

State of Alaska FY2018 Governor's Operating Budget

Department of Health and Social Services Departmental Support Services Results Delivery Unit Budget Summary

Departmental Support Services Results Delivery Unit

Contribution to Department's Mission

Provide quality administrative services in support of the department's mission.

Core Services

- Provide divisions with necessary information to improve compliance with federal and state laws/policies to ensure our fiduciary responsibilities are met.
- Improve Department of Health and Social Services staff knowledge and skills and maintain high morale to continually improve performance and services for Alaskans.
- Promote cost containment. Maximize revenue.
- Provide efficient centralized administrative support to nine Department and Health Social Services divisions across offices in Juneau and Anchorage.

Major RDU Accomplishments in 2016

- Continued a marijuana campaign to educate Alaskans on the dangers of the drug and tips for health safety and keeping children safe.
- Medicaid Redesign Initiative Planning and Implementation:
 - Internal workgroups formed to implement the Medicaid reform efforts in Senate Bill 74
 - 1915 (i) and (k) Options
 - Behavioral Health System Reform
 - Coordinated Care Demonstration Projects
 - Eligibility Verification System; Work/Social Supports
 - Tribal Claiming Policy
 - Fraud & Abuse Prevention Enhancement
 - Health Information Infrastructure Plan
 - Medicaid Reform Program
 - Primary Care Initiative (Primary Care Case Management & Section 1945 Health Homes)
 - Privatization Studies
 - Alaska Psychiatric Institute; Select Juvenile Justice facilities; pharmacy services at the Alaska Pioneer Homes
 - Reporting Requirements
 - Telemedicine Workgroup
 - Emergency Care Improvement (Alaska State Hospital & Nursing Home Association is the lead)
 - Health Care Authority Study (Dept. of Administration is the lead)
 - Prescription Drug Monitoring Program (Dept. of Commerce, Community, & Economic Development is the lead)
 - Senate Bill 91 Integration (Dept. of Corrections is the lead)
- Implemented the federally-approved Public Assistance Cost Allocation Plan, which allocates administrative costs to federally-approved funding sources.
- Reconciled and settled approximately 600 department grants.
- Provided federal sub-recipient monitoring of over 100 department grantees including risk analysis and determining the adequacy of applicable corrective action plans.
- Developed and implemented an operating budget of approximately \$2,700,000.0 spanning nine divisions and over 3,500 positions.
- Provided grant administrative and fiscal support to seven divisions for approximately 90 programs.
- Issued 534 FY2016 operating grants totaling over \$174,000.0.
- Assisted divisions in developing public assistance cost allocation plan amendments, and facilitated both the submission and subsequent approval of three amendments through the appropriate federal agencies.
- Submitted quarterly claims totaling \$1,600,000.0 in expenditures during state FY2016 for federal reimbursement through the Title XIX, Title XXI, and Title IV-E programs.

- Successfully implemented the terms of the Collective Bargaining Agreements for the major bargaining units in the department and negotiated 100 Letters of Agreement for the department.
- Successfully closed 20 construction contracts and 1 professional services contract within budget.
- Operations and management of 249 information technology systems, and management and tracking of 73 projects and 8 project requests.
- Met year to date requirements of the Office of Civil Rights (OCR) Health Insurance Portability and Accountability Act (HIPAA) Corrective Action Plan. Overall DHSS was able to reduce 81 percent of the security risks identified in the OCR risk assessment performed in January 2013.

