Agency Funding ***	$250,000
* * * * * Total Budget * * * * *	$250,000

(SECTION 6 OF THIS ACT BEGINS ON PAGE 16)

* **Sec. 6.** The following sets out the statewide funding for the appropriations made in sec. 4 of this Act.

Funding Source	Amount
General Funds	
1037 General Fund / Mental Health	250,000
Total General Funds	$250,000
Federal Funds	
Total Federal Funds	$0
Other Non-Duplicated Funds	
Total Other Non-Duplicated Funds	$0
Duplicated Funds	
Total Duplicated Funds	$0

(SECTION 7 OF THIS ACT BEGINS ON PAGE 17)

* Sec. 7. PURPOSE. In accordance with AS 37.14.003 and 37.14.005, the appropriations made by this Act are for the state's integrated comprehensive mental health program.

* Sec. 8. NONGENERAL FUND RECEIPTS. (a) Alaska Mental Health Trust Authority authorized receipts (AS 37.14.036) or administration receipts (AS 37.14.036) that exceed the amounts appropriated by this Act are appropriated conditioned upon compliance with the program review provisions of AS 37.07.080(h).

(b) If Alaska Mental Health Trust Authority authorized receipts (AS 37.14.036) or administration receipts (AS 37.14.036) fall short of the estimates appropriated in this Act, the affected appropriation is reduced by the amount of the shortfall in receipts.

* Sec. 9. SALARY AND BENEFIT ADJUSTMENTS. (a) The appropriations made in sec. 1 of this Act include amounts for salary and benefit adjustments for public officials, officers, and employees of the executive branch, Alaska Court System employees, employees of the legislature, and legislators and to implement the terms for the fiscal year ending June 30, 2009, of the following collective bargaining agreements:

(1) Alaska Public Employees Association, for the confidential unit;

(2) Alaska State Employees Association, for the general government unit;

(3) Public Employees Local 71, for the labor, trades and crafts unit;

(4) Alaska Correctional Officers Association, representing correctional officers;

(5) Teachers' Education Association of Mt. Edgecumbe.

(b) The operating budget appropriations made to the University of Alaska in sec. 1 of this Act include amounts for salary and benefit adjustments for the fiscal year ending June 30, 2009, for university employees who are not members of a collective bargaining unit and for implementing the monetary terms of the collective bargaining agreements including the terms of the agreement providing for the health benefit plan for university employees represented by the following entities:

(1) Alaska Higher Education Crafts and Trades Employees;

(2) Alaska Community Colleges' Federation of Teachers;

(3) United Academics;

(4) United Academics-Adjuncts.

(c) If a collective bargaining agreement listed in (a) or (b) of this section is not ratified

by the membership of the respective collective bargaining unit, the appropriations made by this Act that are applicable to that collective bargaining unit's agreement are reduced proportionately by the amount for that collective bargaining agreement, and the corresponding funding source amounts are reduced accordingly.

(d) Appropriations made in sec. 1 of this Act for salary and benefit adjustments as described in (a) and (b) of this section are for the benefit of the state's integrated comprehensive mental health program only and do not necessarily affect every grour of noncovered employees or every collective bargaining unit listed in (a) and (b) of this section.

* **Sec. 10.** This Act takes effect July 1, 2008.

25-GH2008\M
Bailey
3/14/08

SENATE CS FOR CS FOR HOUSE BILL NO. 312(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

(SECTION 1 OF THIS ACT BEGINS ON PAGE 2)