

ALASKA MENTAL HEALTH TRUST AUTHORITY  
FULL BOARD MEETING

September 3, 2014

9:00 a.m.

Taken at:

Alaska Mental Health Trust Authority  
3745 Community Park Loop, Suite 200  
Anchorage, Alaska 99508

**OFFICIAL MINUTES**

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Trustees present:

Mike Barton, Chair  
Laraine Derr  
Larry Norene  
Mary Jane Michael  
Paula Easley  
John McClellan  
Russ Webb

Trust staff present:

Jess Jessee  
Steve Williams  
Nancy Burke  
Miri Smith-Coolidge  
Kevin Buckland  
Michael Baldwin  
Carley Lawrence  
Amanda Lofgren  
Katie Baldwin-Johnson  
Valette Keller  
Carrie Predeger  
Luke Lind

Trust Land Office staff present:

Marcie Menefee  
John Morrison

Also present:

Kate Burkhart; Denise Daniello; Teresa Holt; Kathy Craft; Stephanie Krost; Ric Nelson; Mystie Rail; Mark Regan; Ramona Dubey; Nelson Page; Tawny Buck; Commissioner Streur; Al Law; Sherry Henshaw; Donna Mong; Jerry Jenkins; Mary Shields; Corrine O'Neill; Kenny Scollen; Christine Johnson; Chief Justice Dana Fabe.

## **PROCEEDINGS**

CHAIR BARTON calls the meeting to order, and recognizes the Trustees that are present, stating that Russ Webb will be along shortly. He asks for any changes in the agenda. There being none, he states that the agenda is adopted. He moves on to the approval of the following minutes: January 3, April 17, May 7, and June 25.

TRUSTEE DERR makes a motion to approve the minutes of January 3, 2014.

TRUSTEE McCLELLAN seconds.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion to approve the minutes of April 17, 2014.

TRUSTEE McCLELLAN seconds.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion to approve the minutes of May 7, 2014.

TRUSTEE McCLELLAN seconds.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion to approve the minutes of June 25, 2014.

TRUSTEE McCLELLAN seconds.

*There being no objection, the motion is approved.*

CHAIR BARTON asks for any ethics disclosures. There being none, he states that the Guiding Principles and the Bylaws are in the packet. He moves to Trustee board elections, and asks for a report of the Nominating Committee.

## **NOMINATING COMMITTEE REPORT**

TRUSTEE McCLELLAN states that it is his understanding that there are three officer positions elected annually. He continues that the three positions and their current incumbents are: Chair, Mike Barton; Vice Chair, Laraine Derr; and Secretary Treasurer, Paula Easley. He states that all

three incumbents have offered to continue to serve, if so elected. He calls for any other nominations for these three positions. Hearing none, he asks for any objections to the incumbents continuing for another term. Hearing none, he states that the incumbents are hereby elected for another term through unanimous consent.

TRUSTEE DERR comments on a job well done.

CHAIR BARTON thanks Trustee McClellan.

MR. JESSEE asks about the Trustee committee assignments.

CHAIR BARTON replies that administration takes place on November 3, and will set it up. He states that they all appreciate the confidence of the Trustees and will work hard on their behalf. He moves on to the CEO update.

### **CEO UPDATE**

MR. JESSEE states that everyone should have received the CEO report in the last several days, and he does not have anything to add. He adds that Commissioner Streur is expected for a conversation this afternoon.

CHAIR BARTON asks for any questions. There being none, he states that Trustee Russ Webb has joined the meeting. He moves on to the committee reports, and recognizes Trustee Norene.

### **COMMITTEE REPORTS**

#### **RESOURCE MANAGEMENT COMMITTEE REPORT**

TRUSTEE NORENE states that there are a couple of items to bring before the Board. He continues that there was a meeting yesterday in regard to some timber sales and leases, and a management agreement. He adds that Mr. Slenkamp, the timber expert, informed the committee of a market opportunity that needed to be taken care of promptly. He states that those were passed. There are two consultations that require Trustee approval. He asks Ms. Menefee to continue.

MS. MENEFEЕ states that the first item before the Resource Management Committee that needs Full Board approval is a timber sale located on Trust land on Prince of Wales Island near Control Lake called the Control Lake property. She continues that it is about a 400-acre parcel, and the sale would generate about \$1.2 million in revenue over a two-year period.

CHAIR BARTON asks how many acres will be cut.

MS. MENEFEЕ replies about 100 to 150. She states that the cuts have not been laid out yet.

CHAIR BARTON asks if there has been any public process.

MS. MENEFEЕ replies not yet. It will be the next thing to do, if the Trustees want to move ahead with this.

TRUSTEE NORENE states that the Resource Management Committee recommends that the Alaska Mental Health Trust Board of Trustees concur with the disposal of timber through a competitive sale located at Control Lake located at Prince of Wales Island.

TRUSTEE MICHAEL seconds.

*There being no objection, the motion is approved.*

TRUSTEE NORENE states that the next item has to do with the operating agreement between various state agencies.

MS. MENELEE states that the Trust Land Office has been spending a considerable amount of time meeting with other state agencies that have forest resources in Alaska. She continues, that would include the University of Alaska, primarily in Southeast, the Division of Mining, Land & Water, and the Division of Forestry. She states that a vision statement was determined, and a draft is located in the packet. She continues that it would make the most sense to determine whether it was in the best interest of all the agencies to consider entering into a cooperative management agreement that set out various goals in which to partner, potentially, for forest development. She gives an example. She states that this is the first time anything like this has been done through the agencies, and the Governor is excited about and very supportive of the concept.

TRUSTEE NORENE asks for any questions.

CHAIR BARTON asks how this would relate to the Trust Authority's agreement, memorandum of understanding with DNR.

MS. MENELEE replies that the authority to make this decision has been delegated to the various directors of the other divisions.

TRUSTEE EASLEY observes that it is important to make these timber sales available not only for the revenue, but to ensure stable employment in the logging industry in Southeast.

TRUSTEE NORENE states that the Resource Management Committee recommends that the Alaska Mental Health Board Trustees concur with the TLO executing the statement of intent to various state agencies to advance the Trust Forest Management Program.

