

A Healthy Alaska



Annual Report 2006

Alaska Department of Health & Social Services



Commissioner's

Message



Karleen K. Jackson,
Commissioner

I am pleased to share the fiscal year 2006 accomplishments of the Alaska Department of Health and Social Services in this annual report. These accomplishments are the result of dedicated staff members working daily “to promote and protect the health and well-being of Alaskans.”

As we look back at fiscal year 2006 and ahead to 2007, several areas need attention. High on the list is the lack of an overall state health policy. That problem is exacerbated by the additional lack of an overall national health policy.

Foundational health care policy problems

The federal Medicare program provides people 65 and older with fairly comprehensive health care coverage, although access to physicians who will accept Medicare patients is challenging in Alaska. An equally challenging issue is that Medicare is funded from the salaries of current workers — many of whom have no health care coverage themselves. The ratio of retired, aged and disabled to current workers is growing as the population ages. Yet other low-income adults — including many who are working — have no health insurance or access to affordable health care.

Based on current eligibility regulations and demographic projections, Alaska currently serves 132,000 Medicaid enrollees at a cost of \$1 billion a year in combined federal and state funds; 2025 Medicaid enrollment is projected to reach 175,000 (with a 6.3 percent average annual increase in the number of seniors), costing approximately \$4.8 billion.

Investing in our future

While our past efforts have focused primarily on providing care for the sick, we must shift our focus to services that promote health and prevent sickness.

We need a cohesive state policy to promote healthy lifestyles, reduce harm from alcohol and substance abuse, and establish effective detoxification and treatment services.

Looking toward 2007, my greatest hope is that our next annual report shows consistent progress in “promoting” health through a comprehensive overall state health policy that will provide a stronger foundation for Alaska’s future, and reduce Alaskans’ need for our services.

Sincerely,

A handwritten signature in black ink that reads "Karleen K. Jackson".

Karleen K. Jackson, Ph.D.
Commissioner

Table of Contents

Commissioner's Message	Inside Front Cover
Division of Alaska Pioneer Homes	2
Division of Behavioral Health	4
Office of Children's Services	6
Division of Health Care Services	8
Division of Juvenile Justice	10
Division of Public Assistance	12
Division of Public Health	14
Division of Senior and Disability Services	16
Finance and Management Services	18
Department Organizational Chart	20

Division of

Alaska Pioneer Homes



Virginia Smiley, Director

Mission :
...to provide quality assisted living in a safe home environment.

The Division of Alaska Pioneer Homes provides an assisted living setting and prescription services to seniors in pioneers' homes in Sitka, Fairbanks, Anchorage, Ketchikan, Palmer and Juneau. The services are designed to maximize independence and quality of life by addressing the physical, emotional and spiritual needs of pioneers' home residents.

Accomplishments fiscal year 2006

The division's most significant achievement in fiscal year 2006 was the groundbreaking, renovation and dedication of the new Alaska State Veterans and Pioneers Home in Palmer. Groundbreaking occurred Aug. 29, 2005, and Gov. Frank H. Murkowski and Health and Social Services Commissioner Karleen K. Jackson officially dedicated the new home on July 9, 2006. The home will continue to be administered as part of the Pioneer Home system.

The Department of Veterans Affairs required that the facility be brought up to current building codes and standards to ensure the building infrastructure has a 20-year useful life cycle. During construction some residents were relocated to other rooms to assure safety and to free up work areas. The Palmer Home remained in service

during construction, which required flexibility, teamwork and partnership between contractors and the state to be successful. The completed facility:

- has 79 beds;
- serves veterans, veterans' spouses or dependent children, and nonveterans who qualify for admission to the Pioneer Home system;
- has a five- to eight-year transition plan to assure that veterans and other residents of the Pioneer Home system are not compelled to move out of the home in which they reside solely because the Palmer home is designated as the Alaska Veterans and Pioneers Home; and
- provides the same services to veterans as those currently provided to Pioneer Home residents: level I service primarily provides housing, meals, emergency assistance and opportunities for recreation; level II adds medication administration, and health-related services, including reminders and hands-on assistance while the resident performs the majority of tasks; level III is a high level of professional health care services including hands-on assistance from staff members for most tasks.

Now

Pioneer Home staff is working toward national certification to ensure that the home meets requirements outlined by the U.S. Department of Veterans Affairs. Certification will also make the home in Palmer eligible for \$29.31 per diem for each veteran receiving services there.

Next steps

Residents living in a Pioneer Home will not be required to move to or from the Alaska Veterans and Pioneers Home. Veterans on the Pioneer Home waiting list will be given an opportunity to choose to enter the Alaska Veterans and Pioneers Home or another Pioneer Home. Admission to a Pioneer Home will continue to be based on availability of a bed and services appropriate to the needs of the applicant. The U.S. Department of Veterans Affairs provides for a transition period of several years for veterans to fill the allotted number of beds in the home. Beyond the transition period, Veterans Affairs will permit 20 beds in the facility to continue to be occupied by nonveterans.



ABOVE & LEFT: different views during building construction of the new Alaska State Veterans and Pioneers Home in Palmer.

BELOW: The completely remodeled home is the most significant achievement for the division during fiscal year 2006.



Division of Behavioral Health



Cristy Willer, Director

Mission :
...to provide an integrated behavioral health system.

Gov. Frank H. Murkowski, along with representatives from Fairbanks-based Family Centered Services of Alaska and Iowa-based Boys and Girls Home and Family Services, break ground July 11, 2006, on a 45-bed adolescent residential psychiatric treatment center in South Fairbanks. The facility is part of the Bring The Kids Home initiative.



