

State of Alaska FY2002 Governor's Operating Budget

Department of Health and Social Services

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Department Mission

To promote and protect the health and well being of Alaskans.

Department Goals and Strategies

HELP CHILDREN STAY HEALTHY AND SAFE

- Improve the state's response to child abuse and neglect by responding to more reports of harm, ensuring that children in state care are placed in safe, quality homes, and moving children in foster care to permanent homes more quickly through continuation of the Balloon Project.
- Develop a system to improve surveillance, treatment and prevention of alcohol-related birth defects.
- Improve the system of sanctions and treatment for underage drinkers.
- Implement strategies to reach the statewide immunization target of 90 percent of all 2-year-old children.
- Improve juvenile justice systems using restorative justice principles.

HELP ALASKANS LIVE HEALTHIER LIVES AND HAVE ACCESS TO BASIC HEALTH CARE TO REDUCE CHRONIC AND PREVENTABLE DISEASE

- Improve access to primary health care for Alaskans in rural areas.
- Develop a State Health Plan.
- Expand capacity to address emerging public health disease issues and the effects of environmental contaminants.
- Ensure the Medicaid program operates humanely and efficiently while providing health care to approximately 100,000 eligible Alaskans.

ASSIST ALASKANS WHO EXPERIENCE DEVELOPMENTAL DISABILITIES, SUBSTANCE ABUSE AND/OR MENTAL ILLNESS TO LIVE INDEPENDENTLY AND REMAIN ECONOMICALLY SECURE

- Refine the Comprehensive Integrated Mental Health Plan in conjunction with consumers, policy boards and the Alaska Mental Health Trust Authority.
- Promote self-sufficiency for adults with disabilities through work incentives.
- Replace the aging Alaska Psychiatric Institute (API) facility, provide improved treatment services at a new API facility, and prevent inappropriate hospitalization by strengthening community-based services for clients.
- Develop and implement a plan for improving services for special needs children.
- Continue mental health program improvements.
- Eliminate the waiting list for infants needing diagnosis and treatment of developmental disabilities.
- Expand treatment options for Alaskans in need of substance abuse treatment.

INCREASE INCENTIVES AND OPPORTUNITIES FOR COMMUNITIES TO COLLABORATE WITH THE DEPARTMENT TO IMPROVE RESULTS FOR CHILDREN AND FAMILIES

- Promote self-sufficiency for families on public assistance, with specific emphasis on families whose 60-month time limit is approaching.
- Continue collaboration with communities and private organizations on service integration projects.
- Improve the regulatory framework and processes for awarding, monitoring and implementing grants for services to assist Alaskans.

ESTABLISH AN INTEGRATED STATEWIDE SYSTEM FOR DATA COLLECTION, ANALYSIS AND REPORTING THAT IMPROVES SERVICES TO ALASKANS

- Continue to link and integrate data from a variety of existing systems, including state and grantee client and management information systems.

- Implement new data systems to improve Juvenile Justice, Developmental Disabilities, Child Protection and Medicaid Services.

PROMOTE EFFICIENT STREAMLINED SYSTEMS IN WHICH EMPLOYEES VALUE THEIR WORK AND MEET CUSTOMER NEEDS

- Continue effort to integrate systematic performance measurement into the department's program planning, budgeting and ongoing operations.
- Improve processes for internal and external communications.

Key Department Issues for FY2001 – 2002

The Federal Medicaid Authorized Percentage (FMAP) statutory formula match rate for Alaska is in flux which could mean the loss of millions in federal dollars and in turn increase state general fund expenditures for Medicaid services to needy Alaskans.

A Prescription Drug program for the elderly through the Medicare program will impact 8,000 Alaskans and could influence funding in the Medicaid program.

Sustaining and building on the successes of Alaska's welfare reform efforts is a pivotal issue. Meeting the demands of federal and state welfare reform mandates and providing opportunities for families to achieve lasting self-sufficiency while maintaining basic safety net services will remain a challenge in fiscal years 2001 and 2002. The 5-year limit on Temporary Assistance is a key element of Welfare Reform and July 2002 marks the first month families in Alaska will face the 60-month limit. Alaska must be prepared and have programs in place to transition these families during this critical period.

The Food Stamp Program quality control payment error rate requires improvement. Nationwide, increased error rates in food stamp payments have been blamed partly on the rapid changes brought about by welfare reform. In Alaska, public assistance agencies have placed greater attention on putting people to work which has resulted in more than forty percent of food stamp recipients reporting some amount of earned income. However, while succeeding in putting people to work, the agencies have had less time to focus on food stamp casework and payment accuracy.

Many Alaskans are needy because diabetes or chronic illnesses keep them from working and many others are elderly and have low incomes. These Alaskans deserve to live with dignity and adequate food, shelter and medical care. Adequate "basic supports" are necessary to avoid dependency, hospitalization or institutionalization. If reductions are made to these "basic supports," there will be an increased demand or dependence on other, more costly services.

Low-income working families need help in finding and paying for affordable, quality childcare. Currently, thousands of Alaska families are on waiting lists for childcare assistance. Without help, many of these families are in danger of losing jobs and reverting to welfare to support their families.

