

State of Alaska FY2006 Governor's Operating Budget

Department of Health and Social Services Alaska Psychiatric Institute Component Budget Summary

Component: Alaska Psychiatric Institute

Contribution to Department's Mission

To improve and enhance the quality of life for consumers impacted by mental disorders. In partnership with patients, families, and their communities, Alaska Psychiatric Institute (API) will provide appropriate, quality, individualized treatment that assists patients to achieve their goals and be successful in their communities.

Core Services

API provides seven day a week, twenty-four hour inpatient treatment for Alaskans with severe and persistent psychiatric disorders or serious maladaptive behaviors. Approximately 85% of API's clients are indigent, with no third-party resources (including Medicaid) to pay for services. Clients are admitted either voluntarily or involuntarily through a Peace Officer Application or *Ex Parte* commitment from a judge or magistrate, a mental health professional, or a community mental health center. API provides outreach, consultation, and training to mental health service providers, community mental health centers, and Pioneer Homes. API is presently budgeted, staffed and configured for 74 beds; however, as API may not turn away involuntary patients, we are often at risk of exceeding bed capacity (e.g., our highest daily census in FY2004 was again 78 in one day).

API provides diagnosis, evaluation and treatment services in accordance with its statutory mandates and the strict health care industry standards and requirements set by the Joint Commission on Accreditation of Healthcare Organizations, Centers for Medicare and Medicaid Services, and Alaska's Section on Certification and Licensing in DH&SS' Division of Medical Assistance. API's services include screening and referral; medication stabilization; psychosocial rehabilitation services, multidisciplinary assessments, individualized and group therapy and counseling; patient and family education; and inpatient psychiatric treatment services for adults and adolescents, as well as for court-ordered persons accused of criminal activity or found not guilty by reason of insanity, and adults with severe and persistent mental illnesses who need longer-term care. API serves as a backup to the community mental health centers, coordinating transitions from outpatient care to hospitalization and, alternatively, coordinating care with community mental health centers for patients being released from API. API is extending the clinical infrastructure of the hospital to reach remote areas with a Statewide TeleBehavioral Health project.

FY2006 Resources Allocated to Achieve Results

FY2006 Component Budget: \$20,209,100	Personnel:	
	Full time	216
	Part time	13
	Total	229

Key Component Challenges

API faces a number of challenges with wage and compensation relative to being competitive in the health care market. Foremost is the critical shortage of Nurses in the State of Alaska. Other job classifications require attention as well to enhance recruitment and retention.

In the summer of 2002, the Department of Transportation and Public Facilities awarded the API Replacement design/build project to the Neeser Construction team. The new API is estimated to open July 1, 2005. The Department of Transportation and Public Facilities manage the project, but API staff will be actively involved in oversight to ensure that the design and construction comply with the vision and requirements of the original Request for Proposals for this complex project.

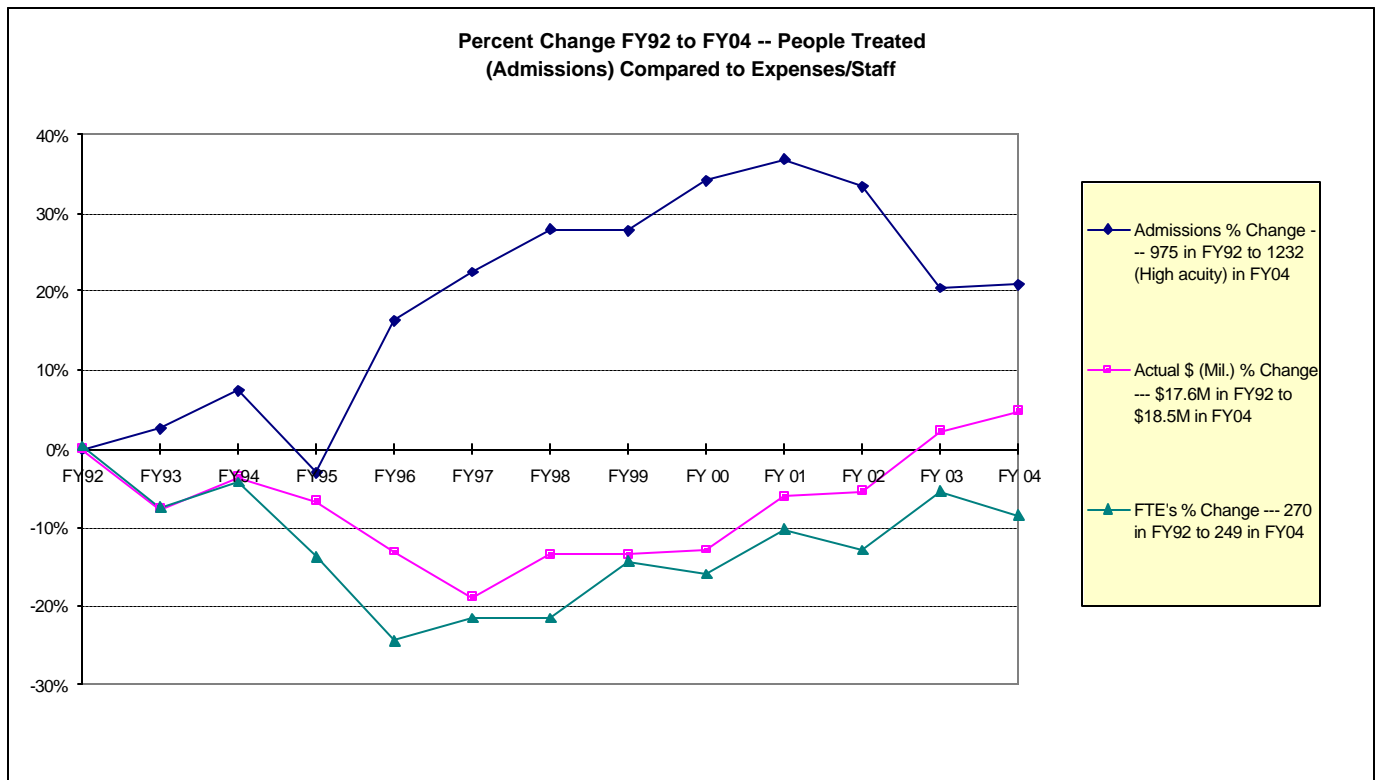
The Joint Commission on Accreditation of Healthcare Organizations (JCAHO) accredits API. The federal funding agency, Centers for Medicare and Medicaid Services, relies upon a hospital's accreditation as proof that the quality of care being provided meets an acceptable level and justifies federal reimbursement to the State for the cost of a portion of the care API provides to both adolescent patients and the indigent adult population. If a hospital loses its accreditation, it loses its federal reimbursement. API's next followed up accreditation review in scheduled for May of 2005.