4

The Division of Behavioral Health manages integrated programs previously delivered through the mental health portion of the former Division of Mental Health and Developmental Disabilities, the former Division of Alcoholism and Drug Abuse and the Office of Fetal Alcohol Syndrome.

Bring The Kids Home Initiative

The Bring The Kids Home initiative seeks to provide the site of care for emotionally disturbed children at in-state residential or community-based care facilities rather than out-of-state facilities.

Capacity Expansion

- celebrated the opening of the 60-bed North Star Residential facility (which includes a locked unit with 20 beds);
- completed a residential rate study which recommended increases to in-state residential rates (including beds in locked units);
- approved certificates of need for residential psychiatric treatment centers to be built in Fairbanks and Anchorage;
- celebrated the opening of Juneau Youth Services' 15-bed

Level IV facility in August 2006; and

- awarded 10 new behavioral health grants to serve more than 100 children with in-home services, therapeutic foster care, group homes, transitional living and early childhood intervention/consultation.

Slowing spending for out-of-state care

Alaska has realized savings in:

- a 6-percent decrease in Medicaid claim payments for out-of-state residential psychiatric treatment center services;
- a 14-percent decrease in out-of-state residential psychiatric treatment center "bed day" use; and
- development of a Utilization Review team, supported by funding from the Alaska Mental Health Trust Authority, to ensure that in-state resources are used prior to a youth being placed in out-of-state treatment.

Mental Health Statistics Improvement Program

The Mental Health Statistics Improvement Program is part of

the division's overall Performance Improvement Plan, using a nationally developed format and methodology for a Consumer Satisfaction Survey. In 2006, the state's first comprehensive report showed:

- 82 percent of adults evaluated services positively;
- 76 percent of youths ages 13-17 evaluated services positively; and
- 77 percent of parents and caregivers of children under age 13 evaluated services positively.

Client Status Review

The Client Status Review compares clients' quality of life (in terms of productivity, physical health, social supports, financial security, etc.) at intake and at subsequent intervals in their treatment and recovery process. Comparing these assessments allows measurement of the actual impact of treatment on a client's well-being over time. Recent analysis describes an overall Quality of Life improvement index of 84 percent.

Payment Error Rate Measurement

The division was awarded a one-time federal grant to identify payment errors from randomly selected Medicaid claims. On audited Behavioral Health Medicaid provider claims, the error rate was between 7 and 9 percent.

Tobacco Enforcement

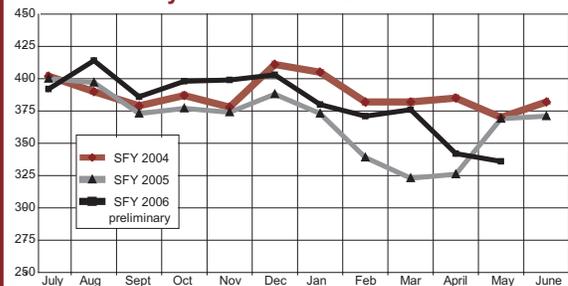
Federal law requires states to effect and enforce laws prohibiting the sale

or distribution of tobacco products to youth under age 18. The state is required to conduct annual, random, unannounced inspections to ensure compliance and maintain a compliance rate of less than 20 percent. In 2005, the drop in illegal tobacco sales to youth can be attributed to strong enforcement efforts, a statewide vendor education campaign, swift enactment of penalties in which illegal tobacco sales to youth occurred, and cooperation of tobacco vendors.



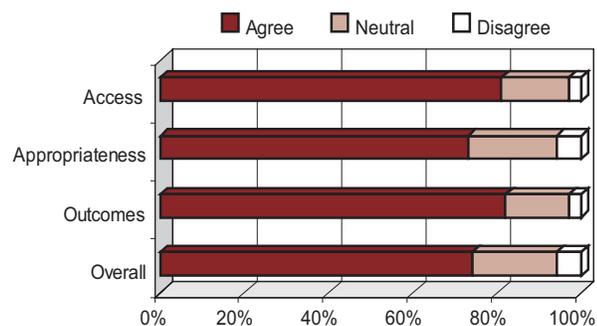
From left, Department of Health and Social Services Commissioner Karleen K. Jackson, First Lady Nancy Murkowski, Gov. Frank H. Murkowski and DHSS Deputy Commissioner Bill Hogan at the ribbon-cutting ceremony June 28, 2006, for the newly completed Residential Treatment Center for children and adolescents at North Star Behavioral Health Facility in Anchorage. The facility is part of the Bring The Kids Home initiative.

Children in Out-of-State Residential Psychiatric Treatment Centers At Any Given Time in SFY 2004-2006



Source: DBH Policy and Planning using MMIS-JUCE data, unduplicated count of Medicaid RPTC beneficiaries based on date of service. (August 28, 2006)

Adult Outcome and Feedback About Treatment



Source: Behavioral Health Consumer Survey, Division of Behavioral Health FY06. 1,385 respondents in 60 grantee organizations.

Office of Children's Services



Tammy Sandoval,
Deputy Commissioner

Mission :
... to promote
stronger families,
safer children.

Supporting the well-being of Alaska's children and families is the goal of the Office of Children's Services through four core programs: the Infant Learning Program; Early Childhood Comprehensive Systems Planning; Child Protection and Permanency; and Family Nutrition Services.