*There being no objection, the motion is approved.*

TRUSTEE NORENE states that Ms. Menefee gave a comprehensive report a month ago, and asks if anything happened for an update with the litigation since that time.

MS. MENELEE replies that the bankruptcy court approved a settlement between the unsecured creditors and the debtor, which ultimately affects the Trust's interest in the resource. She states that there is a step that allows the bankruptcy to move forward because there are some objections from the unsecured creditors, which was resolved, and the next step will be the auction of the assets. She adds that this is the Buccaneer bankruptcy.

MR. JESSEE asks for a quick update on Fairbanks, Denardo and Joshua's House.

MR. MORRISON begins with the Joshua House in Fairbanks, stating that he has a broker's opinion of value, and adds that the current owner of that facility is on the verge of bankruptcy. He states that if they do go through with the bankruptcy, the Trust would have to work with the bankruptcy trustee, who is yet to be named. He moves on to the Denardo and Fahrenkamp facilities which are on the same parcel, and they are moving forward in lockstep at this point. He states that there is some last bit of paperwork, both with the current tenant of the Fahrenkamp facility and then with the Department of Health and Social Services and DNR, to execute the transfer as quickly as possible. He moves to the update with the Assets facility, stating that substantial completion will occur in the month of September.

TRUSTEE DERR asks if it is wanted immediately.

MR. MORRISON states that all of the physical due diligence was done previously, and both Bryan Yackel, the new project manager, and Lounsbury are monitoring the project.

TRUSTEE NORENE states that he does not think that the board made any motion or direction for certain, and will need to.

MR. MORRISON states that the board has taken action on the Fahrenkamp and Denardo facilities and on the Assets facility to effect the transfer, and then provide funds for a budget to maintain it under the scenario. He continues that action on the Joshua House has not been taken. He adds that the process has to be figured out. He states that there is a working lunch as a Full Board to talk about Program-Related Investments.

TRUSTEE NORENE states that the one facility needs a negotiation to occur, and with other potential buyers. He continues, that should take place in executive session.

CHAIR BARTON asks for a motion to go into executive session.

TRUSTEE MICHAEL makes a motion to go into executive session.

TRUSTEE MCCLELLAN seconds.

MR. JESSEE clarifies that the basis for the executive session is matters that may affect the financial interest of the Trust are at issue.

CHAIR BARTON states that the meeting will reconvene at 10:15.

(Executive session begins at 9:35 and ends at 10:07 a.m.)

(Break.)

CHAIR BARTON reconvenes the meeting, and moves to Partner Updates. He asks Trustee Norene to summarize what was done in executive session.

TRUSTEE NORENE states the hope that the Trust Authority would authorize the TLO to perform some type of due diligence on the Joshua House that is deemed appropriate, and report back at a later date. He concludes the Resource Management report.

CHAIR BARTON recognizes Christine Johnson.

## **PARTNER UPDATES**

CHIEF JUSTICE FABE states that she is Dana Fabe, Chief Justice of the Supreme Court. She introduces Christine Johnson. She thanks the Trust and acknowledges the progress made though the Trust's steadfast support of the mental health courts and other specialty courts and alternatives for Trust Beneficiaries. She states that the Trust has made great strides in how Alaskans think about issues regarding the mentally ill and, in particular, understanding that the mentally ill do not need to be and should not be in jail. She continues that the Court System is very appreciative of the support of the therapeutic court projects and restorative justice initiatives statewide. She asks Christine Johnson to continue.

MS. JOHNSON begins with an overview of the Alaska Court System, stating that there are Courts in 41 communities around the state. She continues that there are 850 employees that include eight appellate judges, 65 trial court judges, and another 53 magistrate judges. She states that there are 12 therapeutic courts on a statewide basis in six different communities: Anchorage, Palmer, Fairbanks, Bethel, Juneau, and Ketchikan. She continues that there are three dedicated mental health courts in Anchorage, Palmer and Juneau. She adds that in addition there are seven substance abuse courts for criminal defendants and a substance abuse court which is dedicated to CINA cases, which are cases where the parents are at risk of losing their children, often due to substance-abuse issues. In addition, she continues, there is a juvenile mental health court in Fairbanks, which was started and is sustained with Trust funds. She states that this year there was an evaluation of that court by an independent consulting firm with very favorable, positive outcomes for the youth participating in that programs. She adds that both that program and the Anchorage Mental Health Court were nationally recognized as model courts and teaching courts for other jurisdictions that are interested in developing similar programs for their communities.

CHIEF JUSTICE FABE thanks Ms. Johnson, and states that she will talk about another group of mentally ill in the justice system. She continues that Trust Beneficiaries are in courts involving civil, adult, guardianships and conservatorships. She adds that they are not involved in the criminal justice system, but are Beneficiaries, and the numbers are rising. She explains that these are cases where these individuals have been determined by the Court with incapacity or cognitively impaired where the need to communicate decisions is so impaired that the person cannot take care of any of their needs or finances. She states that the Court System has almost 5,000 open guardianship conservatorship cases statewide and has worked together with the Trust before to address and improve the responses through mediation in adult guardianship and conservatorship cases. She continues that she appointed an Elder Task Force to improve the response to Elders and other vulnerable adults, and to address more effectively the issues of abuse, neglect, physical abuse, and financial exploitation of Alaska's elderly population. She adds that the Elder Task Force will be chaired by Justice Dan Winfree and will include the deputy administrator of courts, several of the most experienced superior court judges, two of the magistrate judges who handle many of the

guardianship or conservatorship cases, the director of Public Advocacy, the court visitor, and the chair of the Alaska Bar Association's Elder Law Section. She continues that this small task force will be working with many other interest groups and partners to make recommendations to respond and improve the Court System's response to the functional limitations and changes in capacity that are associated with longevity. She states that training is planned for next May with a gerontologist and neurologist to provide some insight to judges in ways to detect cognitive impairment in the elderly. She concludes, stating that on behalf of the entire Alaska Court System and the Alaska Supreme Court, she thanks the Trust for its vigilance, resolute support of the programs designed to protect the Beneficiaries, and for helping to change the way that society views those Beneficiaries.

CHAIR BARTON thanks Chief Justice Fabe, and asks for any questions from the Trustees.

