

**Teleconference for Executive Committee of the Advisory board on Alcoholism and Drug Abuse
(ABADA) and Alaska Mental Health Board (AMHB)**

06.13.2018

ABADA

Enlow Walker- Present
Gunnar Ebbesson – Present
Lee Breinig – Present
Robert Coghill – Present

AMHB

Brenda Moore – Present
Charlene Tautfest – Present
Christopher Gunderson – Present
Sharon Clark – Present
Stephen Sundby – Present
Elizabeth Schultz- Present

Ex Officio

Adam Rutherford

Staff

Alison Kulas
Bev Schoonover
Meeting called to order at 10:00 Am by Alison

Roll Call/ Introductions

Meeting called at 10:00 AM

1. Announcements

- Tentative Fall Board Meeting Dates October 9-11 in Kodiak
Alison – Thank you everybody who submitted your dates via your email or doddle. We had a difference between October 9-11th and the later dates. So were looking into getting the room and everything schedule for Kodiak for October 9-11th. We will confirmed with you after we get everything booked. So you can tentatively place October 9th-11th on your calendars.
- Medicaid Payment Update- FY18
Alison- update on Medicaid payment. I know that is something we have been tracking very closely. Margaret Brodie from the State who was on the ABHA call last week, she said that she anticipates that this week providers will get paid (June 11), they may run out of funding for the last week or two weeks of June. They are waiting for a couple things to come back to boost their funding, if those things don't happen they will put it out in a notice of where it is. Behavioral health and wavier providers are still priority to receive payments, and they will get as much money as possible for as long as possible. They are also trying to hit all payments July 1st which is a Sunday rather than waiting until that Friday which is their typical run. So they are really hoping that if there is any challenge they are able to weather it as much as possible. Worst case scenario the 3rd week of June they won't be able to run the payment cycle but will catch everybody in that first week of July.

Charlene- I have a question on the new 72 hour rule. Have you heard about that that they have to have everything posted in 72 hours?

Bev- They just had a technical assistance call where they gave detailed information. Gunnar were you able to listen into that?

Gunnar- I was not on that call. It must be a huge concern, but I don't take Medicaid. All the clinicians are in a panic. They don't know how there are going to be able to do this within their programing. In private insurance there no such thing. It's also supposed to be across medical too. I don't see how some of the medical process be done that quickly either in terms of the charting. I think it is something this board should take up. The letters that came out that I read from the director said they offered input from the community and they didn't get any. Kind of "tough, you have to deal with it" is how I read the letter.

Beverly- I'll get the summary from the training and technical assistance. I need to talk to Tom Chard about it, I know that at the behavioral health association this was a concern this was a big change. I'll get a summary out to folks.

Charlene- In the rural area they get interim providers who have to work software program, and that does include the weekend in the 72 hours. So if they see someone Friday and they have to have that done by Monday because the weekend is included in the 72 hours. It is a big issue.

2. Next executive board meeting for July

Enlow- Just one question about next month meeting that one lands on July 4th.

Alison- What works for everybody? Do you want to work within that week or push it back to the second week, that would be the 11th?

Charlene- am flexible either way

Lee- am the same way I can go with the 4th or the 11th

Brenda- am flexible also

Robert- I have stuff to do on the 4th

Sharon- am flexible too

Enlow- I think I would rather move it to the 11th I think I may be fishing the week of the fourth.

Gunnar – I will be fishing the week of the 4th, not may, will.

Alison- It sounds like a majority of you are available on the 11th, so let's push that out and then we will put out the public notice that our meeting will be on the 11th at 10am.

3. Mental Health Trust Authority Audit Discussion

Alison- Moving into our audit discussion. I did include our statues for the Mental Health Board on the bottom of the agenda. I recognize not all of you are representatives of the Mental Health Board, but I figure those were the most appropriate statues from some of the questions. So you can see one of the things the Mental Health Board is charged with is to provide to the Alaska Mental Health Trust Authority for its review and consideration recommendations concerning the integrated comprehensive mental health program for those persons who are described in their statue as beneficiaries and the use of money in the mental health trust settlement income account in a manner consistent with regulations adopted under AS 47.30.031. So I did want to set the stage with that piece. We did send out the link to the audit. Hopefully most of you were able to review it. There was the summary point that was just the front two pages.