Increased disease investigation by public health professionals to identify contacts and improve follow-up diagnosis, treatment, and education for tuberculosis, HIV, and STDs, as well as improved response to major TB outbreaks are necessary to prevent epidemics and the spread of disease. Due to a major tuberculosis outbreak involving many villages in SouthWest Alaska during FY2000, public health nurses had to find, test and manage treatment for 2,965 exposed, infected or ill individuals. This number compares to 645 people requiring the same services in this area during FY1999. The required diversion of nursing staff and other resources to deal with this outbreak meant immunizations, well-child care and other preventive health services were not as readily available. Also, in Alaska in FY1997, 388 original patients were identified with sexually transmitted diseases with approximately one partner each identified. Based on first quarter numbers for FY2000, it is estimated the number will increase by about 300% to nearly 1,200 original patients with nearly 2,200 partners.

As part of an aggressive immunization campaign at the state and local level, a new vaccine schedule will be implemented to assure that Alaska's children are immunized against preventable childhood diseases. For instance, in 1980, every Alaskan child birth through 19 years of age needed 8 doses of vaccine to be fully immunized and in 2000 every child in the same age group will need 21 doses of vaccine to be fully immunized. This schedule will increase the demands on the public health nursing system and will require an increased level of effort over time to maintain full immunization.

Environmental contaminants in subsistence foods has emerged as a major issue for Alaska subsistence consumers. Because the science base that underlies risk assessment methodology is controversial and unsettled, considerable public health expertise is required to answer the question, "Is this food safe to eat?"

The level and extent of substance abuse - which contributes to child abuse, adult and juvenile crime, health problems and dependence - fuels the need for maintaining or increasing substance abuse prevention, intervention and treatment services. Substance abuse is a factor in more than 75 percent of all cases of child abuse and neglect and more than 80 percent of all adult crimes. Increased opportunities for alcohol treatment are necessary to reduce the level of abuse and to protect the public.

As custodian to more than 2,700 Alaskan children, the state must take every reasonable action to assure the safety of these children. Increased resources for Foster Care and Subsidized Adoption are required to provide sufficient safe placements for these children.

Improvements in both the level and quality of child protection workers' response to reports of child abuse and neglect has inevitably increased the number of children placed in foster or residential care for protection. The number of children in state custody increased by more than 300 in the past year and more than 500 in the past two years. As the response to child abuse continues to improve, there is an increased need to provide safe care for children in custody through foster and residential care placements. Additionally, services to safely re-unite children with their families must also increase to prevent unnecessary out-of-home care. An adequate number of child protection workers is needed to monitor the safety of children in custody.

Aggressive efforts are needed to address the backlog of children in state care. Additional adoptive homes or other permanent placements are needed for children who cannot be safely returned to their own homes. Under the state's new child protection law, the state has reduced timeframes for moving children into permanent placements. Continuation of special project resources, i.e. Balloon Project and Project SUCCEED, targeted toward achieving speedy legal resolution of child protection cases, increasing the number of adoptive homes available, and implementing permanent placements for the children who have been in foster care the longest are crucial.

An insufficient number of juvenile probation officers delays and reduces effective response to juvenile crime and efforts to increase offender accountability. The lack of available staff to provide early intervention is particularly felt in rural areas where the rate and severity of offenses has increased. Caseloads are more than twice the nationally recommended level, 31 vs. 12.

The Division of Juvenile Justice has recently published a report documenting the extent of the problem of underage drinking. The department seeks to expand outpatient and inpatient treatment for youth so that treatment is available when recommended.

In providing for sustained community-based, individualized services for developmentally disabled consumers, it is necessary to insure that payment for Medicaid services is accurate and timely so that quality services are provided to all eligible consumers. The Waiver Task Force is currently addressing this issue by working more closely with service providers and claims processors.

The State of Alaska needs to resolve the API 2000 project to find a replacement facility solution for the old facility. Full implementation of the community based services plan will provide for enhanced services in Anchorage. Adequate funding is necessary for the overall API plan to be carried out.

The state has been found to be non-compliant with federal law relating to the sale of tobacco to minors. Funding is requested to replace the anticipated loss of federal substance abuse treatment block grant funds that will be withheld as a result of non-compliance. In order to minimize the likelihood of the loss of additional federal funds, the department will work to streamline and make more effective the state law prohibiting the sale of tobacco to minors.

Major Department Accomplishments in 2000

- Implementation of Medicaid Pro-Share in which states like Alaska are allowed to receive intergovernmental transfers of funds to use within the Medicaid program. These funds can be used as match for federal funds, thus

reducing the need for state general fund match. This funding mechanism enabled the department to continue to provide Medicaid services to an average of 76,664 clients each month during FY2000. There are an estimated 2,400 providers participating in the medical assistance program out of approximately 8,000 enrolled in the program.