TRUSTEE WEBB thanks the Chief Justice for taking the time to be here and for the Court System's work with the Trust. He states that the Court System has been a wonderful partner for a long time, and together great things have been done. He asks for more information on the task force.

CHIEF JUSTICE FABE goes into more detail of what is happening, and states the hope to look at some best practices.

A discussion ensues.

MR. WILLIAMS thanks Chief Justice Fabe and Christine for taking the time to talk with the Trust. He states that the Trust is partnering with the Public Defender Agency, and there is a social services specialist in Bethel that is working on criminal cases and CINA cases, performing similar activities to what has been talked about. He continues that he just wants to make them aware of what is going on.

CHIEF JUSTICE FABE thanks Mr. Williams, and states that she was not aware of that.

The discussion continues.

CHAIR BARTON states that it has been an honor to have the Chief Justice, and thanks her for her time.

MR. JESSEE states appreciation for this guardianship issue, and adds that there are many partners that are relevant and very interested in this. He asks if there is a role for the Trust in helping to convene some of the other stakeholders outside of the Court System as a way to give a reference point for connecting on this.

CHIEF JUSTICE FABE replies that the task force would love to work and partner, and she will give Dan Winfree, the chair of this task force, your direct line number for any suggestions as to how the Trust may be able to help. That is greatly appreciated. She thanks all.

CHAIR BARTON moves on to the Finance Committee.

## FINANCE COMMITTEE REPORT

TRUSTEE DERR states that the Finance Committee met on August 6, 2014, and has several items to bring forward to the Full Board. She continues that the first item is in regard to line-item transfers that resulted from a discussion in regard to what is budgeted and what is management plan. She states that the discussion came up with a sort of operating policy, and recognizes Kevin Buckland.

MR. BUCKLAND states that, based on discussions with Trustees, a two-tier approach was outlined on the understanding and interpretations of what Trustees made to staff is that if a line-item transfer is necessary and is under \$50,000, it is essentially at staff prerogative. He continues that it would be at the CEO level or the Trust administrative, and at the executive director level for the Trust Land Office. He states that the memo is in the packet, and asks if there are any corrections to the interpretation.

A discussion ensues.

TRUSTEE DERR makes a motion to approve a line-item transfer for the Trust FY2015 operating budget whereby the personal services line, 71000, is reduced by 89,036; and, therefore, \$74,036 is transferred to the services line, account code 73000, and 15,000 is transferred to the supplies line, account code 74000.

TRUSTEE WEBB seconds.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion that the Finance Committee recommends the Full Board of Trustees approve a \$74,700 FY15 partnership grant to Alaska Regional Hospital for the Neonatal and Family Recovery Center.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion that the Finance Committee recommends that the Full Board of Trustees approve the \$75,000 FY15 partnership grant to the Kodiak Area Native Association for the Behavioral Health Integration Project.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion that the Finance Committee recommends that the Full Board of Trustees approve a \$75,000 FY15 Partnership grant to the Yukon Kuskokwim Health Corporation with the YKHC-ONC Family-Centered Partnership.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion that the Finance Committee recommends that the Full Board of Trustees approve a \$75,000 FY15 Partnership grant to Lynn Canal Counseling Services for the Haines Wellness Center Lynn Canal Counseling Services Office Project.



*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion that the Finance Committee recommends that the Full Board of Trustees approve a \$75,000 FY15 Partnership grant to Akeela, Inc. for the KAR House Replacement Project.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion that the Finance Committee recommends that the Full Board of Trustees approve increasing the Substance Abuse Prevention and Treatment focus area budget by \$400,000 to make it an FY15 budget of \$1.4 million.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion that the Finance Committee recommends that the Full Board of Trustees approve the FY15 budget allocation for the Substance Abuse Prevention and Treatment focus area in the amount of \$1.4 million.

*There being no objection, the motion is approved.*

TRUSTEE DERR states that the final remaining items on the spreadsheet in the packet are for information only. She adds that they are additional motions that were made during the Finance Committee. She concludes the Finance Committee report.

CHAIR BARTON states that it will be a working lunch, and we will work a while before getting lunch. He moves to the Program-Related Investments.

## **PROGRAM-RELATED INVESTMENTS**

MS. BURKE states that the PowerPoint presentation will propose the structure for the PRI program within the umbrella of the Trust and to review the revised Asset Management Plan Statement that was worked on with the Trust Land Office. She continues that it provides for the use of PRI through the Trust Development Account resources and does a little update on their public-notice procedure, as well. She states that the second piece is a policy statement for the program side of the PRI concept. She continues that it lays out how to go about looking at projects and some initial selection criteria. She adds that the committee spent some time talking about policy to address the desire of other Trustees to have a policy in place before actually discussing the projects.

MS. MENEFEE states that this Trust Authority Development Account Utilization Guideline was previously entitled the Land Development Account Utilization Guideline, and it only addressed the TLO's use of those principal funds for investing in and enhancing noncash assets. She continues that what has been added is the use of the same funds for the PRI programs. She adds that there have been changes throughout. She adds that it also addresses the conundrum that the TLO ran into in which the process to acquire as an asset of a timely close on a real estate acquisition that was potentially off market. She continues that the public process imposed a risk of the transaction failing because of the inability to close on time.

TRUSTEE DERR asks if this would change it for all purchases or investments.

MS. MENEFEE replies that it would change it for any expenditure of the TADA funds for both investment asset acquisition and program-related asset acquisition.

TRUSTEE DERR asks if this would take away the public notice.

MS. MENEFEE replies that the concept would be the Trustees' authority to expend the funds should not be encumbered by the same decision-making authority the executive director has to dispose of a Trust asset, and that authority goes all the way back to the State Constitution in that it is tied to the resources of the state belonging to the residents of the state. She states that the Constitution requires appropriate notice to the public that those are going to be sold or harvested, and the executive directors' decision-making process to dispose of any Trust asset is mirrored after and follows under the same public land law that looks to the Constitution. She adds that the distinguishing factor is that the Trustees are not disposing of a Trust asset; they are spending Trust funds to invest in a principal asset.

CHAIR BARTON asks how much public notice is needed.

