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Alaska

Statewide Economic Challenges and High ACEs Rates Open the Door for
Consideration of IECMH Coverage in the State's Medicaid Waiver Application

This policy vignette examines how statewide economic challenges and high adverse childhood experiences (ACEs) rates have opened the door for consideration of infant and early childhood mental health (IECMH) coverage as part of Alaska's Medicaid Reform and Behavioral Health Redesign. State leaders are exploring interventions that can prevent subsequent expenditures of chronic and costly health conditions, remedial education, incarceration, and cash assistance, including interventions targeted to families with young children. The vignette also shares **key lessons learned**.

the Innovation

Leaders in Alaska submitted an 1115 Medicaid waiver¹ application in January 2018. One of the primary goals outlined in the application is to increase services for at-risk families and intervene as early as possible to support young children's healthy development. For the first time, the waiver would allow social determinants of health to qualify individuals for services. Although many states have used the 1115 comprehensive waivers to test and learn about new approaches to Medicaid program design and administration, very few have included a specific focus on IECMH.

the Impetus

A number of factors related to the state's economy and children's safety created a tipping point for state leaders to consider targeting at-risk families with young children for services within the state's Medicaid waiver application. These factors included:

- Alaska families experience high rates of ACEs, as evidenced by a recent collection of data through the Alaska Behavior Risk Surveillance System.
- The Alaska Longitudinal Child Abuse and Neglect Study seven-year cohort found that by age 7, one in three children will have a first report of harm, and one in 12 will have a substantiated report.²
- The Alaska Mental Health Board undertook a predictive analysis to determine the future cost to Medicaid should ACEs rates not change.³

- There is a significant effort to improve outcomes and reduce disparities among Alaskan Natives in health, child maltreatment, and education.
- The state is facing a serious fiscal crisis with a downturn in the economy, especially a drop in oil prices.

Together, these factors are creating a perfect environment to focus on interventions that will ultimately support cost containment.

the Process

During the summer of 2016, faced with a growing fiscal crisis, the state Senate passed a comprehensive Medicaid reform initiative. This reform effort called on the Department of Health and Social Services to improve health care and reduce costs by focusing on improvements to Medicaid and behavioral health care. In short, the legislature mandated a redesign of behavioral health services and required the Division of Behavioral Health to apply for an 1115 Medicaid waiver.

Medicaid Reform and Redesign teams (with representation from both inside and outside government, including health, mental health, and the business community) convened beginning in September 2016 to map a reform strategy. At that time, there was no designated representative for early childhood on the teams. In October 2016, the state participated in the ZERO TO THREE IECMH Learning Community and as required, the Medicaid director attended. It was a transformational experience, and mindsets shifted with new understanding that there could be a high return

¹ An 1115 Medicaid waiver allows states to use Medicaid funds for purposes that are not specified in federal law. In approving a waiver, the Secretary of Health and Human Services grants the state flexibility to test new approaches while maintaining budget neutrality, transparency, and evaluation.

² Parrish, J., (2017). Data from the Alaska Longitudinal Child Abuse and Neglect Linkage Project (ALCANLINK). https://www.youtube.com/watch?time_continue=2&v=3ehdHurd7zU

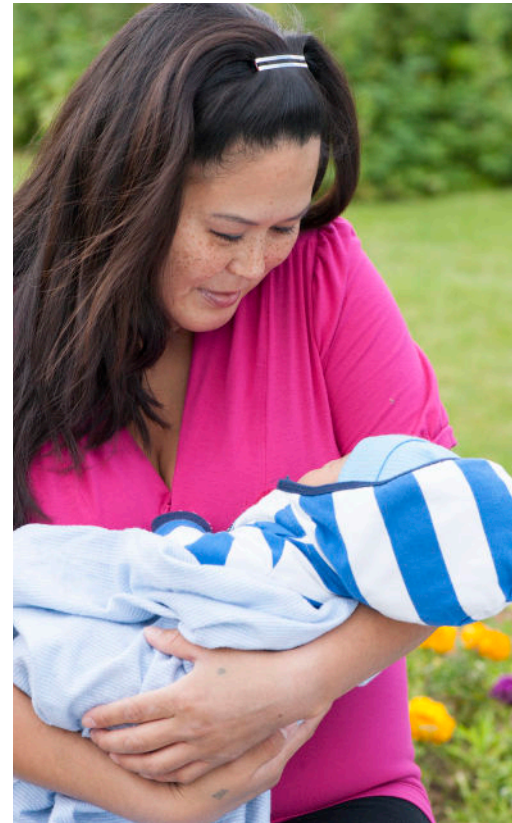
³ Alaska Mental Health Board. (2015). Adverse Childhood Experiences: Overcoming ACEs in Alaska. Advisory Board on Alcoholism and Drug Abuse. <http://dhss.alaska.gov/abada/ace-ak/Documents/ACEsReportAlaska.pdf>

on investment when focusing on the critical early years. From that point forward, early childhood representation — primarily through Gennifer Moreau, the Early Child Comprehensive Systems Project Manager at the time — has been included in the Medicaid Reform and Redesign teams.

With a seat at the table, Moreau was able to increase understanding of IECMH and specifically the cost savings that can be realized if ACEs are reduced. She was also able to help teams understand that the state was missing out on the opportunity to benefit from a higher federal match for services for pregnant women and babies. Even with Moreau's involvement, there were times when the IECMH focus fell to the sideline, but the Alaska Director of Medicaid at the time became an informed advocate and sent a clear message that families and young children should be included in the proposed waiver.

The Behavioral Health Demonstration waiver application was submitted to the Centers for Medicare and Medicaid Services (CMS) in January 2018. As of April 2019, the state was in negotiations with CMS and confident that the waiver was nearing approval. If accepted, Moreau, now the Director of the Division of Behavioral Health Services, will lead implementation of the waiver. Stakeholders across the state are excited about the opportunities it will offer them to better serve young children and families. The waiver and related materials can be accessed here: <http://dhss.alaska.gov/HealthyAlaska/Pages/PublicComment/1115waiverComment.aspx>

// We came back from that meeting in Minnesota and the Medicaid Director told me to get on those teams. She heard that it was important to focus on the critical early years and that in doing so there would be a high return on investment." — Gennifer Moreau



Financing

The Medicaid waiver, if granted, will allow the state to draw down more federal dollars. Of course there will be some additional state expenditures, but the hypothesis is that by putting money into prevention, the state will save in reducing the need for more expensive acute care services. Further, there will be a reduction in costs associated with out-of-home care as a result of providing services and supports to keep families healthy and intact.

- Be thoughtful about how you define the 0–3 population (e.g., what is zero?) so that it translates across regulatory and funding authority language.

for more Information

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next Steps

Should the state be granted the waiver, important work will still be needed to extend IECMH services in Alaska. Consideration will need to be given to workforce development and how services will be provided in remote villages; how behavioral health interventions can be integrated with the work of tribal health paraprofessionals; and whether home visitors will be able to provide services while maintaining model fidelity.

important Lessons

- Ensure the Medicaid director has opportunities to learn about the critical development that occurs in the infant and toddler years and how early intervention can be successful in changing life trajectories for young children.
- Educate decision makers about the importance of prevention and the return on investment that IECMH can provide.