In order to maximize revenue, provide adequate utilization review and control of medical costs, API needs to enhance its technological infrastructure. Two key components under consideration are procurement for an Electronic Patient Care System and Optical scanning equipment.

In the face of:

- 1) The health services industry is the fastest growing, and one of the larger sectors of Alaska's economy, as stated in the April 2003 issue of Alaska Economic Trends. There is no single explanation for this degree of growth other than Health care is an indispensable service and does not fit the classic economic model of supply and demand.
- 2) A doubling in admissions since FY1995,

API must work creatively and effectively to be able to continue to provide quality inpatient services within the limitations of its budget and staffing levels. API is seeing an increase in acuity in admitted patients with the less severe clients being served through the designated Single Point of Entry Program Statewide. What that leaves API with is more severely disabled patients that require more intensive treatment and services with a longer stay. (See the figure below.)



Significant Changes in Results to be Delivered in FY2006

Statewide implementation of Tele-Behavioral Healthcare

Relocation in the summer of 2005 to the new facility with planned patient unit transfers in July of 2005

Develop the Alaska Recovery Center and demonstrate state-wide the principles of recovery and resiliency as they relate to people experiencing psychiatric disorders

Major Component Accomplishments in 2004

Maintained an increase in the quality of API's services while faced with a continued high rate of admissions with a higher acuity

Established a Physicians Outpatient Mental Health Clinic

Developed a Revenue Enhancement Plan

Full implementation of Role Recovery and Team Solutions (psycho-education)

Reduced court ordered forced medication directives

Plan and develop a Co-occurring Disorders Component

Surveyed by the Centers for Medicare and Medicaid Services in February 2004, API was found to be fully in compliance with the Center's standards of care, and thus API maintains its eligibility for Medicaid reimbursement and Disproportionate Share Hospital payments. API is preparing for the scheduled Joint Commission of Accreditation of Hospital Organizations follow-up 18-month survey in May 2005

Continued the working with South-central Counseling Center's Crisis Respite Center program and the Salvation Army's Clitheroe Treatment Center Enhanced Detoxification program. These programs are critical to reduce the bed demand at API

Statutory and Regulatory Authority

- AS 12.47.010 - 130 Insanity and Competency to Stand Trial
- AS 47.30.655 - 915 State Mental Health Policy (Hospitalization of Clients)
- AS 18.20.010 - 390 Hospital (Regulations)
- AS 08.86.010 - 230 Psychologists and Psychological Associates
- AS 18.70.010 - 900 Fire Protection
- AS 08.68.010 - 410 Nursing
- AS 08.64.010 - 380 State Medical Board
- AS 08.95.010 - 990 Clinical Social Workers
- AS 08.84.010 - 190 Physical Therapists and Occupational Therapists

Contact Information

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Alaska Psychiatric Institute Component Financial Summary