Key RDU Challenges

- Implementing the fraud waste and abuse provisions in Senate Bill 74 will require a coordinated interdepartmental effort to promulgate regulations and establish new policies and procedures associated with the false claims act, provider self-reviews and levying interest and penalties on overpayments.
- Ensuring continued progress and success of the numerous Medicaid Redesign and Reform planning and implementation efforts happening department-wide.
- The Medicaid program is broad in scope and constantly changing and evolving. The dynamic nature of the program makes forecasting trends in enrollment, utilization, and expenditures complex. Both the short and long-term forecasting models require constant evaluation and adjustment to keep them relevant.
- Increase the efficiency of centralized administrative processes by implementing technologies that effectively manage complex processes and reporting.
- Effectively manage federal funding and the extensive reporting requirements associated with existing programs.
- Recruit and retain quality personnel in a competitive employment environment.
- Integrated Resource Information System (IRIS) implementation and managing change associated with the new system. Assuming the lead role in training and developing department policy and procedures to reflect IRIS.
- Programmatic and proactive/preventative projects continue to take on a lesser priority and have been put on hold in order to focus on short term, emergent, life safety and security needs.
- Assure smooth transition from the current Alaska's Resource for Integrated Eligibility Services (ARIES) system contractor, Deloitte, to the department's internal Information Technology Services section for operations.
- Expected increase in security and privacy incidents that will be reported and investigated under the new expanded HIPAA rules.

Significant Changes in Results to be Delivered in FY2018

No changes in results delivered.

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**Departmental Support Services
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2016 Actuals				FY2017 Management Plan				FY2018 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Performance Bonuses	0.0	0.0	2,350.3	2,350.3	0.0	0.0	6,000.0	6,000.0	0.0	0.0	6,000.0	6,000.0
Public Affairs	844.0	481.3	475.2	1,800.5	829.0	505.4	355.3	1,689.7	846.5	509.4	362.9	1,718.8
Quality Assurance and Audit	602.3	0.0	479.6	1,081.9	540.6	0.0	542.3	1,082.9	474.5	0.0	474.5	949.0
Commissioner's Office	1,158.6	943.7	860.3	2,962.6	2,081.1	691.5	1,194.8	3,967.4	1,852.0	699.3	1,512.3	4,063.6
Assessment and Planning	42.5	0.0	42.5	85.0	125.0	0.0	125.0	250.0	125.0	0.0	125.0	250.0
Administrative Support Svcs	5,020.7	1,067.0	5,235.5	11,323.2	6,030.8	1,064.2	4,950.5	12,045.5	5,776.8	1,071.4	4,889.1	11,737.3
Facilities Management	17.2	1,107.2	0.0	1,124.4	10.0	1,289.3	0.0	1,299.3	30.1	990.4	4.5	1,025.0
Information Technology Services	9,951.2	2,794.9	5,316.4	18,062.5	4,109.0	9,415.5	2,665.1	16,189.6	4,128.1	9,780.2	2,762.0	16,670.3
HSS State Facilities Rent	3,298.5	0.0	1,095.1	4,393.6	3,535.4	0.0	1,633.2	5,168.6	3,535.4	0.0	1,633.2	5,168.6
Totals	20,935.0	6,394.1	15,854.9	43,184.0	17,260.9	12,965.9	17,466.2	47,693.0	16,768.4	13,050.7	17,763.5	47,582.6

Departmental Support Services
Summary of RDU Budget Changes by Component
From FY2017 Management Plan to FY2018 Governor

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2017 Management Plan	17,260.9	0.0	12,965.9	17,466.2	47,693.0
One-time items:					
-Commissioner's Office	-535.0	0.0	0.0	0.0	-535.0
Adjustments which continue current level of service:					
-Public Affairs	17.5	0.0	4.0	7.6	29.1
-Quality Assurance and Audit	13.1	0.0	0.0	-67.8	-54.7
-Commissioner's Office	305.9	0.0	7.8	317.5	631.2
-Administrative Support Svcs	-14.2	0.0	7.2	-61.4	-68.4
-Facilities Management	20.1	0.0	-298.9	4.5	-274.3
-Information Technology Services	19.1	0.0	364.7	96.9	480.7
Proposed budget decreases:					
-Quality Assurance and Audit	-79.2	0.0	0.0	0.0	-79.2
-Administrative Support Svcs	-239.8	0.0	0.0	0.0	-239.8
FY2018 Governor	16,768.4	0.0	13,050.7	17,763.5	47,582.6