- The Denali KidCare program has expanded health care coverage to approximately 15,000 children since inception. Alaska is one of the most successful states in signing up uninsured children according to national rankings.
- Reduced Temporary Assistance total caseload to 7,987 families, the lowest point since 1991, when two-parent families were added to the old AFDC program, 40% below the historical peak in 1994.
- Reduced expenditures for Temporary Assistance payments from \$75.0 million in FY1999 to \$63.9 million in FY2000. This 15% savings contributes to a 44% savings over the past two years. These savings are from reduced payments due to client earnings and case closures.
- Improved social worker response to reports of child abuse and neglect. In FY1995 77% of legitimate reports of harm were assigned to social workers. By FY2000, 89% of these reports were assigned.
- Foster Care caseload growth had averaged an annual growth rate of 16.6% for FY1998 and FY1999. In FY2000 the growth rate was 5.8%, a significant decline. This reduction is, in part, a reflection of the success of State permanency planning initiatives like the Balloon Project and Project SUCCEED. Children that have been in custody the longest are moving from the Foster Care system into permanent homes. From FY1992 to FY2000 the number of children removed from the foster care system and placed in permanent homes increased from 338 to 1332.
- New facilities to meet critical program needs (a new public health laboratory and youth detention facilities in Anchorage and Mat-Su) are on schedule and within budget and will require operating support to become functional.
- Provided services to 304 additional consumers who had been on the developmental disabilities waitlist, increasing the total number of clients served to 2,460 persons.
- Public Health managed and responded to major tuberculosis (TB) outbreaks in several areas of the state. These increased efforts came at the expense of reducing other public health services.
- Implemented an aggressive immunization campaign at the state and local level. This significantly increased the immunization levels for young children against Hepatitis A and B; ensured that all Alaskan school age children are adequately immunized against measles to prevent another measles outbreak; and simultaneously increased the number of two year olds who are adequately immunized.
- Continued state's response to fetal alcohol syndrome (FAS) by conducting more than 200 medical chart reviews as part of the FAS Surveillance Project and by establishing and training FAS Multidisciplinary Community Teams in Bethel, Dillingham and Copper Center.
- On a department-wide level, completed a successful program that assured that all "mission-critical" systems were Y2K compliant.
- Initiated Grant Reform process to streamline services to grantees and clients.

Key Performance Measures for FY2002

Measure: The percent of ordered restitution and community work service that is paid or performed by the Juvenile Offender.

(Developed jointly with Legislature in FY2001.)

Current Status:

Development of the community work service component is on track. The DJJ hopes to have FY2000 data by December 2000.

Benchmark:

For the restitution measure the benchmark is 79%

For the community work service measure the benchmark is 83%

Background and Strategies:

This performance measure consists of two aspects that provide a gauge of DJJ's effectiveness in assisting delinquent youth in being accountable to their victim and communities for their delinquent behavior, and in encouraging youth providing restoration to victims and communities for the damage resulting from their delinquent behavior.

Definition: This measure consists of:

- The percentage of restitution paid for cases where there was a restitution order (either by the court or the Probation Officer). This measure is determined at case closure.
- The percentage of community work service performed for cases where there was a community work service order (either by the court or the Probation Officer). This measure is determined at case closure.

Case closures occur when a court order has been given to close a case, a court order has expired, or informal adjustment has been made by the Probation Officer.

Measure: The percentage of child protective services legitimate reports of harm assigned for an investigation will increase to 90% for FY2001.

(Developed jointly with Legislature in FY2001.)

Current Status:

Preliminary information for the first quarter of FY2001 shows the total number of legitimate reports of harm assigned for investigation was 92%. Historically, first quarter caseloads are lower than the last three quarters of a fiscal year and the percent of assigned cases is expected to go down slightly.

Note: Due to the seasonality involved in Reports of Harm, data for a full fiscal year will be used for comparison purposes.

Benchmark:

In FY1997, 73.6% of legitimate reports of harm were assigned for investigation in Alaska.

Background and Strategies:

Increased number of child protection workers to respond to more reports; better training and less turnover among these workers.

Percent of legitimate reports of harm assigned for investigation:

FY1997: 73.6%

FY1998: 77.3%

FY1999: 78.1%

FY2000: 88.8%

FY2001 Preliminary: 92%

Measure: Child Health Improvements - Increase the number of 2-year olds fully immunized to 90% by the year 2001.

(Developed jointly with Legislature in FY2001.)

Current Status:

The percentage of fully immunized 2-year-olds for calendar year 1999 was 80.1%.

Benchmark:

69% were immunized by the end of 1996.

Background and Strategies:

In 1997, the Department launched a major initiative to increase the rate of fully immunized two-year-olds. In three years, we have jumped up 20 positions, going from 48th to 28th in national rankings. Now, over 80% of our two-year-old children have received their recommended vaccines. Alaska's comprehensive public-private initiative to increase childhood immunization rates will be extended through 2002 to achieve the highest possible immunization rates and to assure that Alaska children in school and daycare will have all required immunizations by the fall of 2001.

Measure: Child Health Improvements - Decrease rates of smoking by middle school students.

(Not yet addressed by Legislature.)