Accomplishments fiscal year 2006

- met all of the goals set in a Program Improvement Plan (PIP) that was written by the OCS and the federal government in 2003 to resolve the deficiencies identified by a 2002 federal Child and Family Services Review;
- created a Continuous Quality Improvement Unit to measure progress during the course of implementing the PIP;
- trained workers in Safety Assessment, a model increasingly used across the country to replace previous methods of investigating allegations of abuse or neglect, and which requires more time and labor on the front end of a report, but will produce numerous long-term benefits;
- completed and approved the Early Childhood Comprehensive Systems Plan, with implementation underway in several areas to build systems that support families and communities in developing healthy children who are ready to learn when they enter school;
- completed a statewide workload study with the goal of determining reasonable workload standards for staff; and
- increased speed of data transmission to rural offices through ORCA, the Online Resources for the Children of Alaska, a fully integrated, comprehensive, automated case management welfare information system.



6

The David family, of Bethel, are participants in the Women, Infants and Children Program, a nutrition program that provides free nutritious foods and information on healthy eating for low-income pregnant and breastfeeding women and children. From left, Jimmie David, son Richard, wife Alice, son Austace and daughter Cassandra.

Collaboration on Bring The Kids Home Initiative

The Office of Children's Services has been collaborating with the Division of Behavioral Health on the Bring The Kids Home initiative, with the goal to return children with severe emotional disturbances from out-of-state residential facilities to Alaska's treatment facilities, bringing them closer to their families and communities. Because the Office of Children's Services is responsible for Alaska children who are in state custody and reviewing out-of-state care, OCS has shared lessons learned to help develop a similar system for children who are not in state custody.

Now

Through initiatives like Family-to-Family, the new Safety Assessment and the Resource Family Assessment, the Office of Children's Services continues to strive to provide a strong safety net for Alaska's children and families.

Next steps

The Office of Children's Services is working towards:

- ongoing improvement in the child welfare system;
- the integration of child abuse prevention efforts with child protection;
- improved response, collaboration

and cooperation with community partners; and

- preparing for the next federal review in 2008.

Goals include:

- strengthening families through existing programs;
- keeping Alaska's children safer;
- partnering with tribal leaders on the nationwide issue of disproportionate representation of some ethnic groups within the child protection system;
- fostering a high quality and stable workforce; and
- building enhanced relationships with community partners.

Dozens of participants in the sixth annual Light of Hope award celebration released balloons into the air April 19, 2006, in downtown Anchorage, honoring community members for their efforts to prevent child abuse and neglect. The event was sponsored by the National Court Appointed Special Advocate Association and supported by numerous organizations in Alaska, including the Office of Children's Services.



Kake residents Melissa Travica and her children Jade Beer, left, and Bree Travica, right, participate in the Women's Infants and Children Program, a nutrition program that provides free nutritious foods and information on healthy eating for low-income pregnant and breastfeeding women and children. (Photo provided by SouthEast Alaska Regional Health Consortium and used with permission.)



Division of Health Care Services



Dwayne Peeples,
Director

Mission :
*... to maintain access
to health care and
to provide health
coverage for Alaskans
in need.*

The Division of Health Care Services collaborates with all divisions in the Department of Health and Social Services

by maintaining Medicaid core services, including payments for hospitals, physician services, pharmacy, dental services and transportation. Other Medicaid core services maintained by the division include physical, occupational and speech therapy; laboratory; radiology; durable medical equipment; hospice; and home health care.

Health Care Services administers the State Children's Health Insurance Program, known as Denali KidCare, and the Chronic and Acute Medical Assistance Program, in addition to the core Medicaid program services. The division is responsible for the Medicaid Management Information System; claims payments and accounting; federal reporting activities, and third party payment identification and recovery. The division's major goal has been to support services through management efficiencies and to maximize the use of Medicaid financing.

Medicaid is a jointly funded cooperative venture between federal and state governments to help provide adequate and competent medical care

to people in need. Alaska's Medicaid program impacts the service delivery of every division in DHSS, as well as divisions in six other state departments.

The division's Preferred Drug List, in conjunction with the National Medicaid Pooling Initiative, encompasses more than 50 therapeutic classes of medications that save approximately \$6 million annually through pharmaceutical company rebates.

Accomplishments fiscal year 2006

- recovered \$10.8 million from third-party payers and insurance companies for the cost of care provided to recipients;
- paid health care claims to enrolled providers for services to 133,341 eligible recipients;
- paid 6.08 million claims for a total of \$983.2 million for Medicaid and other medical assistance benefits;
- conducted and completed financial review and audits of 80 Medicaid-enrolled providers;
- reduced Medicaid abuse by conducting clinical case reviews of Medicaid recipients, placing these clients in a Care Management Program. At present there are 35 Medicaid recipients in the Care