MR. JESSEE replies that there would be the public notice that is normally given for committee meetings or Trustees meetings, which, under the Open Meetings Act, is reasonable notice. He states that it could be as short as 24 hours if it was something that was exigent.

A discussion ensues.

CHAIR BARTON clarifies that this is a policy related to the acquisition of properties or the use of funds for the PRI purposes; not disposal. He asks if the Trustees want to build that into this policy, or is it more appropriate built into some other section of AMPS.

MR. JESSEE replies that notice does not have to be defined. He states that it is enough for the TLO and the Authority offices to realize the intent that when meetings are noticed that the maximum amount of information that is available at the time is in the notice to enable people to understand both what is under deliberation and how they can participate. He adds that it will be an internal policy of both agencies.

A discussion ensues.

MR. JESSEE states that the Alaska Mental Health Trust Authority program-related plan is sort of the meat on the bones and is the operational language that then goes into the AMPS that would authorize the implementation of the plans. He suggests getting lunch.

CHAIR BARTON asks if the single page is incorporated into the multi-page document.

MR. JESSEE replies that the single page operationalizes that plan that is in this.

(Lunch break.)

CHAIR BARTON reconvenes the meeting.

MS. BURKE goes through the PowerPoint presentation, pointing out the diagrams and the components of the program, explaining as she goes along. She states that Chair Barton designated a subcommittee of the Board which met on August 19, reviewed the information, and began discussing potential first projects. She continues that the potential first projects need some due diligence and screening by both admin and TLO staff. She adds that the desire was for the board to look at policy, which is why this was brought forward first. She continues that if the board feels that the subcommittee is on the right track, a project that has a time line of October of this year may be pursued.

TRUSTEE EASLEY makes a motion to approve the Program-Related Investment Plan concept in order to move forward with it.

TRUSTEE MICHAEL seconds.

TRUSTEE DERR states objection to approving a concept.

TRUSTEE EASLEY states that she can drop "concept" and change it to "as presented by staff."

MS. BURKE states that approval for the seven-page document is being sought, and then the other component would be the revision of the AMPS. She continues that both pieces of policies are needed in place to be able to implement the program.

MR. JESSEE states that there is a motion on the table to adopt the seven-page document entitled "Alaska Mental Health Trust Authority Program Related Investment Fund."

TRUSTEE EASLEY replies that is the motion.

CHAIR BARTON asks for an explanation on how the single-page document relates.

MS. BURKE explains that the policy changes needed include the Asset Management Policy Statement which allows the Land Office to do their part of the transaction. She states that both policy statements are needed.

A discussion ensues.

CHAIR BARTON states that there is a motion on the floor, and asks for any objection.

*There being no objection, the motion is approved.*

CHAIR BARTON asks for further discussion on the one-page document, Trust Authority Development Account Utilization Guidelines.

A discussion ensues.

TRUSTEE EASLEY makes a motion to adopt the Trust Authority Development Account Utilization Guideline with a minor change in the wording in line five of the first paragraph,

changing the “Board will” to the “Board may use income or principal assets as determined by the Board.”

TRUSTEE MICHAEL seconds.

*There being no objection, the motion is approved.*

TRUSTEE DERR states, that in light of the change, she recommends removing the word “temporary” from the Trust Land Development Account.

CHAIR BARTON asks if that will cause any ramifications.

MR. BUCKLAND replies no, and that he will come back with a clean version for the next Finance Committee.

TRUSTEE DERR makes a motion to remove the word “temporary” from the Trust Land Development Account.

TRUSTEE WEBB seconds.

*There being no objection, the motion is approved.*

MS. BURKE asks the Chair if it is the will of the Trustees to start working on some examples and bring them forward to the subcommittee.

CHAIR BARTON replies yes.

TRUSTEE EASLEY asks Ms. Burke if there is a project that she is looking to present to the Trustees.

MS. BURKE replies not at this time.

CHAIR BARTON calls a break.

(Break.)

CHAIR BARTON begins with the Alaska Commission on Aging, and recognizes Denise Daniello.

### **ALASKA COMMISSION ON AGING**

MS. DANIELLO states that she is the executive director of the Alaska Commission on Aging, and introduces Mary Shields.

MS. SHIELDS states that she is the chair of the Alaska Commission on Aging.

MS. DANIELLO states that the presentation will be providing information that was requested by the Request for Recommendations or RFR. She provides a quick update on the Commission's board, and reintroduces Mary Shields, current chair for the Commission.

MS. SHIELDS introduces the new board members: Rolf Numme, who received his doctorate and his dissertation is titled "Redefining Aging," Vice Chair; Anna Frank, an archdeacon for the Interior for Episcopal Diocese of Alaska and was the first ordained indigenous woman in the world and a retired Native missionary; Rachel Greenberg from the Mat-Su Valley, vice president of AgeNet; and David Blacketer from Kodiak who is the on-call chaplain for the Providence Kodiak Island Medical Center.

MS. DANIELLO moves on and quickly reviews the budget and legislative impacts for Senior Trust Beneficiaries from last session, in addition to other older Alaskans. She talks about the Family Caregiver program in terms of the budget impacts and states concern about the number of new caregivers that are coming on requesting services from this program. She continues that the number of caregivers serving elderly loved ones with dementia has doubled over the last five years. She adds that being a caregiver is very different, and they need respite, training, and peer support services to help them stay strong. She continues that research shows those services make a difference. She also mentions the increase in base funding for the nutrition, transportation, and support services. She moves on to the legislative priorities, beginning with the reauthorization of Alaska Senior Benefits Payment Program. She states that the signing ceremony happened at the Anchorage Senior Activities Center with a lovely reception afterwards. She continues with some other legislative items that the Commission advocated for and talks about the impacts from federal fiscal year 2013. She then provides an update of the progress with Alaska's road map to address Alzheimer's disease and related dementia. She states that the purpose of the road map is to create a comprehensive guide to provide improved services for people with Alzheimer's disease and related dementia, because this population is growing along with the senior population. She continues and recognizes that the Trust is a very important partner in this project, and thanks them very much. She states that there are six goals: first is to promote Alzheimer's disease and related dementia awareness and early diagnosis because ADRD is one of the biggest public health challenges of the century; second focuses on improving access to appropriate services and supports for individuals at all stages of ADRD; third is to optimize care, quality and efficiency; fourth is to develop a dementia-savvy workforce; fifth will be about reducing stress and providing training for unpaid caregivers; looking at implementation of Home Modifications for Aging in Place to remove obstacles in the home, help the person navigate better in the home, increase the number and diversity of assisted living beds and promote greater use of assistive technology. She states that there are four policy recommendations for this fiscal year: first is affordable senior housing; second is approving capacity to serve persons with Alzheimer's disease and related dementia; third is in support of policies that promote protection of older Alaskans from financial exploitation. She does a quick recap of the operating budget recommendations, and concludes her presentation.