Current Status:

The Youth Risk Behavior Survey (YRBS) is a survey tool given in schools to a random sample of students in various grades. In 1999, according to the YRBS data, 21% of middle school students reported smoking within the last 30 days. (Sample did not include Anchorage students.)

Benchmark:

In 1995, according to the YRBS data, 25% of middle school students reported smoking within the last 30 days. (Statewide sample.)

Background and Strategies:

According to information gleaned from the YRBS, between early 1995 and early 1999 there was a 7% decrease in overall current smoking for high school youth in Alaska. During this same period of time there was a 1% decrease in smokeless tobacco use. Plans are underway for the YRBS to be administered statewide in the spring of 2001. The new parental consent law for surveys has significantly increased the burden on local school districts. The value of the YRBS data may be compromised as a result of the constraints that the new law imposes on districts.

During the 1999 survey, the Anchorage School district did not participate, so the state 1995 to state 1999 comparisons listed above do not include Anchorage for 1999. We are continuing to do analysis to determine changes for the various age groups and will have additional data within the next six months. However, preliminary analysis indicates much larger increases for the younger children (i.e. 9th grade vs. 12th grade). Utilizing tobacco settlement dollars and other funds in an on-going public-private partnership, the Department intends to intensify the effort to decrease smoking and use of smokeless tobacco by youth for the next several years. These efforts will include counter-marketing efforts, enforcement of laws prohibiting sales to minors, etc. An increased focus will be related to the use of smokeless tobacco since the decline in that area has been so minimal.

Measure: API 2000 Community Implementation Plan - Decrease the average number of publicly funded psychiatric hospital days used per hospitalized person. (SB 281, modified)

(Developed jointly with Legislature in FY2001.)

Current Status:

In FY00 the average was 10 days.

Benchmark:

In FY98 the average stay was 14 days. (excludes data on consumers in residence at API longer than 6 months)

Background and Strategies:

The purpose of the Community Mental Health/API 2000 Project (CMHP) is to replace the aging API with a new facility, make it possible to safely operate with reduced inpatient capacity by increasing and enhancing community-based

mental health and substance abuse services in Anchorage, and further improve inpatient hospital care provided within API.

The new and enhanced services that are a part of the CMHP were designed to specifically impact the number of admissions to API from the Anchorage area and reduce the number of patient days. These new and enhanced Anchorage community services either are -- or are coming -- on line at this time. The first new service started in October of 1999, providing intensive, extended care services for 6 long-term API patients. Enhanced and expanded crisis respite care started in September of 2000, and enhanced detoxification and residential dual diagnosis services began in October of 2000.

Measure: Reduce the annual per capita alcohol consumption by people aged 14 and over from 2.55 to 2.25 gallons by FY2001.

(Not yet addressed by Legislature.)

Current Status:

There was a small increase to 2.67 gallons per capita for FY99.

Benchmark:

The benchmark for this measure is 3.46 gallons in FY85. Per capita consumption was 2.51 in FY98.

Background and Strategies:

We know that the prevalence and severity of alcohol-related problems among Alaskans is directly related to the amount of alcohol consumed. The data, as collected, are based on total alcohol purchased at the wholesale level and the number of Alaskans who are 14 years of age and older but does not acknowledge the state's significant (and increasing) visitor population.

The strategies that impact this indicator most readily are those that address public policy issues such as the number of licensed outlets and their hours of operation. In relation to this strategy the Division advocates for positive change through legal and regulatory initiatives. Other strategies used by the Division include but are not limited to: encourage activities and initiatives that will change community standards and emphasize healthy lifestyles; encourage traditional and alternative social activities that are alcohol and drug free. The twenty year old excise tax has not recently been adjusted for inflation and cost may no longer be a deterrent.

The data indicates Alaska's consumption rate may not continue the decrease experienced in prior years. (From FY90 to FY98 Alaska experienced an overall decline). The rate (gallons per capita) decreased from 2.64 in FY97 to 2.51 in FY98.

Measure: Percent of ATAP families meeting Federal Work Participation rates.

(Added by Legislature in FY2001 version.)

Current Status:

In March 2000, 38% of all Temporary Assistance families were in countable work activities and had sufficient hours to meet the federal participation rate requirements. At that time, almost 55% of Temporary Assistance families were in countable work activities but not all had enough hours of participation to count in the federal participation rate calculation.

According to the U.S. DHHS Third Annual Report to congress on the TANF program, Alaska ranked 8th in the nation for the percentage of adults in unsubsidized employment and in the average number of hours for adults in unsubsidized employment. Only one state ranked higher in both of these critical measures of success.

Benchmark:

Federal law requires that states meet work participation requirements:

FFY 1997 25% of all families

FFY 1998 30%

FFY 1999 35%

FFY 2000 40%

FFY 2001 45%

FFY 2002 50%

However, every state's federal work participation rate is adjusted by a caseload reduction credit that reflects the state's success in moving families off of assistance and into employment. In FFY 2000, Alaska caseload reduction credit was 29%. Based on the caseload reduction credit, Alaska's work participation target was 11%. Thus Alaska more than met the adjusted federal participation requirement.