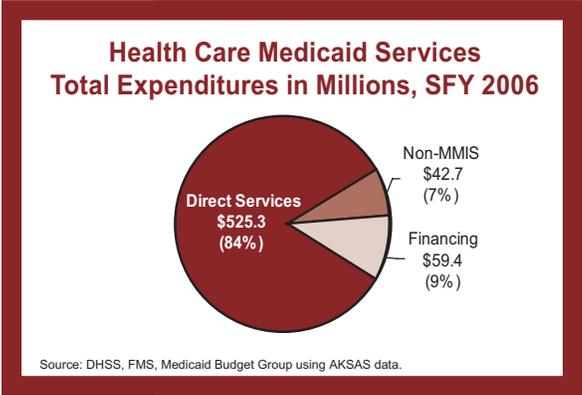
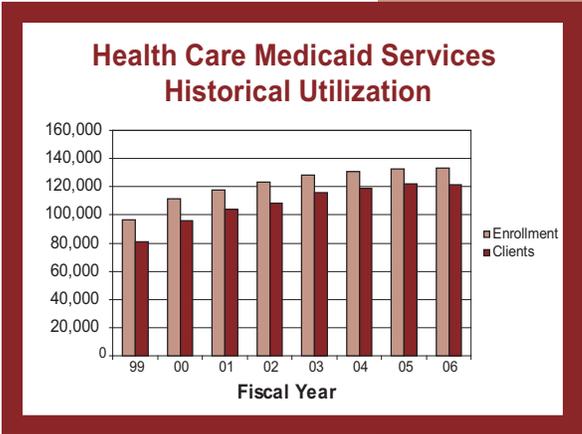
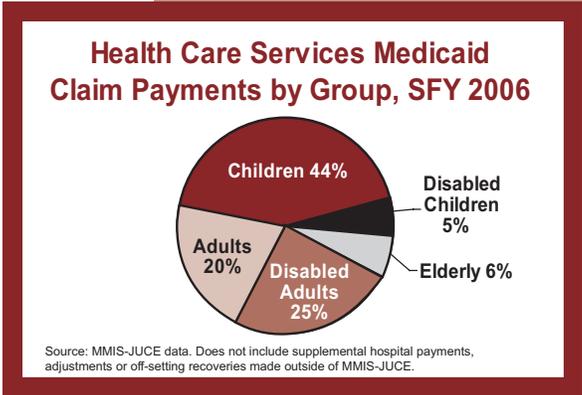
Management Program. Health Care Services' goal is to place four to five recipients in the program each month; and

- maintained the Medicaid enrollment of 11,390 providers for fiscal year 2006, with 50 percent of all providers enrolled actively participating in the Medicaid program.

Now and next steps

The division will maintain health care access for eligible recipients by enrolling providers, paying invoices in a timely manner, and providing client information services. The division will continue to develop and implement cost control activities to maximize the use of available funds to provide services — and avoid waste and misuse of services.

The division continues to work on the redevelopment of the Medicaid Management Information System, which processes approximately three million claims a year to pay for health care services for Medicaid-eligible recipients.



Division of Juvenile Justice



Steve McComb,
Acting Director

Mission :
...hold juvenile offenders accountable for their behavior; promote the safety and restoration of victims and communities; and assist offenders and their families in developing skills to prevent crime.

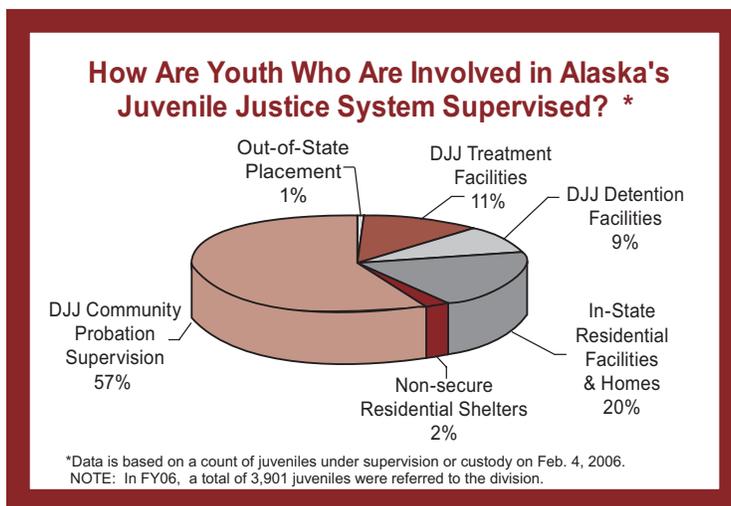
The Division of Juvenile Justice mission is based on the “restorative justice” concept that supports public safety through graduated incentives and sanctions, with the expectation that offenders must personally take part in restoring and repairing the harm caused as a result of their behavior. The division also works to prevent crime by supporting competency and skill development for offenders so that they will choose alternatives to law-breaking behavior.

Accomplishments fiscal year 2006

- continued to meet objectives of the system improvement initiative launched in 2003 to achieve a balanced, information-based juvenile justice system where

decisions are based on data collection and review;

- integrated Performance-based Standards, a national quality-assurance process, into routine facility practice statewide;
- adopted statewide use of the Youth Level of Service/Case Management Inventory, an internationally recognized and validated instrument for identifying a youth’s risk for re-offending;
- continued integration into routine practice of the Detention Assessment Instrument, a risk-based, structured decision-making assessment;
- implemented Aggression Replacement Training to deal with aggressive behavior in facilities and probation offices; and



- created a Quality Assurance function to help ensure that System Improvement projects and ongoing practices are successful.

Now

The Division of Juvenile Justice has 17 field offices and eight youth facilities, located in four geographical management areas. Field offices are staffed by juvenile probation officers, whose responsibilities include: conducting intake investigations of youth alleged to have committed delinquent acts; completing detention screening; implementing diversion plans; and initiating formal court action for juvenile offenders. The officers work closely with families, local organizations and other agencies to keep juvenile offenders from continuing their criminal behavior. The division’s juvenile probation officers also are responsible for supervising the significant number of juvenile offenders not held in residential programs or facilities, but who remain in their homes or other community settings while on probation. (Chart p. 10.)

The division has eight facilities located in Bethel, Nome, Anchorage, Palmer, Kenai, Fairbanks, Juneau and Ketchikan which provide secure detention for youths who have been charged with an offense and are awaiting a judgment. The Bethel, Anchorage, Fairbanks and Juneau facilities also provide treatment

services for youth committed to longer-term confinement because of serious, violent, chronic delinquent behavior.