CHAIR BARTON thanks Ms. Daniello. He moves on to the Alaska Mental Health Board and Advisory Board on Alcoholism and Drug Abuse, and recognizes Kate Burkhart.

## **ALASKA MENTAL HEALTH BOARD AND ADVISORY BOARD ON ALCOHOLISM AND DRUG ABUSE**

MS. BURKHART states that she is the executive director of AMHB and ABADA and begins by going through the board roster. She continues that the ABADA has two new members: Philip Licht, a person in recovery, provides substance use disorder treatment, and is the executive of Set Free Alaska in the Mat-Su Valley; and Charles Gorman who works for the Veterans Administration in Anchorage with folks experiencing behavioral health disorders, is a person in recovery, and has experienced homelessness in the past. She states concern that there are no indigenous people on the board, and she is working closely with the Governor's office to make sure that the remaining vacancy is filled with an indigenous person. She continues that the Alaska Mental Health Board has no new members and has one vacancy: A person experiencing mental illness. She moves on, sharing an overview of the prevalence data which uses the National Survey on Drug Use and Health for the prevalence data for policymaking with the Department. She states that the Youth Risk Behavior Survey is where the adolescent behavioral health information comes from, and states that the one that is most relevant today are students that have had one drink of alcohol on one or more days during the past 30 days. She moves on, stating that trauma is not something that is collected in most of their data sources and can be anything from childhood abuse and neglect, domestic violence, combat-related trauma, historical or generational, and also secondary trauma. She continues that a lot of the work around trauma-informed care focuses on the person that experiences the trauma. She adds that documenting the impact of witnessing trauma is being worked on very hard. She states that the average childhood experiences data is almost ready to be released. She continues, explaining access to care, and then shares the utilization data. She goes over the community mental health graph and then talks about the concept of access to care which is the Alaska Medicaid Coordinated Care Initiative the Department has, which is a voluntary program not limited to behavioral health. She states that the goals and the scope of the project include increased quality of care, enhanced preventative services, integrated care and decreased costs. She continues that this was made possible through support from organizations like the Trust and the Department of Health and Social Services which subsidize the Rural Human Services Program at the University that many of the behavioral health aides go through. She states that the FY14 budget has not changed since it was last presented in May, and adds that the Division is considering implementing performance-based funding earlier in the year in order to capture back any unused General Funds from grantees and reallocate them in the fiscal year. She asks for any questions on the budget. There being none, she moves on to sequestration as well as flat funding. She states that Congress passed the Bipartisan Budget Act which voided the sequestration caps for federal fiscal year '14. She continues, that is good except that many of the behavioral health agencies made decisions in '12 and '13 based on the long-term sequestration and had programs closed in part due to the current and expected impact of it. She states that Medicaid is now reimbursing for SBIRT.

TRUSTEE EASLEY asks to talk about it in terms of getting the service from primary care and billing for it.

MS. BURKHART gives an example and moves on, explaining flat funding, which means having less funding to work with because the costs around operating the facilities goes up. She moves to the MMIS update, stating that third-party liability is a big error and is being worked on. She continues that a fix has been created to be incorporated into the enterprise system so that it will stop kicking claims back. She adds that this third-party liability error is having that impact on

folks that have never had insurance in the past, and most disconcerting is the fact that no notice is given when kicked off. She states that this has been brought to the Department's attention, and it has been added to the list of things to get fixed. She continues that other things related to MMIS involve the service authorization process which has been backlogged for a very long time. She adds that they are now being processed, and an easier form is being designed. She moves on to policy recommendations, stating that first adequate resources will be available for necessary behavioral health services. She states that all are invested in telemedicine and telebehavioral health, telepsychiatry in Alaska with millions of dollars and decades of work. She continues that the passage of HB 281 and the Governor's letting it become law without a signature is having a terrible impact on telepsychiatry in Alaska. She states that the psychiatrists at Seattle Children's are interpreting the law to mean that they can no longer prescribe and are not going to risk sanction under this law and will not prescribe. She continues that there will have to be a relationship with a local pediatrician in order for the clients to get their medications, which defeats the purpose of the telepsychiatry relationship with Seattle Children's. She adds that the law says that the medical board may not sanction someone who is licensed and located in the state and it does not say that they must sanction everybody else; however, the professional organizations are not going to take any risks with their licenses. She states that the Medical Board went on record opposing this bill during the session, and she explains the regulatory process. It will be at least 18 months before having an answer. She continues that the boards are going to provide public comment at the next Medical Board meeting in November to encourage them to adopt emergency regulations. She encourages the Trustees and Trust staff to dig into this issue, and to potentially support the request for emergency regulations.

TRUSTEE EASLEY asks what else HB 281 does that did not stand out.

MS. BURKHART replies that HB 281 was filed by Representative Gattis, and the physicians speaking in support of it all worked for a company called Teladoc which provides only general primary care, not specialty care. She continues that one of their doctors had been sanctioned for providing services to an Alaskan, so the point of the bill was to allow a doctor that is licensed and located in the state to provide through telephone or other communication means a consultation and a prescription, as long as it is not for a controlled substance. She states that there are issues around standards of care and quality because of the need for an ongoing patient relationship. She adds that their attempts to work with the sponsor to have it changed so it would not cause far-reaching consequences were not effective.

TRUSTEE EASLEY states that she does not see a problem with the Trust supporting emergency regulations regarding this. She asks if staff can go ahead and do this, or is a motion needed.

CHAIR BARTON states that a motion would be appropriate.