Background and Strategies:

The Temporary Assistance program is a work-focused program to help Alaskans plan for self-sufficiency and to make a successful transition from welfare-to-work. Federal law requires the state to meet work participation requirements. Failure to meet federal participation rates results in fiscal penalties.

Measure: Percentage of Alaskan providers participating in the Medical Assistance program.
(Developed jointly with Legislature in FY2001.)

Current Status:

	Enrolled	Participating	Percent Participating
Physicians	3,806	802	21.07
Physicians(group)	115	96	83.48
Dentists	490	192	39.18
Dentists(group)	21	15	71.43
Pharmacies	198	115	58.08
Hospitals	25	25	100.00
Nursing Homes	15	15	100.00

Enrolled: 8,040
 Participating: 2,358
 All Other*: 5,682
 % Participating: 29.33%

* The all other category includes all enrolled providers who are not participating. A participating provider is defined as a provider that has billed Medicaid for services one or more times in the past calendar year. Please see benchmark narrative.

Benchmark:

The Division has measured participation by physicians, pharmacies, dentists, inpatient hospitals, and nursing homes during FY2000. Participation rates compare licensed Alaskan providers with Medicaid enrolled and participating providers (i.e. those providers reimbursed for services).

Background and Strategies:

This is a measure of Alaska's medical assistance clients' access to medical services through the same network of medical providers available to the balance of the State's population.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> The Percent of Ordered Restitution and Community Work Service That is Paid or Performed by the Juvenile Offender. The percentage of child protective services legitimate reports of harm assigned for an investigation will increase to 90% for FY2001. Child Health Improvements - Increase the number of 2-year olds fully immunized to 90% by the year 2001. Child Health Improvements - Decrease Rates of smoking by middle school students. 		X	X		

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> • API 2000 Community Implementation Plan - Decrease the number of psychiatric hospital days used per person that are publicly funded. • Reduce the annual per capita alcohol consumption by people aged 14 and over from 2.55 to 2.25 gallons by FY2001. • Percent of ATAP families meeting Federal Work Participation rates. • Percentage of Alaskan providers participating in the Medical Assistance program. 	X			X	
		X			
			X		

Department Budget Summary by BRU

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures												
Public Assistance	88,745.9	18,979.5	25,844.1	133,569.5	91,055.1	23,309.3	27,572.2	141,936.6	87,449.9	18,870.7	25,015.1	131,335.7
Medical Assistance	145,514.7	307,508.4	17,685.9	470,709.0	143,688.7	318,028.4	24,295.2	486,012.3	161,506.1	368,479.3	23,022.2	553,007.6
Catastrophic & Chronic Illness	3,653.5	0.0	0.0	3,653.5	4,304.4	0.0	0.0	4,304.4	0.0	0.0	0.0	0.0
Public Assistance Admin	6,102.1	33,051.9	0.0	39,154.0	3,000.0	28,852.0	0.0	31,852.0	3,000.0	30,102.0	0.0	33,102.0
Medical Assistance Admin	2,234.0	12,352.1	0.0	14,586.1	2,545.5	13,554.6	0.0	16,100.1	4,026.1	16,502.2	405.0	20,933.3
Purchased Services	20,313.7	5,734.2	443.9	26,491.8	20,733.5	7,010.9	2,619.8	30,364.2	24,415.6	8,025.1	1,129.4	33,570.1
Non-Formula Expenditures												
Public Assistance	0.0	6,638.2	0.0	6,638.2	0.0	5,516.1	0.0	5,516.1	0.0	6,931.8	0.0	6,931.8
Public Assistance Admin	19,078.7	25,201.3	3,243.1	47,523.1	19,644.1	29,667.4	2,223.4	51,534.9	19,741.3	32,659.3	2,619.2	55,019.8
Medical Assistance Admin	6,970.6	13,640.3	418.5	21,029.4	7,544.9	14,971.3	405.0	22,921.2	6,601.2	13,573.9	101.4	20,276.5
Children's Trust Programs	0.0	0.0	312.8	312.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchased Services	11,952.6	4,839.9	2,358.6	19,151.1	13,513.4	3,466.2	400.0	17,379.6	13,513.4	4,066.2	1,625.0	19,204.6
Front Line Social Workers	8,775.0	9,546.2	1,000.9	19,322.1	9,580.1	9,603.0	882.7	20,065.8	13,474.3	8,853.8	1,605.1	23,933.2
Family and Youth Services Mngmt	1,732.7	2,431.3	232.2	4,396.2	1,445.5	2,467.3	457.0	4,369.8	1,443.7	2,459.4	455.6	4,358.7
Family and Youth Services Staff	419.7	617.0	0.0	1,036.7	436.5	717.0	0.0	1,153.5	436.5	717.0	0.0	1,153.5
Child Protection	440.0	0.0	0.0	440.0	440.0	0.0	0.0	440.0	440.0	0.0	0.0	440.0