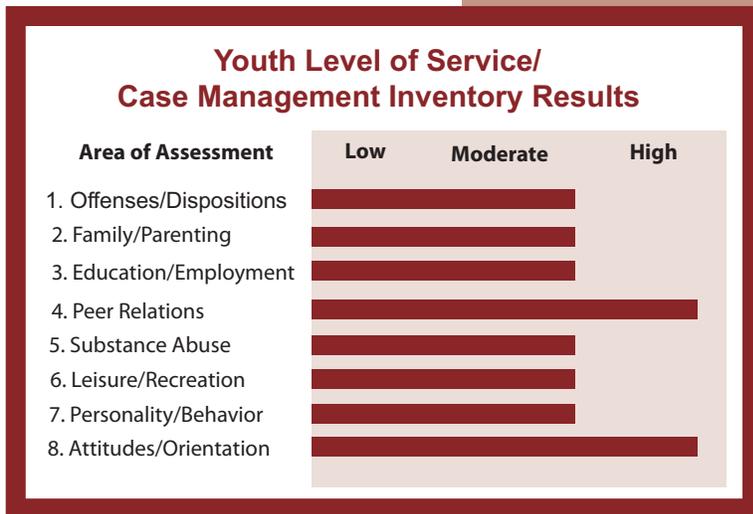
Next steps

In the coming year, the division will refine the system improvements it has recently adopted. Managers will work to ensure that new tools and processes are being used appropriately, that data being generated are accurate and routinely reviewed, and that — when data point toward needed changes — the division works quickly and effectively to put improved procedures and approaches into place. The division is working to develop a Quality Assurance Unit to ensure that system improvements result in improved management of juveniles and reduced crime by young people.



Kenai Youth Facility superintendent Steve Kiefer, right, shows Juvenile Justice Officer III Heath McLeod a computer correlation of “performance-based standards” survey results.

Assessments focus attention on aspects of a youth’s circumstances which, if unaddressed, will contribute to the likelihood of reoffense.



Division of Public Assistance



Ellie Fitzjarrald,
Acting Director

Mission :
*... to promote self
sufficiency and provide
for basic living expenses
to Alaskans in need.*

Each year, one out of every eight Alaskans applies for help with cash, food, medical or energy assistance. Public Assistance provides that help to eligible families and individuals, the elderly, blind and disabled. The division's core mission is to provide these services, and help people achieve self-sufficiency.

Accomplishments fiscal year 2006

- met the winter heating assistance needs of over 9,000 low-income households;
- supported implementation of Cook Inlet Tribal Corporation's Native Family Assistance Program;
- met the Temporary Assistance needs of an average of 3,647 families monthly (not including Native Family Assistance programs);
- helped nearly 22,000 households meet their nutrition needs each month through Food Stamp benefits;
- provided Child Care Assistance for 6,089 children each month;
- licensed 740 child care providers across the state;
- provided SeniorCare assistance to over 7,000 Alaskans;

- placed Denali KidCare staff at the Alaska Native Medical Center to facilitate services;
- implemented the first statewide Integrated Child Care Information System, which enables timely reimbursement of services and increases efficiency; and
- provided Medicaid benefits to nearly 100,000 Alaskans each month.

The Temporary Assistance for Needy Families Program

- helps Alaskans find jobs, which has resulted in less need for the program and reduced government spending;
- assists many families still in the program who experience multiple or profound challenges that hinder employment and self-sufficiency;
- collaborates through the Family Centered Services initiative with community organizations and other partners to coordinate services for families. Initial results are promising, including increased employment, hours of work, and earnings for participating families.

Heating Assistance Program

- assists low-income households in virtually every community in Alaska;
- expects an increase in applications again this year, because of high heating costs; and
- 80 percent of households served include someone over age 65, disabled, or a child under 5.

Partnership for Healthy Communities

- partnered with the Northwest Arctic Borough to improve rural social service partnerships, job training and set the stage for economic development;
- partnered with Cook Inlet Tribal Corporation to implement Alaska's fourth and largest Native Family Assistance Program, successfully serving over 750 families;
- placed staff at Cook Inlet's new service center to streamline client services; and
- began working with Bristol Bay Native Association on Alaska's fifth Native Family Assistance Program.

SeniorCare Program

The division now oversees the SeniorCare Program, which serves over 7,000 seniors statewide who need cash assistance to meet basic needs or help with premiums or deductibles

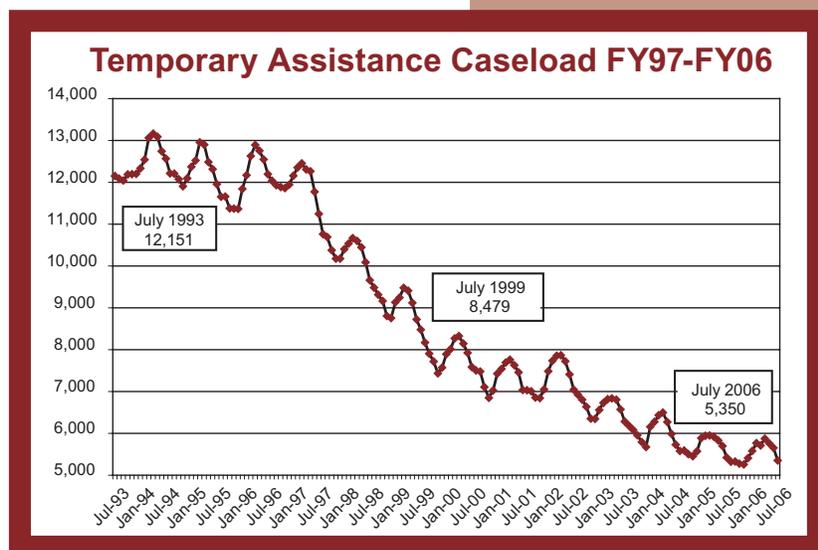
for prescription drugs. The division, in coordination with Senior and Disabilities Services, helped inform Alaskans about the new Medicare Prescription Drug Program.