All dollars shown in thousands

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	16,527.6	15,660.4	16,911.6
72000 Travel	44.2	63.3	63.3
73000 Services	1,622.6	1,786.4	1,798.3
74000 Commodities	1,238.6	1,019.2	1,219.2
75000 Capital Outlay	74.2	47.3	47.3
77000 Grants, Benefits	166.5	169.4	169.4
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	19,673.7	18,746.0	20,209.1
Funding Sources:			
1002 Federal Receipts	98.4	0.0	0.0
1004 General Fund Receipts	272.6	115.9	137.3
1007 Inter-Agency Receipts	9,762.6	8,719.6	9,719.6
1037 General Fund / Mental Health	6,457.6	5,033.0	5,474.7
1061 Capital Improvement Project Receipts	0.0	249.0	249.0
1092 Mental Health Trust Authority Authorized Receipts	195.5	0.0	0.0
1108 Statutory Designated Program Receipts	2,887.0	4,628.5	4,628.5
Funding Totals	19,673.7	18,746.0	20,209.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	98.4	0.0	0.0
Interagency Receipts	51015	9,762.6	8,719.6	9,719.6
Statutory Designated Program Receipts	51063	2,887.0	4,628.5	4,628.5
Capital Improvement Project Receipts	51200	0.0	249.0	249.0
Restricted Total		12,748.0	13,597.1	14,597.1
Total Estimated Revenues		12,748.0	13,597.1	14,597.1

**Summary of Component Budget Changes
From FY2005 Management Plan to FY2006 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	5,148.9	0.0	13,597.1	18,746.0
Adjustments which will continue current level of service:				
-FY 05 Bargaining Unit Contract Terms: GGU	114.4	0.0	0.0	114.4
-Transfer position and funding from API to Financial Management Services	-59.2	0.0	0.0	-59.2
-Transfer in Excess I/A authorization from DBH Grants	0.0	0.0	1,000.0	1,000.0
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	390.6	0.0	0.0	390.6
Proposed budget increases:				
-Assistance for Increased Fuel Costs	17.3	0.0	0.0	17.3
FY2006 Governor	5,612.0	0.0	14,597.1	20,209.1

**Alaska Psychiatric Institute
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2005</u> <u>Management</u> <u>Plan</u>	<u>FY2006</u> <u>Governor</u>		
Full-time	229	216	Annual Salaries	11,400,095
Part-time	13	13	COLA	186,251
Nonpermanent	37	37	Premium Pay	441,411
			Annual Benefits	5,869,370
			<i>Less 2.48% Vacancy Factor</i>	(443,427)
			Lump Sum Premium Pay	0
Totals	279	266	Total Personal Services	17,453,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	12	0	0	0	12
Administrative Clerk III	3	0	0	0	3
Assistant Medical Director	1	0	0	0	1
Asst Nurse Director	1	0	0	0	1
Correspondence Sec III	3	0	0	0	3
Custodial Services Spvr	1	0	0	0	1
Director of API	1	0	0	0	1
Enviro Services Journey I	6	0	0	0	6
Enviro Services Journey II	8	0	0	0	8
Facilities Manager I	1	0	0	0	1
Food Service Supervisor	1	0	0	0	1
Health Practitioner I	2	0	0	0	2
Health Program Mgr II	1	0	0	0	1
Industrial Therapist	1	0	0	0	1
Maint Gen Journey	1	0	0	0	1
Maint Gen Sub - Journey I	1	0	0	0	1
Maint Gen Sub - Journey II	1	0	0	0	1
Maint Spec Bfc Foreman	1	0	0	0	1
Maint Spec Bfc Journey I	2	0	0	0	2
Maint Spec Bfc Jrny II/Lead	1	0	0	0	1
Maint Spec Plumb Jrny II	1	0	0	0	1
Medical Officer	1	0	0	0	1
Medical Record Admin	1	0	0	0	1
Medical Records Asst	1	0	0	0	1
Mntl Hlth Clinician I	1	0	0	0	1
Mntl Hlth Clinician II	7	0	0	0	7
Mntl Hlth Clinician III	6	0	0	0	6
Mntl Hlth Clinician IV	2	0	0	0	2
Nurse I	4	0	0	0	4
Nurse II (Psych)	53	0	0	0	53
Nurse III (Psych)	11	0	0	0	11
Nurse IV (Psych)	1	0	0	0	1
Nursing Director	1	0	0	0	1
Occ Therapist I	1	0	0	0	1
Occ Therapist II	1	0	0	0	1
Paralegal II	1	0	0	0	1
Pharmacist	1	0	0	0	1
Pharmacy Technician	1	0	0	0	1

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Psych Nurse Asst I	27	0	0	0	27
Psych Nurse Asst II	2	0	0	0	2
Psych Nurse Asst III	56	0	0	0	56
Psych Nurse Asst IV	13	0	0	0	13
Recreation Therapist I	3	0	0	0	3
Recreational Therapist II	1	0	0	0	1
Research Analyst I	1	0	0	0	1
Research Analyst III	1	0	0	0	1
Secretary	1	0	0	0	1
Security Guard I	5	0	0	0	5
Staff Psychiatrist	8	0	0	0	8
Stock & Parts Svcs Sub Journey	2	0	0	0	2
Supply Technician II	1	0	0	0	1
Word Proc Cen Spvr	1	0	0	0	1
Totals	266	0	0	0	266