Really what the audit found, they found a couple of recommendations, and at the back are a couple of letters in response from each of the different agencies. It did note that Alaska statue clearly and unambiguously commands that cash principal be managed and invested

by the Alaska Permanent Fund Corporation and the Trust Land Office does not have the legal authority to manage commercial real estate investments. That there is a more appropriate and efficient way to carry out commercial real estate investment via the Alaska Permanent Fund.

Basically the Mental Health Trust Authority was not following the law, by doing these separate real estate investments. If they did propose changes to the authority statute that would constitute a material change to the statute and present a substantial risk of successful litigation to void the settlement agreement if the proposed changes become law.

Also there were a couple of other things that were in there but I think that's where you as board members really sent that letter suggesting that the audit happen in order to understand the Trust investment and to ensure that the Trust investment were complying with the law in the best interest of the beneficiaries. That is my quick summary. If we do have other people on the phone I want to make sure our executive committee members are the ones that get to speak first and any other comments can go from there. We can start with Brenda or Enlow as our chairs.

Brenda- As Alison summarized after we have our meeting with Mike Abbott, he indicated that the next step was to build consensus around possible legislation to be able to invest in real estate property. My sense is that hopefully as they talk with stakeholders and beneficiary groups we will see where everybody is at in that. Personally I have a challenge with that. I'm concerned about risk. I know that the Trust is working very diligently to do what the recommendations of what the audit have said. However legislation also offers some risk to the settlement. It will be interesting I think to see how they go about addressing issues with stakeholders and beneficiaries. Mike Abbott said he knew what his schedule was going to be, I can't remember for how many months but, that he would be doing presentations and that he would be going out to make sure that everyone understood where they are coming from. In my mind hopefully we will have input into that as they move forward, and we will just have to kind of see where they take this.

Enlow- I think that the audit vindicated our concerns from the very beginning, and I think at this point we need to help out as much we can moving forward. I think one of the things we need to do is help build up the Trust rather than tear them down, because a lot of the news reports I've heard about this have been very critical and sound like the Trust is misappropriating monies and these sort of things. I don't think we want to people to doubting the Trust. I think anything we can do to help build them up to keep things positive.

Robert- I have a comment about the risk of opening up the Mental Health Trust to invalidating the Mental Health Trust. If we opening up the procedures. Mostly for 20 years in Fairbanks I was fighting the Mental Health Trust as a brought assembly person, political activist because we had plans, and they got in the way. So Fairbanks wasn't the only place. We united with Anchorage, it was the courts that made the final decision. Wasn't a popular vote, if its opened up again it's a danger. I don't want to see the Trustees for reasons that make logical sense, but put the whole of the Alaska Mental Health Trust in danger of changing dramatically and detrimentally. Now I am on our side. But I know, I just want that caution out there, am sure there are other people out there that are invested in local development that would see this as an opportunity.

Charlene- I would not like to see legislation to go forward either. I don't want them to invest in those things, I don't think they have the expertise. Look what it's come to already. Our concerns are validated to the violations of the open meetings act, about the investment and the conflict of interest. I guess to me the question is, since they were found in violation what comes of that? That's what I keep getting asked here on Kenai Peninsula, and it has been on

the local radio here when talking about China, and people calling about the Trust, asked the Commissioner of DOR, and he didn't know how to answer it. I just want to know what happens now. He was there to talk about the gas line, but people called in about the Trust and the audit. I think he was caught off guard. I just keep getting questions down here. I got asked because it was in the ADN, but it was on our local radio. I go to a lot of meetings, so what happens they violated the law the way some people see it, and what's is going to happen to them? I don't know how to answer that.

Sharon- Along the same lines that Charlene just commented on. I have had several people in Fairbanks stop me and calling asking, what are the consequences for these people that perpetrated this? Not only did they break the law but they broke the trust of the people, and to the detriment of the beneficiaries. I think this is a valid question that comes up.