MS. BURKHART states that the Mental Health Board is going to provide public comment to the State Medical Board at their meeting in November, and is going to ask them to pursue emergency regulations to solve this problem as it relates to telepsychiatry, pending a final resolution through their normal regulatory process.

TRUSTEE EASLEY makes a motion that the Alaska Mental Health Trust Authority supports creation of those emergency regulations.

TRUSTEE WEBB seconds.

*There being no objection, the motion is approved.*

MS. BURKHART thanks the Trustees and reminds them of some things that could be done to help solve some of the problems that have been raised over the year and in this presentation. She states that one is to continue to collaborate with the Behavioral Health Association to bring in technical assistance so that behavioral health providers have resources to make better business decisions. She continues to maximizing the ability of community behavioral health centers to bill private insurance and other forms of revenue. She mentions the need to maintain support for recruitment and retention programs. She thanks the Trust for its commitment to the SHARP program, and concludes her presentation.

CHAIR BARTON thanks Ms. Burkhart, and moves on to the Governor's Council on Disabilities and Special Education.

### **GOVERNOR'S COUNCIL ON DISABILITIES AND SPECIAL EDUCATION**

MS. HOLT states that she is the executive director for the Governor's Council on Disabilities and Special Education, and introduces Ric Nelson, chair of the Council.

MR. NELSON states that there are three new council members: Anthony Cravalho from Kotzebue; Mallory Hamilton from Anchorage; and Jill Burkert from Juneau. He adds that there is one continuing member, Lacy Odden.

MS. HOLT adds that there are 28 members, total.

MR. NELSON states that the next item is focus on implementation, and the first focus is Employment First.

MS. HOLT states that the Council was successful legislatively last year and are looking at implementation of all the different pieces and working closely with the Employment First with Amanda and the focus area here at the Trust. She continues that a systems change is being looked at which includes meeting with division directors, commissioners and how to have the four departments report to the trust: Department of Education; Department of Health and Social Services; Department of Administration; and Department of Labor. She explains the process on bringing together the four service systems. She states that they are working on transition, looking at youth, and hope to have four school districts that are actually doing supportive employment called Discovery to report on next year. She continues that the Council believes that keeping people who receive Social Security, public assistance is one of the biggest barriers and contains people into a poverty level, which means that if a person stays on benefits he will always be in poverty. She adds that their goal is bigger and wants people out of poverty. She states that some people were trained to be planners, someone that is certified, to go through the complex system of how all those benefits interact, and explain how the money made monthly will affect those benefits.

MR. NELSON states that the next item is restraint and seclusion in schools.



MS. HOLT explains that this bill was passed last year and requires districts to collect data, have policies, provide training to staff, and work with the Alaska Association of School Boards to develop some model policies and some model procedures. She states that they are working with the Department to make sure data is being collected, which will give a basis to start seeing if a difference can be made to reduce the number of restraints and seclusions.

MR. NELSON states that the next item is the elimination of the EXIT examination, which has been worked on for the past ten years and got a change this year that it is no longer a requirement to take an EXIT examination to get a diploma.

MS. HOLT adds that it is retroactive, and any folks that did not pass the exam and did not get a diploma can make an application to get a diploma. She continues that there are some regulations that are being promulgated around that.

MR. NELSON states that the next item is the Complex Behavior Collaborative.

MS. HOLT states that implementation is being followed, and is working to make sure there is an advisory group and that the group is meeting. She continues to the Beneficiary update, and talks about some of the systems issues that the Beneficiaries are experiencing. She adds that Senior and Disability Services waivers are moving to an automated service plan, an on-line system, so that providers, individuals and guardians will have access. She states that the vendor is Harmony, and there is a lot of change happening. She talks about the FY15 budget and summary impacts, and then about waivers, placement, and moves to the Medicaid Reform Advisory Group. She states concern on some of the things that are concerning such as caps on prescriptions for behavioral services, behavioral health services per recipient, reduction of benefits offered, eliminating loopholes, uniform assessment tool, utilization limits for occupational, physical and speech therapy, increase in co-pays, and a global cap on Medicaid spending. She continues that they will be following this group closely.

MR. NELSON states that next is the policy recommendations. First is supportive employment to make it easier for people to obtain employment; automated service plan; consistent definitions; federal changes to employment.

MS. HOLT explains that there have been three significant changes around employment at the federal level. Federal contractors being required to hire 7 percent of people identified with having a disability; no subminimum wage for folks with disabilities; and the Workforce Investment Opportunities Act. She states, that provides a definition of competitive employment, customized employment and supportive employment. She continues that the other piece is the focus that the Division of Vocational Rehabilitation has to use 15 percent of their budget to work with youth. She moves to durable medical equipment reuse, stating that there have been several meetings to find a way to reuse durable medical equipment.

CHAIR BARTON thanks both Ms. Holt and Mr. Nelson, and calls a break.

(Break.)

CHAIR BARTON calls the meeting back to order, and moves to the Planning Committee report.

## PLANNING COMMITTEE REPORT

TRUSTEE EASLEY reports on the Planning Committee activities over the past few months. She states that there have been some interesting and in-depth discussions about the roles, functions and authorities of the Planning Committee, and we have some suggestions to pursue. She continues that one of the recommendations was for the name of the committee to go back to Program & Planning Committee. She states that the program directors of all the focus areas presented updates, and it was encouraging to see how the activities are moving right along with the stakeholder groups. She continues that Nancy Burke led an in-depth discussion on the Program-Related Investments, and some projects that might be appropriate were discussed. She adds that Sheila Soule at the University of Alaska went through the workforce development history. That was very useful in looking at their future plans. She adds that in August program briefings and recommendations for the FY16 cycle were reviewed. Executive directors of the advisory agencies presented on their recommendations, which are included on the draft budget, and an updated results-based accountability report was prepared by staff. She continues that an overview of the proposed nonfocus area projects was looked at, and the next meeting is scheduled for October 22, 2014. She states that another suggestion was to see if a more efficient meeting schedule for the Trustees could be made that would work both for staff and the Trustees. She concludes her report.

CHAIR BARTON asks for any questions. He states that in the June 25 meeting, the Alaska staff presented/requested follow-up information on the history and outcomes of the Trust-funded programs. He asks about those outcomes.

