

State of Alaska FY2025 Governor's Operating Budget

Department of Family and Community Services Inpatient Mental Health Results Delivery Unit Budget Summary

Inpatient Mental Health Results Delivery Unit

Contribution to Department's Mission

No mission statement.

Core Services

- Provide emergency and court-ordered inpatient psychiatric services
- Referral to an appropriate level of care and support for recovery from mental illness
- Provide support and personal well-being for vulnerable Alaskans
- Provide quality of life in a safe treatment and living environment for Alaskans

Major RDU Accomplishments in 2023

The passage of House Bill 172 (HB 172) during the 2022 legislative session allows for the department to fulfill obligations to improve the capacity for individuals to receive timely evaluations and treatment in the least restrictive settings. HB 172 provides funding and allows for a new facility type to seek departmental designation to become evaluation facilities for involuntary commitment, thereby expanding capacity for psychiatric stabilization and treatment and providing more crisis stabilization services throughout Alaska.

Fully transitioned the Designated Evaluation and Stabilization (DES), Designated Evaluation and Treatment (DET), Disproportionate Share Hospital (DSH), and Secure Transport programs from the Department of Health and Social Services (DHSS) to the Department of Family and Community Services (DFCS).

DET services leverage federal funding in the Medicaid services component through Disproportionate Share Hospital (DSH) funds. The department has found solutions for administering and distributing these funds despite the complex fiscal analysis required for qualifying hospitals and the mandatory eligibility review to ensure that these funds are the payor of last resort for each patient.

The Alaska Psychiatric Institute reach a capacity of 80 beds in February of 2023. This is the first time since October 2015 that API has been a full capacity.

The Denali unit is continuing to report positive outcomes since reopening in 2022; supporting adults with neurodevelopmental and neurocognitive disabilities to include but not limited to developmental delays, autism, and dementia. Programming focuses on individual and small group activities with individual behavior plans for complex and hard-to-place adults. The Alaska Hospital and Healthcare Association nominated API the Beacon Award for the work accomplished on the Denali unit.

API has spent most of Fiscal Year 2023 seeking a location for the Outpatient Restoration program, working with the Department of Corrections to establish the Jail-Based restoration program, as well as hiring staff, and developing policies for both.

Key RDU Challenges

Due to the lack of adequate facilities or the professional staff necessary to safely stabilize individuals experiencing local behavioral health emergencies; the Designate Evaluation and Treatment (DET) unit is continues to strive to identify evaluation facilities for involuntary commitment.

DET facilities and local community behavioral health centers continue to struggle with workforce issues, including staff shortages and turnover. There is a need for ongoing training in the management of psychiatric emergencies, short-term stabilization, and the treatment process.

Hospitals are at higher risk of a DSH overpayment when entering into agreements due to federal audit standards going back three years combined with the changes in the Centers for Medicare & Medicaid Services (CMS) methodology for calculating Facility Specific Limits (FSL) for anticipated uncompensated care.

The Alaska continuum of care has limited services and providers for individuals with complex needs throughout the state.

Alaska Psychiatric Institute (API) is an 80-bed acute psychiatric facility with approximately 47 percent of patient population being long-term patients with complex discharge needs. (>60 days; 10/4/2023) This limits the number of beds available for admission from the community on a regular basis.

API is the only full-service psychiatric hospital in Alaska. The hospital must admit patients who do not meet admission criteria because the community does not have the necessary infrastructure to meet specific population needs, i.e., individuals with developmental disabilities and mental health and/or substance abuse, geriatric patients with dementia or Alzheimer's, patients who are not competent, or not able to return to the community.

Although API has had some success in recruiting staff, the hospital continues to rely on locum tenens providers to see patients due to poor results in recruitment efforts.

API continues to struggle hiring registered nurses, while salaries are comparable, traditional hospitals can offer salaries commensurate with years of experience.

Significant Changes in Results to be Delivered in FY2025

The Department is looking to reorganize the Inpatient Mental Health RDU in FY2025, pulling the Alaska Psychiatric Institute back into its own Division, and moving DET/DES/DSH, and Secure Transport into a new component within Departmental Support Services.

The department continues to pursue innovative ways to leverage new service models to allow involuntary commitments to be served through Crisis Stabilization Centers (CSC) and Crisis Residential Centers (CRC) while expanding DES and DET services/providers.

The department will provide funding support for up to; two additional DSH qualifying facilities and six non-DSH qualifying facilities to stand up additional evaluation facilities for involuntary commitment respondents.

API will implement a new Electronic Health Records (EHR) System.

Contact Information
<p>Contact: Marian Sweet, Administrative Services Director Phone: (907) 465-1630 E-mail: marian.sweet@alaska.gov</p>

**Inpatient Mental Health
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2023 Actuals				FY2024 Management Plan				FY2025 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 Designated Eval & Treatment	8,616.0	4,500.0	0.0	13,116.0	10,369.8	4,800.0	0.0	15,169.8	0.0	0.0	0.0	0.0
Alaska Psychiatric Institute	22,957.6	28,104.2	0.0	51,061.8	24,222.7	35,813.0	0.0	60,035.7	0.0	0.0	0.0	0.0
Totals	31,573.6	32,604.2	0.0	64,177.8	34,592.5	40,613.0	0.0	75,205.5	0.0	0.0	0.0	0.0

**Inpatient Mental Health
Summary of RDU Budget Changes by Component
From FY2024 Management Plan to FY2025 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>
FY2024 Management Plan	34,592.5	0.0	40,613.0	0.0	75,205.5
Adjustments which continue current level of service:					
-Designated Eval & Treatment	-10,369.8	0.0	-4,800.0	0.0	-15,169.8
-Alaska Psychiatric Institute	-24,222.7	0.0	-35,813.0	0.0	-60,035.7
FY2025 Governor	0.0	0.0	0.0	0.0	0.0