Lee- I would agree with the part of the law being broken, but whether or not it was a detriment to the beneficiaries I think is something that is a debatable point. In violation of the statute. They made more money. I think that if this had not gone public and so much fluster over these kind of violations of the open meetings act and things of that nature, I could see there being more detriment to the beneficiaries. It's kind of like they got their hand caught in the cookie jar and then they put the cookie back. I think this something kind of nipped in the bud so to speak. It could have been a lot worse. But as far as where we go as a board with the Trust. Finding out how we move forward is going to be key. Because the Trust is a huge player, and our State is going to be needing those resources for programming and for continuing to provide a comprehensive integrated Mental Health system in Alaska. They made more money, and they said it was in the interest of the beneficiaries. That might be a convenient argument, or convenient statement after the fact. I still think it is debatable whether or not it was a detriment to them when they ended up making more money for beneficiaries.

Brenda- They said they made more money. They compared apples to oranges. They didn't compare their earnings to real estate earnings and the benchmark that the Permanent Fund Corporation has to maintain. They didn't follow best practice and that was stated in the audit. Which means those monies could have been at risk. They had to spend money, and the audit pointed that out, they underrepresented what they had to spend in order to make those investment. I don't agree they made more money- that is very debatable. The other issue is, when you break trust with those you are supposed to service that does damage. It may not have done minor damage, but the damage is they did break trust. That is detrimentally to the beneficiaries and stakeholders

Charlene- the PFD had the best year in 2017. I think they just gave us the data of one year where they made more money than the PFD, but it would be interesting across the board in how the PFD is compounded. With managing real estate there is a cost, I don't know where that money is counted. It was just a big risk.

Brenda- that they underestimated the expense that associated with that, and they did not follow best practice. You have to pay for the expertise, and you have to have that expertise in order to invest and the market can be very volatile. They are already expensing issues with a lease on one of those investments. They are being asked to update a whole bunch of stuff and that is going to cost money. Property is a risky business, you have to maintain it. Do we have the expertise on that board to do that? Do we want our trustees to be taking from programs to be real estate people?

Robert- As far as I know we don't know the net income of those investments. Maybe someone has seen that but I haven't seen that. Moving forward the Trust is going to transfer management over, I assume that they will reduce their staffing but I don't know that. I think

right now we need to monitor what they are doing. Assure that they are getting out of investments, no longer investing the funds themselves, that they turned over management to the Permanent Fund or the Department of Natural Resources as required. So what we don't want to see is them maintaining a shadow management spending Mental Health Trust monies to create "what we would have done" scenario. I don't know that they are not going to do that. I would suspect that they are so they can go to the legislature to say, look we can manage this. Because, like Brenda said they don't have the management expertise. I don't know that they don't. They have hired people to manage real estate, they have hired people with those skills, but they are duplicating what already exist with the State departments so I think right now monitoring their activities, making sure they are complying with the audit, and then going forward to see if they are really managing the Trust appropriately. If they want to take a position this legislation is necessary I think the biggest threat is not that they take over management. I think the biggest threat is that the whole Mental Health Trust agreement gets thrown out.

Alison- I just wanted to jump in along the lines of what Bob said about making sure they are complying with audit the response, and those questions about what happens with those findings. I am not really sure overall, sometimes when boards and commissions break the law potentially they have a sunset date or potentially not continue. With the Trust and our Boards that's not the case, we don't have that threat. I will look into that a little more, but I will say it was concerning to us that the Trust just put out a few RFPs, they released three RFPs recently. One is for Trust legal services that is for a hundred thousand dollars per year contract it was released May 11th 2018 and will start July 1st 2018. This is to assist the Trust long term with legal advice. The majority of the work is expected to consist of advice concerning business of the Trust and supporting the Trust's mission of improving beneficiaries' lives. So that's one piece but they are currently soliciting for legal services for the Trust Land Office, and this was released June 5th. The initial contract period would start August 1st 2018-July 31st 2019, with an optional renewal of one year additional. It's for a hundred thousand dollars per contract term, up to two hundred thousand total. "The purpose of the RFP is the Department of Natural Resources Trust land office is soliciting proposals for professional legal services to assist the Alaska Mental Health Trust Land Office with long term legal advice in the area of commercial real estate the area for consolation included but are not limited to: potential entity acquisitions, divestments, contract negotiation support, drafting documents specific to complex transitions and tax advice. A more detailed description of this can be found in the scope of work." That is concerning, but we just throw those pieces out for consideration. The third RFP is for a PR firm.