Program Accountability

Another important aspect of accountability is the investigation of welfare fraud. While ensuring that those in need are provided appropriate services, the division is committed to fraud prevention. In fiscal year 2006 staff found 245 fraudulent cases during 890 investigations (applicant and recipient) resulting in savings of approximately \$470,000 in payments not made to disqualified recipients and establishing \$320,635 in debt owed to the state. Additionally, staff collected \$324,412 in debt owed from current and past years.



Division staff work one-on-one with clients to help them achieve self-sufficiency.



Division of Public Health



Dr. Richard Mandsager,
Director

*Mission :
...to protect and
promote the health of
Alaskans.*

The Division of Public Health promotes the health and quality of life of all Alaskans by working to prevent and control disease, birth defects, injury, disability and death resulting from interactions between people and their environment. Division activities include monitoring and assessing the health status of Alaskans through collection and analysis of vital statistics, risk factor data and data on disease and injury. Staff use these data to develop, implement and evaluate efforts to inform the public and advise policymakers about a wide range of health issues.

Pandemic Influenza Preparedness

Accomplishments fiscal year 2006

- developed Pandemic Influenza Response Plan.

In cooperation with multiple state, federal, local and private agencies;

- created a state Web site for pandemic and avian flu preparedness, education and information;
- held preparedness workshops and town hall meetings in 14 communities (attended by over 75 communities);

- conducted mass vaccine-dispensing exercises in three communities;
- gave more than 100 presentations to tribal, private sector, government and nonprofit organizations.

Now and next steps

- stockpile and craft a statewide distribution plan for antiviral medications, personal protection equipment, ventilators;
- conduct interagency preparedness workshops and town hall meetings in 10 more Alaska communities; and
- conduct six more mass vaccine dispensing exercises and other public health emergency response exercises.

Routine Domestic Violence Screening

Accomplishments fiscal year 2006

- developed domestic violence screening policy and procedure for all Public Health centers;
- trained all Alaska public health nurses in appropriate domestic violence screening and education techniques;
- completed 5,227 domestic violence screenings;

- educated those who experienced or feared violence in their home by providing information on getting help and staying safe; and
- included domestic and interpersonal violence screening, education, counseling and referral as a routine part of each health visit.

Next steps

Use the information gathered from clients in new initiatives to improve domestic violence prevention, education, and intervention in communities statewide.

State Medical Examiner's Office

Accomplishments fiscal year 2006

- requested inspection by the federal Occupational Safety and Health Administration (OSHA) to identify ways to improve employee safety; and
- initiated monthly OSHA staff trainings to ensure that employees will possess the ability to protect themselves during emergencies.

Now and next steps

The division has hired additional staff, including a Deputy Medical Examiner to improve safety and timeliness of services. More staff personnel are being recruited, including a third Medical Examiner.

Consolidation of Certification and Licensing of Care Facilities

Certification and licensing of a broad range of care facilities — hospitals, hospice centers, child care facilities,



Pictured in April during a panel discussion at the Pandemic Flu Planning Health Summit held in Anchorage are: Dr. Richard Besser, Centers for Disease Control and Prevention; U.S. Dept. of Health and Human Services Deputy Secretary Alex Azar; Karleen Jackson, DHSS Commissioner; Richard Mandsager, MD, Director, Division of Public Health.

assisted living homes — was centralized under the division of Public Health in 2005. The benefits of consolidation include consistency of standards applied to all state-licensed care facilities, reduced cost for government oversight, and improved access to state facility statistics.

Accomplishments fiscal year 2006

- transferred certification and licensing of 52 residential children's facilities from the Office of Children's Services to the Section of Certification and Licensing; and
- issued three new licenses to residential child care facilities.

Now and next steps

The division is conducting license renewal inspections and monitoring inspections, as well as increasing the frequency and quality of monitoring inspections to ensure that Alaskans receive quality care from licensed facilities.

Employee background checks were initiated in March 2006 and will include (over the next year) all employees of organizations licensed, certified or receiving department funds.

Division of

Senior and Disability Services



Rod Moline, Director

Mission :
...to maximize the independence and quality of life for older and disabled Alaskans.

The Division of Senior and Disabilities Services provides a full range of care for Alaska seniors and disabled Alaskans, offering services that help consumers attain and maintain a level of independence for as long as possible.

Accomplishments fiscal year 2006

- developed and implemented new regulations for the State of Alaska's Personal Care Assistant Program, which clarify and strengthen the requirements for Personal Care Assistant client assessments and eligibility;

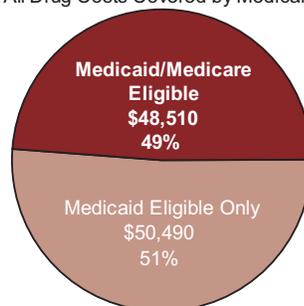
- worked as part of an ad hoc committee of stakeholders and providers to evaluate and improve the statutorily required developmental disabilities waitlist;
- initiated an online registration for the statewide Medicare Volunteer Counselor Training Conference in September 2005 through the SeniorCare Information Office, garnering 78 volunteers who represented the state during the Medicare Prescription Drug Plan promotion and enrollment from Nov. 15, 2005 to May 15, 2006, as well as the SeniorCare promotion; and

Change in Medicaid Pharmacy Benefits with New Medicare Part D Benefit

Estimated Proportion of Drug Benefits Paid by Program in SFY 2006

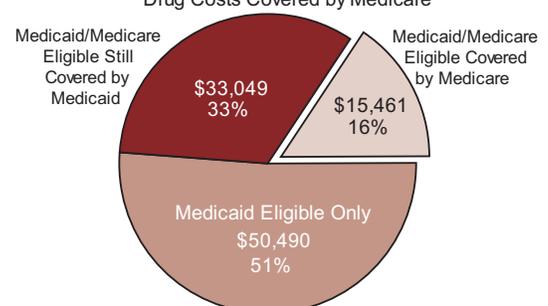
Before Medicare Part D

All Drug Costs Covered by Medicaid



With Medicare Part D

Majority of Medicaid/Medicare Eligible Drug Costs Covered by Medicare



Source: DHSS, FMS, Medicaid Budget estimate of Medicare Part D impact using MMIS-JUCE and AKSAS data. Medicare Part D began January 2006, so only six months of pharmacy costs were shifted from Medicaid to Medicare.