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Legal Assist.												
Juvenile Justice	24,193.8	311.1	943.4	25,448.3	27,858.2	3,782.9	692.4	32,333.5	30,558.9	3,782.8	899.7	35,241.4
Human Svcs	410.9	0.0	1,306.0	1,716.9	410.9	0.0	1,306.0	1,716.9	410.9	0.0	1,306.0	1,716.9
Comm Matching Grant												
Maniilaq	3,045.3	0.0	33.0	3,078.3	3,045.3	0.0	0.0	3,045.3	3,045.3	0.0	83.0	3,128.3
Norton Sound	2,453.5	0.0	17.6	2,471.1	2,453.5	0.0	0.0	2,453.5	2,453.5	0.0	67.6	2,521.1
SEARHC	565.7	0.0	11.0	576.7	565.7	0.0	0.0	565.7	565.7	0.0	11.0	576.7
Kawerak Social Services	372.7	0.0	0.0	372.7	372.7	0.0	0.0	372.7	372.7	0.0	0.0	372.7
Tanana Chiefs Conference	1,255.1	0.0	16.5	1,271.6	1,255.1	0.0	0.0	1,255.1	1,255.1	0.0	16.5	1,271.6
Tlingit-Haida	198.4	0.0	0.0	198.4	198.5	0.0	0.0	198.5	198.5	0.0	0.0	198.5
Yukon-Kuskokwim Health Corp	2,742.2	0.0	31.9	2,774.1	2,742.2	0.0	0.0	2,742.2	2,742.2	0.0	81.9	2,824.1
State Health Services	26,707.0	32,637.6	15,474.8	74,819.4	26,548.6	39,121.2	19,858.1	85,527.9	30,549.9	50,702.7	20,010.6	101,263.2
Alcohol & Drug Abuse Svcs	17,256.4	7,784.5	1,748.3	26,789.2	17,446.9	16,254.1	2,344.7	36,045.7	25,585.4	15,380.7	1,872.8	42,838.9
Community Mental Health Grants	24,586.7	1,215.6	1,814.7	27,617.0	24,758.7	3,228.7	3,124.3	31,111.7	26,990.0	4,373.9	3,551.8	34,915.7
Community DD Grants	19,058.0	0.0	1,235.0	20,293.0	18,506.7	0.0	1,492.4	19,999.1	18,626.7	185.1	1,222.4	20,034.2
Institutions & Administration	4,593.4	1,875.2	16,058.1	22,526.7	7,163.8	3,230.2	14,018.0	24,412.0	9,036.2	1,612.4	12,700.4	23,349.0
Mental Health Trust Boards	621.4	863.9	734.0	2,219.3	649.0	1,085.8	871.3	2,606.1	705.1	1,635.3	789.2	3,129.6
Administrative Services	3,242.5	1,668.8	1,682.2	6,593.5	3,369.4	1,862.7	1,715.7	6,947.8	3,363.1	2,031.4	1,838.7	7,233.2
Facilities Maintenance	0.0	0.0	0.0	0.0	449.3	175.7	2,584.9	3,209.9	452.2	237.2	2,584.9	3,274.3
Y2K approp	600.0	1,800.0	38.7	2,438.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Totals	447,836.2	488,697.0	92,685.2	1,029,218.4	455,726.2	525,904.8	106,863.1	1,088,494.1	492,959.5	591,182.2	103,014.5	1,187,156.2

Funding Source Summary

All dollars in thousands

Funding Sources	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
1001 Constitutional Budget Reserve Fund	600.0		
1002 Federal Receipts	484,599.1	521,428.3	591,180.2
1003 General Fund Match	167,726.0	160,276.8	180,555.6
1004 General Fund Receipts	142,393.2	164,774.7	186,046.7
1005 General Fund/Program Receipts	4,314.8	2,012.0	2,021.7
1007 Inter-Agency Receipts	53,377.4	50,438.6	49,912.6
1013 Alcoholism & Drug Abuse Revolving Loan	2.0	2.0	2.0
1037 General Fund / Mental Health	103,472.5	107,035.8	113,465.5
1047 Title XX	4,095.9	4,474.5	
1050 Permanent Fund Dividend Fund	17,222.0	17,518.1	16,147.3
1053 Investment Loss Trust Fund		703.8	
1061 Capital Improvement Project Receipts	598.3	986.3	1,079.5
1092 Mental Health Trust Authority Authorized Receipts	3,665.9	8,102.1	6,026.1
1098 Children's Trust Fund Earnings	312.8		
1108 Statutory Designated Program Receipts	17,508.8	28,892.9	28,763.9
1119 Tobacco Settlement	29,329.7	20,923.1	10,870.0
1156 Receipt Supported Services		925.1	1,085.1
Totals	1,029,218.4	1,088,494.1	1,187,156.2

Position Summary

Funding Sources	FY2001 Authorized	FY2002 Governor
Permanent Full Time	2,243	2,381
Permanent Part Time	60	59
Non Permanent	13	26
Totals	2,316	2,466