MR. BALDWIN states that it was outcomes addressing students in graduation and graduates that remained that were employed in the state.

TRUSTEE EASLEY replies that was mailed after the meeting, and Sheila's report showed a very high rate of people who received training in the state remaining in the state.

CHAIR BARTON asks if the jobs were in the field.

MR. BALDWIN replies yes. He continues, also discussed was a breakdown of different types of outcomes in terms of not only people employed in the field and remaining in the state, but also systems changes and investments that have happened in the University system and other systems.

TRUSTEE EASLEY states that she would like to find out the different waiver programs in the Medicaid program, what is covered, and who is eligible, and have that item on the agenda for the next Planning Committee meeting.

MS. DANIELLO states that 1915(i) and 1915 (k) are the options for the Medicaid state plan. She continues that right now the state has a 1915 (c) that offers the customary array of services.

MS. BURKHART states that those are sections within the Social Security Act that authorize the Federal Government to create waivers so that people who would not be categorically eligible for Medicaid or who need services that are not usually eligible for Medicaid. She adds that the person is not being waived; the services are.

A discussion ensues.

CHAIR BARTON states that would be an excellent topic for the November meeting, and asks for any further questions or comments for the Planning Committee.

TRUSTEE DERR asks that if the Planning Committee is meeting October 22, would there be a chance to move the Finance Committee to that same day.

MS. SMITH-COOLIDGE asks if the intent is to have a Resource Management, Finance, Planning and a meeting of the Full Board on the same days.

CHAIR BARTON replies yes. He states that the meeting will stand in recess until Commissioner Streur arrives.

(Break.)

CHAIR BARTON reconvenes the meeting, and welcomes Commissioner Streur.

COMMISSIONER STREUR states that he would like to touch on the mission of the Department to protect the wealth, health and well-being of Alaskans, and adds that a good part of his day is spent with attempting to realize that throughout the state of Alaska. He continues that twice in the past three days he dealt with an infant death, and there have been seven infant deaths reported to OCS in less than 30 days. He states that he begins this way because it is what the Department faces all day, every day. He continues that the need for collaboration, cooperation, and working together becomes more and more acute in going forward. He adds that the three priorities for the Department are health and wellness across an individual's life span, safe and responsible individuals and families. He states that the Department has seven core services, to which all eight divisions align in both practice and policy. First is to protect and promote the health of Alaskans; provide quality of life in a safe living environment for all Alaskans; manage health-care coverage for Alaskans in need; facilitate access to affordable health-care for Alaskans; strengthen Alaskan families; protect vulnerable Alaskans; and promote personal responsibility and accountable decisions by Alaskans. He continues that each of these core services areas identify clear tracks to get there. He states that in the past 18 months they have undergone an agencywide shift in the way impact is measured in the health and well-being of Alaskan individuals, families and communities. He continues that the intent of the Department is to move forward in delivering quality services while making the best use of public resources, balancing both effectiveness and efficiency, and doing a better job for less money. He goes through what that means to the budget and the challenges that face Alaskans, adding that the solutions are complex. He states that this is a significant reason behind moving to results-based accountability, results-based budgeting, and to being able to quantify and qualify what it means in everything else done. He asks why the Department and Trust needs to partner, and replies that he needs to work with the Trust on the efforts. He states that DHSS is developing and maintaining a stable, accessible and sustainable system of behavioral care for all Alaskans. He continues that \$4 million of anti-recidivism money was received for the focus areas that will be run through the Division of Behavioral Health, and talks about it. He states that grant reformation is occurring in the Department, and that means a better way to provide the beds. He continues that the current rewrite of the treatment recovery grants would make it more flexible. He moves on to the FY16 budget process, and states that a few legislators will be coming to cut

the fat and slash the budget at any cost, and states the need to bring forward the Department and the Trust to do good work together to serve Alaskans in need. He adds that they are ready for the changes, and asks the Trust to join in moving the budget forward. He asks for any questions.

TRUSTEE WEBB states that the Trust wants to work with the Department, and asks what is wanted from the Trust.

COMMISSIONER STREUER replies that he does not know, and talks about the devaluation of what was not being done within the MMIS system. He states that he acknowledged the problems and is responsible for that. He continues that they are in active mediation in Anchorage, and if mediation does not work, it will immediately go to litigation, and will continue until there is an alternate solution.

MR. JESSEE asks if he would introduce Al to the Trustees.

COMMISSIONER STREUER introduces Al Law, the new director of behavioral health for the Department.

MR. LAW states that he was born and raised in Alaska and has a background in mental health for the last 20 years, both in the private sector and the military.

CHAIR BARTON thanks the Commissioner, and assures him that the Trust wants to work with the Department.

MR. JESSEE states that he has enjoyed getting to know and working with Al Law, who brings a unique combination of not only having run programs, but a lot of budget experience as a former budget director for the Department. He continues that he is renewing the commitment of the Department to housing with a section of the Division focused on housing. He also introduces Sherry Henshaw who is in housing.

CHAIR BARTON, again, thanks the Commissioner, and states that they will stand in recess until 4:35.

(Recess.)

## **PUBLIC COMMENT**

CHAIR BARTON states that the Public Comment period will not be considered a hearing and cannot be used for that purpose. He continues with the time limit and rules of Public Comment. He recognizes Donna Mong.

MS. MONG states that she is with the Alaska Peer Support Consortium and takes the opportunity to thank the Trust for the support provided to the Consortium to develop peer support and the peer workforce across Alaska. She proceeds with an update on the training summit that the Trust sponsored in April. She states that there were a lot of conversations, and there were 58 different participants. She continues that it is important to note that people were really hungry for training in this area, and of the participants, only 14 registered for one isolated

training. She states that, overall, the training summit was a huge success with some really good feedback. She thanks all.

CHAIR BARTON thanks Ms. Mong, and recognizes Tawny Buck.

MS. BUCK states that she is the executive director for the Alaska Brain Injury Network, and continues that she is impressed with this room of people and the very important task in front of them. She continues that she is raising a disabled adult daughter, 24/7 full care, and her husband as well as herself are the primary caregivers. She states that the services that ABIN and the other agencies in this room that the Trust provides funding for are changing the lives for people struggling with great difficulty and tragedy in their lives. She thanks them all for their commitment and passion.