- initiated the Elder Wise Senior Financial Fraud Campaign, through the SeniorCare Information Office, in collaboration with the Department of Commerce, Community and Economic Development.

Now and next steps

The division has initiated a pilot project with care coordinators who are independent of Medicaid provider agencies. The Care Coordination Services will be provided for individuals selected for services under the waiver program from the Mental Retardation and Developmental Disabilities waitlist who reside within the Municipality of Anchorage. This project offers the opportunity to reduce waiver costs, and improve accountability and quality of care. Currently many care coordinators are employed by the same agency that provides waiver services. The pilot will begin in the fall of 2006 and expand as appropriate to provide better access to services and quality of care.

Wrap Around Medicare SeniorCare

Medicare Part D prescription drug insurance enrollment is currently under way.

Thanks to Governor Murkowski, qualifying Alaska seniors may have their premiums and deductibles paid by the Alaska SeniorCare program.

To find out more call:
 Statewide: 800-478-6065
 Anchorage: 269-3680
www.seniorcare.alaska.gov

Senior Information Office



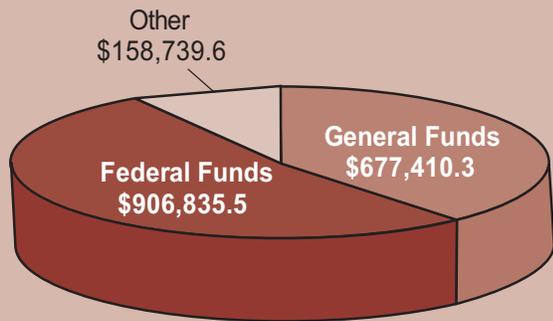
ABOVE: The division's Senior Information Office ran this effective ad statewide to bolster its efforts to help Alaska seniors understand Medicare Part D prescription drug information, and to promote the Alaska SeniorCare program.

LEFT: The Medicare Part D prescription drug program has reduced costs for many Alaska seniors.

Financial Report

Fiscal Year 2006

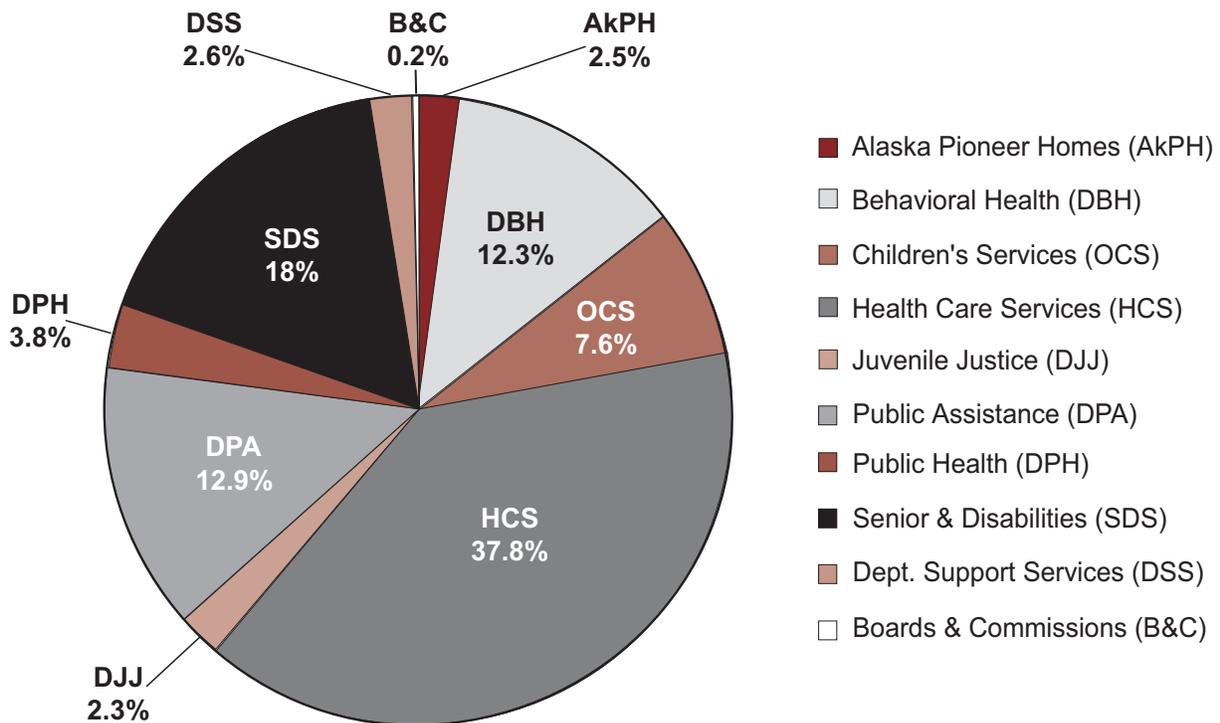
FY06 actual expenditures by funding source (in thousands)



