

State of Alaska FY2020 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 ten Department and Health Social Services divisions across offices in Juneau and Anchorage.

Major RDU Accomplishments in 2018

Maximize opportunities to save general funds.

Child Welfare Compact signed by Governor Walker and 17 Tribes.

Responded to the opioid misuse epidemic with the establishment of the Office of Substance Misuse and Abuse Prevention.

Continued implementation of Medicaid Redesign (SB 74 – 2016):

- 1115 Behavioral Health Demonstration Waiver.
- Coordinated Care Demonstration Project Implementation.
- Tribal Claiming and Refinancing.
- Home and Community-Based Services Planning and Development.
- Telehealth Stakeholder Workgroup report submitted to the department.
- Quality and Cost Effectiveness Targets Stakeholder Workgroup report submitted to the department.
- Launched Innovative Provider Payment Stakeholder Workgroup.
- Continued development of Information Infrastructure Improvement Plan with stakeholder workgroup and consultants; plan to be finalized in FY2019.
- Continued collaboration with the Department of Administration on the Health Care Authority Feasibility Study.

Awarded \$6 million (over three years) to start three new substance abuse treatment programs.

Implemented the federally-approved Public Assistance Cost Allocation Plan, which allocates administrative costs to federally-approved funding sources.

Reconciled and settled approximately 565 department grants.

Provided federal sub-recipient monitoring of over 220 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 ten divisions and over 3,500 positions.

Provided grant administrative and fiscal support to seven divisions for approximately 90 programs.

Issued 516 FY2018 operating grants totaling over \$164,000.0.

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 exceeding \$2.2 billion in expenditures during state FY2018 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 114 letters of agreement for the department.

Successfully closed 16 construction contracts and six professional services contract within budget.

Operations and management of 275 information technology systems, and management and tracking of 74 projects and eight 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/preventive 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.

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 FY2020

No changes in results delivered.

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

All dollars shown in thousands

	FY2018 Actuals				FY2019 Management Plan				FY2020 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	505.1	505.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public Affairs	725.6	402.5	359.7	1,487.8	158.7	1,493.3	68.1	1,720.1	159.6	1,517.7	68.5	1,745.8
Quality Assurance and Audit	480.3	0.0	480.2	960.5	486.0	0.0	486.1	972.1	495.4	0.0	495.4	990.8
Commissioner's Office	1,740.0	655.1	1,147.2	3,542.3	2,008.9	709.6	1,684.9	4,403.4	1,939.8	711.5	1,614.5	4,265.8
Assessment and Planning	54.2	0.0	54.1	108.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Administrative Support Svcs	4,984.9	1,053.3	4,340.2	10,378.4	5,496.5	1,630.6	6,025.4	13,152.5	5,718.8	1,680.7	6,140.5	13,540.0
Facilities Management	53.7	871.4	0.6	925.7	71.0	853.4	15.3	939.7	73.6	874.4	15.8	963.8
Information Technology Services	2,784.8	10,062.7	1,511.4	14,358.9	4,101.6	10,988.8	1,775.6	16,866.0	4,139.9	11,298.0	1,790.4	17,228.3
HSS State Facilities Rent	3,320.5	0.0	1,132.0	4,452.5	3,525.0	0.0	1,175.0	4,700.0	3,525.0	0.0	1,175.0	4,700.0
Totals	14,144.0	13,045.0	9,530.5	36,719.5	15,847.7	15,675.7	11,230.4	42,753.8	16,052.1	16,082.3	11,300.1	43,434.5

Departmental Support Services
Summary of RDU Budget Changes by Component
From FY2019 Management Plan to FY2020 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>
FY2019 Management Plan	15,847.7	0.0	15,675.7	11,230.4	42,753.8
One-time items:					
-Commissioner's Office	-20.0	0.0	0.0	-20.0	-40.0
Adjustments which continue current level of service:					
-Public Affairs	0.9	0.0	24.4	0.4	25.7
-Quality Assurance and Audit	9.4	0.0	0.0	9.3	18.7
-Commissioner's Office	-49.1	0.0	1.9	-50.4	-97.6
-Administrative Support Svcs	117.8	0.0	50.1	115.1	283.0
-Facilities Management	2.6	0.0	21.0	0.5	24.1
-Information Technology Services	38.3	0.0	309.2	14.8	362.3
Proposed budget increases:					
-Administrative Support Svcs	104.5	0.0	0.0	0.0	104.5
FY2020 Governor	16,052.1	0.0	16,082.3	11,300.1	43,434.5