FY2002 Capital Budget Request

Project Title	General Funds	Federal Funds	Other Funds	Total Funds
Deferred Maintenance, Renewal, Replacement, and Equipment	1,000,000	352,000	0	1,352,000
Public Health Nurse, Probation Officer, Social Worker Safety and Support Equipment	500,000	2,331,000	0	2,831,000
Juneau Public Health Center Heating and Ventilation Upgrades	480,000	105,400	0	585,400
Residential Child Care Facility Capital Needs Assessment and Grant Program	150,200	0	349,800	500,000
Emergency Communications: Emergency Medical Services	341,600	0	0	341,600
Emergency Medical Services Equipment Grants - Match for Code Blue Project	533,400	0	0	533,400
Alaska Psychiatric Institute Stop-Gap Repairs	379,500	0	0	379,500
Housing Modifications for Trust Beneficiaries and People with Disabilities	0	0	250,000	250,000
Substance Abuse Treatment for Rural Women with Children	250,000	0	250,000	500,000
Deferred Maintenance, Americans with Disabilities Improvements to Service Providers for Beneficiaries, People with Disabilities	400,000	0	500,000	900,000
Program Equipment Grants to Service Providers for Trust Beneficiaries and People with Disabilities	0	0	250,000	250,000
Recovery Camps	0	0	100,000	100,000
Hearing Screening Assistive Technology	0	0	100,000	100,000
Consumer Designed and Managed Projects	0	0	175,000	175,000
Micro Enterprise Funds	0	0	150,000	150,000
Provider Resource Sharing and Coordination	0	0	150,000	150,000
Department Total	4,034,700	2,788,400	2,274,800	9,097,900

This is an appropriation level summary only. For allocations and the full project details see the capital budget.

Overview of Departmental Budget Changes

The FY2002 Operating Budget for the Department of Health and Social Services is based on the following themes:

First, Finish what the Knowles' Administration Started; second, Protect the Public; and third, Maintain the Safety Net. These themes are consistent with the department's goals and strategies for the FY2002 budget.

The first theme, to finish what we have started, continues efforts currently underway or completes projects begun during the Knowles' Administration. While many efforts fall into this category the following summarizes the key areas.

- Continue SMART START efforts, particularly in Child Protection. The FY2002 budget for the Division of Family and Youth Services (DFYS) will increase by \$7.6 million GF in the Governor's budget proposal. Foster Care increases are supported at a 6% growth rate, which is the lowest rate in five years. The Department believes that efforts like the Balloon project have been instrumental in reducing the Foster Care rate and recommends continuation of the Balloon Project as an on-going activity with a transfer of savings from Welfare Reform. Subsidized Adoption and Guardianships are funded and expected to increase by 14% in FY2002. Due to changes at the federal level, federal TANF funds are capped and can no longer be used for many programs within DFYS, so \$2.5 million in general funds must be used to replace the loss of federal resources. Finally, the budget proposal continues to fund innovative ideas such as case note transcription services, implementation of new risk and safety tool techniques, and continuation of the Psychiatric Nurse Program, to assist in streamlining functions to assist social workers in performing their difficult job.
- Annualize funding (\$1.8 million GF) for projects partially funded in the FY2001 budget. Projects which require additional funding are: the 30 detention beds at McLaughlin Youth Center, the 15 beds at Mat-Su Youth Facility, the 10 beds at Ketchikan Youth Facility, the Kenai Public Health Nursing Center, and the State Medical Examiner and Public Health Laboratory.
- In 1995 Governor Knowles initiated a Conference on Youth and Justice. The conference recommended a number of improvements to the Juvenile Justice system. The FY2002 budget continues the effort started years earlier by recommending funding in the Youth Probation system to reduce caseloads of Juvenile Probation Officers. Currently Youth Probation has caseloads that are two and half times the national recommended caseload (31 Alaska vs. 12). The FY2002 effort would add 9 Juvenile Probation Officers (Anchorage, Bethel, Dillingham, Kenai, Ketchikan, Kodiak, and Valdez) and reduce the per worker overall caseload from 31 to 28.
- One project that has a long history and that the Department is committed to finishing is API 2000. The proposed budget includes funds for community mental health services and API to make progress toward completion.

The second theme is to Protect the Public. The Department of Health and Social Services routinely provides basic public protection functions in a variety of programs. In particular, the Division of Public Health has a responsibility to ensure the Alaskan public is protected from infectious diseases and environmental concerns that could impact the public health. The initiative contained in the FY2002 budget would provide \$2.7 million GF to focus on these five efforts:

- Improve efforts to fight the re-emergence of Tuberculosis (TB) in Alaska. Active TB outbreaks have recently occurred in Anchorage and Western Alaska and resources are needed to improve response, testing, direct observed therapy, laboratory analysis, and epidemiological follow-up.
- Increase the capacity to manage increased caseload for sexually transmitted diseases (STD).
- A new vaccine schedule for children and demands for service will greatly affect the public health system throughout Alaska and will require an increased level of effort.
- Bacterial and viral outbreaks continue to occur in Alaska. The frequency and complexity of cases have affected the public health system in Alaska beyond its capacity.
- Environmental contaminants are causing increasing concern in Alaska. In particular the Division of Public Health must have the capability to assess the effect on subsistence foods.