Division actuals (in thousands)

Division	FY05	FY06
Alaska Pioneer Homes	\$38,000.3	\$43,669.3
Behavioral Health	208,121.9	214,001.6
Children's Services	125,995.6	132,397.0
Health Care Services	652,630.1	658,371.8
Juvenile Justice	36,618.6	40,119.6
Public Assistance	220,858.2	225,398.0
Public Health	55,106.9	66,478.8
Senior & Disabilities Services	288,555.3	314,172.8
Dept. Support Services	35,640.3	43,704.1
Board & Commissions	3,561.7	3,437.1
Human Services Match	1,159.3	1,235.3
TOTAL	\$1,666,248.2	\$1,742,985.4

FY06 actual expenditure comparison by division





ABOVE: Commissioner Karleen Jackson (left), Public Health Director Dr. Richard Mandsager (far right) and Dr. Richard Besser from the Centers for Disease Control and Prevention listen to Health and Human Services Deputy Secretary Alex Azar in April speak at the Pandemic Flu Health Summit held in Anchorage.



RIGHT: Cutting the ribbon in July at the new Alaska Veterans and Pioneer Home in Palmer are: (left to right) Lynda Garcia; Governor Frank H. Murkowski; Commissioner Karleen Jackson; Adjutant General Craig E. Campbell, Dept. of Military and Veterans Affairs; and Veteran Edward Lynch.

BELOW: Rod Haynes of CMS Region 10 teaches a class on Medicaid Part D to senior citizens.





Alaska Department of Health and Social Services

Commissioner
Karleen K. Jackson

Assistant Commissioner
Finance and Management Services
Janet Clarke

- Financial Grant Audit
- Budget
- Fiscal
- Grants and Contracts
- Revenue Management
- Division Support Services
- Facilities
- Information Technology
- Procurement
- Legislative Audit Coordination

Deputy Commissioner
of Operations
Bill Hogan

- Public Health**
Director: Richard Mandstager
- Certification and Licensing
 - Chronic Disease Prevention & Health Promotion
 - Epidemiology
 - Laboratories
 - Injury Prevention & Emergency Medical Services
 - Public Health Nursing
 - State Medical Examiner
 - Vital Statistics
 - Women's, Children and Family Health

- Senior and Disabilities Services**
Director: Rod Molline
- Home and Community Based Services
 - Developmental Disabilities
 - Medicaid Waiver Services, Long-term Care Services, and Personal Care Attendant Services
 - Adult Protective Services

- Boards and Commissions**
- Alaska Commission on Aging
Denise Daniello
 - Alaska Mental Health Board
Kathryn Craft (acting)
 - Governor's Advisory Board on Alcoholism and Drug Abuse
Kathryn Craft (acting)
 - Governor's Council on Disabilities and Special Education
Millie Ryan
 - Medical Care Advisory Committee
 - Pioneer Homes Advisory Board
 - Suicide Prevention Council
Kathryn Craft

Deputy Commissioner
Office of Children's Services
Tammy Sandoval

- Child Protective Services
- Adoption
- Foster Care
- Family Services
- Healthy Families
- Infant Learning Program
- Women, Infants and Children (WIC)
- Alaska Children's Trust

Deputy Commissioner
Tony Lombardo

- Office of Program Review
- Rate Review
- Program Integrity/Quality Assurance
- Hearings and Appeals
- Health Planning & Infrastructure
- Medicaid Plan Administration
- Rural Policy Collaboration

- Behavioral Health**
Director: Cristy Willer
- Mental Health Programs
 - Alaska Psychiatric Institute
 - Residential Psychiatric Treatment Centers (RPTC)
 - Substance Abuse Programs
 - Fetal Alcohol Syndrome Program
 - Behavioral Health Program Medicaid (Mental Health, Inpatient Psychiatric Care, RPTC)

- Health Care Services**
Director: Dwayne Peoples
- Medicaid Claims Payment
 - Medicaid Health Services
 - Children's Health (SCHIP)
 - Chronic & Acute Medical Assistance (CAMA)

- Public Assistance**
Acting Director: Ellie Fitzjarrald
- Alaska Temporary Assistance Program (ATAP)
 - Adult Public Assistance
 - Child Care Benefits
 - General Relief Assistance
 - Energy Assistance
 - Senior Care

Office of Faith-Based and Community Initiatives
Executive Director: Stephanie Wheeler
FBCI Advisory Council

Communications Officer/ Legislative Liaison
Sherry Hill

- Juvenile Justice**
Acting Director: Steve McComb
- Youth Facilities
 - McLaughlin Youth Center, Anchorage
 - Bethel Youth Facility
 - Fairbanks Youth Facility
 - Johnson Youth Center, Juneau
 - Kenai Peninsula Youth Facility
 - Ketchikan Regional Youth Facility
 - Mat Su Youth Facility, Palmer
 - Nome Youth Facility
 - Probation Services
 - Delinquency Prevention

- Alaska Pioneer Homes**
Director: Virginia Smiley
- Anchorage Pioneer Home
 - Fairbanks Pioneer Home
 - Juneau Pioneer Home
 - Ketchikan Pioneer Home
 - Palmer Pioneer Home
 - Sitka Pioneer Home



Frank H. Murkowski, Governor, State of Alaska
Karleen K. Jackson, Commissioner, Department of Health & Social Services
2006



www.hss.state.ak.us

This publication was produced by the Alaska Department of Health and Social Services. It was printed at a cost of \$1.47 per copy in Anchorage, Alaska. This cost block is required by AS 44.99.210.