CHAIR BARTON thanks Tawny, and recognizes Faith Meyers.

MS. MEYERS states that she volunteers as a mental health patient advocate, and over the last 100 years improvements in rights for the disabled have done more to improve patient quality of care than any single program. She asks the Trust Authority Board to establish a committee whose goal is to provide recommendations on which rights for the disabled should be improved. She adds that each board member has been given a copy of some of the patient rights that should be improved. She continues that without the help of organizations like the Trust Authority and its board members, patient rights are less likely to be improved. She closes by asking for help in putting forth recommendations for improving the rights for the disabled in Alaska. Thank you.

CHAIR BARTON thanks Faith, and recognizes Jerry Jenkins.

MR. JENKINS states that he is CEO of Anchorage and Fairbanks Community Mental Health Services, and that his comments will focus on housing. He continues that housing means different things to different people, for some it simply means having access and resources that align, and to others it is more complicated. He adds that it is tenuous for those on the economical margins that do have housing today. He states that there are challenges on maintaining what we have, and there is a need to make sure that opportunities like Safe Harbor Inn are maintained. He concludes the need for housing, more options, and to make sure that the needs of the people are accommodated. Thank you.

CHAIR BARTON recognizes Corrine O'Neill.

MS. O'NEILL states that she is the director for the Division of Supportive Housing with RurAL Cap which currently owns 129 units of supportive housing and provides housing, treatment and supportive services for many Trust Beneficiaries. She continues that they are in a dire crisis of operating their supportive housing. She adds that they are not a Medicaid biller or a Division of Behavioral Health grantee, but have a contract with Anchorage Community Mental Health Services for the past years to build something called recipient support services for safety and monitoring services on their properties. She states that Safe Harbor Inn, 100 units of homeless housing in the Anchorage community, put out an RFP in December for a nonprofit to acquire it. She adds that RurAL CAP recognized that these units were desperately needed for special needs people and, at that time, wrote a pro forma that was based on over half a million dollars of Medicaid revenue, particularly recipient support services. She continues that, as of July,

Anchorage Community Mental Health Services indicated to RurAL CAP that our recipient support contracts were not going to be renewed because of a variety of compliance issues with the state. She states that Fairview acquired an appropriation through DBH, and is asking that potentially some of that funding goes to RurAL CAP so that operation of 100 special needs units are not lost. She also asks for some significant advocacy around great reform for supportive housing. She adds that there needs to be some answer for true integration of Beneficiaries into the community, particularly people with acute needs that have high disabling conditions that can make it in supportive housing, but not in any other institutional forms of care like assisted living. She shares a couple of handouts and thanks all.

CHAIR BARTON thanks Corinne, and recognizes Mystie Rail.

MS. RAIL states that she is the executive director of Assistive Technology of Alaska and provides a report and comment on a program that the Mental Health Trust Authority supported for them. She continues that it was a capital appropriation received to provide assistive technology to individuals across the state that are in need of vision and hearing or sensory items. She states that in the last year the needs of almost 330 Beneficiaries have been met, and they have received life-changing A.T. equipment. She continues that the cost per person is around \$416 and, including travel and service cost, is \$670 per person. She adds that only \$14,000 of the travel budget has been spent to meet the Beneficiaries, and to travel to 73 sites. She shares that in her 15 years of doing assistive technology in Alaska, this is the most life-changing and impactful program she has ever done. She continues that there are no hoops and no loopholes; there is a small catalog of items for hearing and for vision, and the person gets to try out different items, and whatever works they get to take and keep. She adds that the items are being loaned for as long as needed within their lifetime. She states that the Beneficiaries are educated on the importance of utilization, and asks them to send it back so someone else can have the opportunity if the item is no longer being used. She continues that this is to build in some type of sustainability. She adds that there is a two-minute video on their Web site, and states a growing concern of when the program ends. She asks to consider further supporting this program. Thank you.

TRUSTEE EASLEY asks for the Web site address.

MS. RAIL replies [atlaak.org](http://atlaak.org).

CHAIR BARTON recognizes Kenny Scollen.

MR. SCOLLEN states that he is the division manager of RurAL CAP affordable housing. He states that he oversees the project at Karluk Manor, and currently has a University of Alaska study of the supportive housing with the Alaska Mental Health Trust. He continues that it is a three-year study with the outcomes at Karluk Manor anticipated release in 2015. He gives a summary of the statistics of that program, and states that there have been only two written complaints since Karluk Manor opened its doors, and in the past 18 months there has not been one written complaint. He continues that this is a program that is working, is duplicable, and is sustainable. He asks for Trust support, and thanks all.

CHAIR BARTON recognizes Mark Regan.

MR. REGAN states that he is the legal director at the Disability Law Center and talks about the problems in helping people in getting onto Social Security disability. He continues that it is important because, aside from being basic income support for a lot of Trust Beneficiaries who have no other way to work or support themselves, it is the pathway onto Medicaid for many Trustee Beneficiaries who otherwise would not have health coverage. He adds that it is both income support and health expansion. He states that Social Security opened a local hearings office in 2010 and, nationally, 44 percent of people get their application approved at the hearing stage, but only about 15 percent of the people in Anchorage and elsewhere in Alaska win at hearings. He continues that complaints have been made to bring this to the attention of Social Security. He adds that they are also trying to help people get through the unnecessarily confrontational process of getting through a hearing where they are interrogated by an administrative law judge. He hopes to come back next year with better news on how this process is going. Thank you.

CHAIR BARTON thanks Mark, and recognizes Ramona Duby.

MS. DUBY states the need for housing for seniors with all kinds of needs and mental health issues, and that it is needed now. She adds the need for options for different types of housing, and thanks all.

CHAIR BARTON asks for anyone else to present to the board. There being no one, he closes the public comment period and reminds the Trustees and staff that the meeting will begin at 8:30 a.m. tomorrow. He asks for a motion to adjourn.

TRUSTEE DERR moves to recess.

*There being no objection, the motion is approved.*

(Alaska Mental Health Trust Authority recessed at 5:10 p.m.)