In addition, the FY2002 budget contains significant resources to combat the disease of Alcoholism, to protect the public and provide resources for treatment.

- In response to recommendations from the Criminal Justice Assessment Commission and the Anchorage Driving Under the Influence Prevention Task Force, the FY2002 budget includes increased funding to stabilize and restore Alcohol Safety Action Program (ASAP) services.
- Expand the rural human services program to provide assessment and referral services at the local level for alcohol and mental health services.
- Continues alcohol treatment for women with children.
- Provides funding for grants to provide transitional housing in smaller communities for individuals leaving out-of-town treatment programs.
- Expands the rural family recovery camps program which have proven to be particularly effective for the Alaskan Native population.
- Increases alcohol treatment capacity for both adult and juvenile clients.

The third theme is to maintain the safety net. The Department of Health and Social Services is required to provide safety net services to the poor and disadvantaged. Services and supports are provided through a variety of statutory programs.

- Use savings from reduced ATAP payments due to Welfare Reform to fund other department priorities as well as decreasing general funds in the budget.
- Fund Adult Public Assistance at expected 4.7% increased need.
- Continue Medicaid program which funds health care for low-income adults, children, elderly and disabled individuals. The current request for Medicaid is based on a low-case scenario.
- Increase funding for Mental Health beneficiary programs including the Infant Learning programs, developmental disabilities, community mental health programs, and API.

Many of the Alaska Mental Health Trust Authority recommendations are included in this section of the FY2002 budget.

Summary of Department Budget Changes by BRU

From FY2001 Authorized to FY2002 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	455,726.2	525,904.8	106,863.1	1,088,494.1
Adjustments which will continue current level of service:				
-Public Assistance	-4,171.7	-4,237.9	0.0	-8,409.6
-Medical Assistance	-24.5	0.0	-1,273.0	-1,297.5
-Public Assistance Admin	-2.8	4,241.9	6.1	4,245.2
-Medical Assistance Admin	-2.1	-6.2	1.0	-7.3
-Purchased Services	1,000.0	0.0	0.0	1,000.0
-Front Line Social Workers	3,244.2	34.1	-127.6	3,150.7
-Family and Youth Services Mngmt	-1.8	-7.9	-1.4	-11.1
-Juvenile Justice	20.8	-0.1	0.2	20.9
-State Health Services	987.3	-170.5	-818.9	-2.1
-Alcohol & Drug Abuse Svcs	2,165.4	-1,453.4	-711.9	0.1
-Community Mental Health Grants	1,159.5	1,145.2	0.0	2,304.7
-Community DD Grants	120.0	185.1	-120.0	185.1
-Institutions & Administration	554.2	-1,728.0	-18.9	-1,192.7
-Mental Health Trust Boards	56.1	-0.5	-57.1	-1.5
-Administrative Services	-6.3	-3.5	-1.9	-11.7
-Facilities Maintenance	2.9	0.0	0.0	2.9
Proposed budget decreases:				
-Public Assistance	-1,028.3	-200.0	-2,642.1	-3,870.4
-Public Assistance Admin	0.0	0.0	-62.0	-62.0
-Purchased Services	0.0	0.0	-1,590.4	-1,590.4
-Front Line Social Workers	0.0	-943.3	0.0	-943.3
-Community Mental Health Grants	0.0	0.0	-200.0	-200.0
-Community DD Grants	0.0	0.0	-150.0	-150.0
-Institutions & Administration	0.0	0.0	-767.8	-767.8
-Mental Health Trust Boards	0.0	0.0	-40.0	-40.0
Proposed budget increases:				
-Public Assistance	1,594.8	1,415.0	85.0	3,094.8
-Medical Assistance	13,537.5	50,450.9	0.0	63,988.4
-Public Assistance Admin	100.0	0.0	451.7	551.7
-Medical Assistance Admin	539.0	1,556.4	100.4	2,195.8
-Purchased Services	2,682.1	1,614.2	1,325.0	5,621.3
-Front Line Social Workers	650.0	160.0	850.0	1,660.0
-Juvenile Justice	2,679.9	0.0	207.1	2,887.0
-Manilaq	0.0	0.0	83.0	83.0
-Norton Sound	0.0	0.0	67.6	67.6
-SEARHC	0.0	0.0	11.0	11.0
-Tanana Chiefs Conference	0.0	0.0	16.5	16.5
-Yukon-Kuskokwim Health Corp	0.0	0.0	81.9	81.9
-State Health Services	3,014.0	11,752.0	971.4	15,737.4
-Alcohol & Drug Abuse Svcs	5,973.1	580.0	240.0	6,793.1
-Community Mental Health Grants	1,071.8	0.0	627.5	1,699.3
-Institutions & Administration	1,318.2	110.2	-530.9	897.5
-Mental Health Trust Boards	0.0	550.0	15.0	565.0
-Administrative Services	0.0	172.2	124.9	297.1

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
-Facilities Maintenance	0.0	61.5	0.0	61.5
FY2002 Governor	492,959.5	591,182.2	103,014.5	1,187,156.2