Robert- To promote themselves.

Brenda- so they are essential duplicating what the Permanent Fund Corporation already has. It's like they are reinventing the wheel.

Chris- one thing I think the Trust hasn't made clear, or maybe something I haven't understood. The Trust hasn't articulated the need to change their investment approach beyond this sort of ambiguous goal of increasing the returns on Trust investments or Trust assets which, on the surface, seems like a good idea, seems like a good idea for beneficiaries, but the point is the downside risk is not only the investments themselves or any attempts to alter any existing legislation- it is pretty significant. The language the Trust is using is that you are supporting comprehensive mental health programs with the State of Alaska. All of us know that the importance of the Trust is not done in funding the State's mental health programs- that's done through federal entitlement and State grants. The importance of the Trust is to fund smaller scale projects that can become sustainable

through other source and to advocate on behalf of Mental Health programs. There really hasn't been a need for increased in returns for any specific goal. Maybe if they did they could articulate here is why we need more money for this thing were just not able to generate it with the resources available to us. As far as I heard, probably because most of the meetings were conducted in secret, so nobody's heard, exactly what their strategic goal is beyond just to increase money just for the sake of increasing money. I don't know if the risks that they are generating is worth it.

Brenda- The audit also pointed that out, that there was no rationale behind their strategy

Gunnar- The thing that was concerning to me about the path the Mental Health Trust was on was defocusing on programs and more focus on the real estate end of things, the investment end of things. Making decisions that were based on real estate holdings vs what is the best interest of beneficiaries. An example being of course the Denardo center in Fairbanks they really mucked up trying to create recovering center they delayed, so I think to me that is the detriment the Mental Health Trust Authority, put behind closed doors with the intent of raising money without focusing on the beneficiaries. That was the detriment to the beneficiaries to me. It about us holding their feet to the fire around that stuff. The money is important, but our role is on advising them on, developing strategies and using their expertise in developing new programs or advocating for programs. That needs to remain their focus. That's my concern that we continue to hold their feet to the fire at the CEO level.

Brenda- also the statue says it needs to be invested in programs. I think one of the things they want to do is invest in earning income and property improvements, Icy Bay and that kind of stuff. In my mind the income should be going to the beneficiaries if they want to do that let them use principal. Then they have rationally is they will make more money. Well the earnings are intended for programs for the beneficiaries, if you are willing to put it into land development and all that sort of stuff for getting a profit put it back into principal.

Alison- What does this committee propose are the next steps?

Brenda- What kind of recourse do we have with the RFPs? Can we question the rationale behind them?

Bev- I know legal services has stepped down so they do need legal services

Brenda- Maybe write a letter to Mike and the Trustees asking about that. It's our understanding we are not doing that right now until we have consensus

Alison- I think it really is the other legal services and the PR just may be their standard operating, those contracts are up and they need to resolicit. But the legal services for the Trust Land Office, I think is, personally, is the most concerning one.

Robert- The PR just started when this started, this is like a continuing of their PR. It's not something they have been doing a long time. They did it in house before. I don't know the specifics of the PR because I didn't attend the meetings I don't know the rationale for the PR. I assume it was to inform the legislators and constituents that they are doing a really good thing by taking money from the Permanent Fund. So now the audit has come out. One doesn't know the objectives of the PR. Its seems they are leaving all their investment staff in tact even tough in the audit response its say they are not going to be managing these and they are going to be following the letter of the law kind of in protest. I find that concerning.

Brenda- so what is our recourse on that? Can we raise the issues by issuing a letter just asking what the goals and objectives are of these RFPs are?

Alison- I think so. What do other people think about doing a letter? The proposal evaluation committee for the legal service for the Trust Land office is scheduled to happen by July 12th and then issue the notice of intent to award July 13th 2018. And the general legal services is

to complete the evaluation by June 6th, so that's already happened. So then they would issue the contract June 18th, so we can look at what that contract is.

Robert- I think Brenda has the right idea, to write a letter, I would ask for a letter in response rather than some talk.

Enlow- I agree a letter requesting more on their rationale would be helpful

Sharon- Alison, maybe just put it to a vote I don't know might be the easiest way

Brenda- do we have a motion or do we need one Bob?

Robert- I don't think we need one. Unless, I haven't heard anybody saying contrary to the letter. Sharon if you think we need to vote we should.

Sharon- well I just said it for the purpose of everyone who's not making a comment that we have a general consensus.

Robert- I will make a motion that we write a letter that the purpose of the RFP's be explained in writing before our July 11th meeting or before July 10th.

Lee- I second that motion

Brenda- so all in favor?

Groups says "aye"

Brenda- any opposed? The motion carries.

Alison- great! Thank you. Ok so we can bring the response back to the July 11th meeting and then we can have further discussions there of our next steps as Boards.

4. Additional Items for consideration

- API

Brenda- Charlene do you want to give a summary about the API work group meeting?

Charlene- so we disused some legislation to change the structure of the API Governing Board to include more stakeholders. For instance, the Trust, the Behavioral Health Association, Primary Care Association, have more consumer representation on the board not just State employees. Also the Freedom of Information Act, to get the CMS and OSHA reports, and then to have some type of forum with the legislative candidates and governor candidates to let them know the issues of API get feedback from them because it is an election year. So some type of forum with potentially governor and legislature candidates.

Brenda- our discussion about the candidate forum was a little boarder then API, I think we want to talk about behavioral health in general. Because in every community assessment and every coalition I've worked on, behavioral health raises to the top. And our legislature always puts it on the back burner while the house is burning. So in the past I have participated in a legislature forum, where you ask questions but they based in facts and statistics- kind of giving a consulting of someone experiencing issues, and then you ask, "What is your response? What would you do?"

Charlene- is there any discussion on those items? Any input?

Alison- Do people feel like that's a good idea to do a legislator forum/ candidate forum?

Enlow- I think it would be. Is that something that would be broadcast or available to the whole state or to just one area?

Brenda- we probably would have to have a planning committee because we do want it to be state wide. And we do want to be focused on getting the most out of the questions we do ask. We are also thinking of other partners like ABHA, Mat-Su Health Foundation, and other organizations that even our some of our provider organizations and peer organizations that might want to submit have information and questions that they feel are important to ask, and then we will have to whittle them all down. But they need to be based in data and have

some kind of way of explaining how that plays out in the lives those are experiencing whatever it is we are trying to find out

Gunnar- I really love the idea. This really offers up an opportunity and especially with legislators trying for seats- the more public the better, so they would be willing to do it. And this year Pete Kelly is being challenged by Kawasaki, it would definitely be an opportunity to challenge some issues related to funding for behavioral health services from a Fairbanks perspective.

Brenda- this will have a pretty big planning committee people who take the time to, maybe we partner with some of these associated organizations, maybe we aren't the ones doing it but included others from other organizations from other stakeholders. I just know it takes a lot of time and energy, so our staff will need to be doing the venue, and technical stuff. We're going to be needing to promote it, come up with the questions. In past we have also sent out surveys to legislature candidates and published those, and a lot of them didn't reply and so we just put they didn't respond, and that in itself is a statement sometimes. I know it's a lot of extra work.

Charlene- I think invite everyone to it and if they don't come let everybody know. I don't think sending out a survey would get as much feedback. And not just legislators, maybe some of our local city council and mayors, Anchorage Assembly

Brenda- that would be good.

Charlene- I think education is the key too. So educating them about the behavioral issues we have and API.

Brenda- when we did it before a lot of candidates had no clue, none. It was very apparent

Charlene- well if then if they say they have no clue then they need to attend, then they need to understand.

Alison- Ok so does the executive committee want staff to start gathering research and information and we can bring this back for our July 11th meeting? What is the timing people, people think would be good?

Charlene- if there is going to be a meeting I would like it to be before the election and I don't know if the primaries may be too soon. September or October. That's just my opinion.

Sharon- I think that is a good point

Brenda- In the past we have done various things with 360 North on homelessness, and Tom Chard helped organize. Maybe we can work with them to get this to be back up on 360 North and available to do later?

Charlene- what about having this forum during AFN?

Alison- that was my first thought too when we were originally talking Charlene, and I think it might be a question for First Alaskans and seeing if they are doing anything before that date

Sharon- that could definitely be effective

Charlene- If we just go to rural communities and we hear a lot about API and behavioral health concerns and that would be a way to take that you know where there is an actual meeting with AFN where some of them can join in

Brenda- we need a partner in the forum because behavioral health is such a big issues in all our communities

Gunnar- we should include federal

Charlene- oh yes definitely

Sharon- I think the point of AFN is an excellent idea. The other idea I had is if you could somehow do it in conjunction with Elders and Youth, that starts before the actual conference- Sunday to Tuesday I think. I think that is where you will get a lot of information and feedback especially with the elders went through a lot of this and seen all the

transitions and problems and any stuff in the villages. And people who have been sent to Anchorage for treatment with API and other programs

Alison- Yeah, great idea Sharon

Brenda- it might be a good, to partner with them to put the questions together and have them part of the program to ask questions

Sharon- I think that is an excellent idea. AFN, if I recall, breaks it down into different work groups or they can, people can come in and out of. Maybe it's worth a point of contacting Julie and the people at AFN and just seeing it be meaningful to getting us on the program for one of the workshops or whatever they call it, where people can come in and out and can just formally listen and educate themselves and give feedback

Alison- we can definitely investigate those options and we can bring it back to our July meeting, and put together a planning committee because I think that is a good idea

Sharon- Is there any way we can tie this in to our Board meeting or how does that work?

Alison- so we will be in Kodiak October 9th to 11th so that could be another time that we are hosting it before AFN. But our late winter spring meeting is going to be here in Juneau. So that could be something where we also present more feedback and follow up to this candidate forum and discussion so definitely something to think about. Well we are right at 11 am. Any other feedback items for consideration? Any questions?

Gunnar- maybe just really quick. Alison and I attend the OSMAP leader training, and maybe for next meeting we can lay out what is really going on there. I think this really was the first insight to what OSMAP is doing

Lee- what is OSMAP?

Gunnar-It's Jay Butler's group, the new Office of Substance Misuse and Addiction Prevention, under public health to deal with the opioid crisis

Alison- We can add that to the agenda next month as well

Elizabeth- The Office of the Governor is going to be holding a second conference on ACEs in Alaska to educate anybody in the State Departments who haven't already looked into ACEs and trauma-informed care. You will be hearing more about that in the incoming week as we get that planned and I definitely want the Mental Health Board and all the work they have done on this topic will be a highlight and a chance to participate in this educate time for both legislators, business leaders, you will be hearing more about it. Maybe before the board meeting in October I could maybe prepare things there, and I have a few things from the college mental health conversation as well

Alison- that will be great. Thank you Elizabeth. Yes, Board members are able to share at any point. What we decided at our Barrow meeting was that the Executive Committee, if we are voting on anything then they are the ones that hold the votes during these meeting, but board members are welcome to attend and participate. So thank you for attending

Sharon- I just wanted to FYI the Anchorage newspaper had several articles on homeless issues and today's article headline is "Anchorage Homeless Breaking Point". Its an interesting read it kind of ties into our concerning on the working group with homeless issues and this week a gentlemen, put hydrochloride put on a path area right outside Beans Cafe to discourage homeless people from hanging out there. It's a costly type chemical. It's an interesting article. Today it goes into some depth about the city trying to really take on the issue homeless and eradicating the homeless, giving them 15 days.

Alison- Thanks everyone for joining us. If there are questions comments or if there is anything you want to add I'm always here. Thanks everyone.

Group- thank you

Meeting called at 11:05.