

ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Finance



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MEMORANDUM

DATE: September 25, 2026

TO: Legislative Budget and Audit Committee

FROM: Alexei Painter, Director 

SUBJECT: Preparation for the October 7, 2026 LB&A Meeting

OMB submitted the following FY27 RPL for consideration at the October 7, 2026 Legislative Budget and Audit Committee meeting. This RPL, along with Legislative Finance comments, is posted on our website at <http://www.legfin.akleg.gov>.

RPL#	Agency	Subject	Amount	Fund Source
16-2027-0032	Department of Health	Assessment System for Disabled Individuals and Seniors	\$1,281,000	- \$640,500 Federal Receipts (1002), Operating ; - \$640,500 Mental Health Trust Authority Authorized Receipts (1092), Operating
41-2027-0004	Alaska Court System	National Criminal History Information Program <u>Award</u>	\$863,073	- \$863,073 Federal Receipts (1002), Operating

If you have any questions that you want an agency to address at the meeting, please call us so we can help ensure the agency has a response prepared.

**Department of Health
Senior and Disabilities Services
Senior and Disabilities Services Administration**

Subject of RPL: Assessment System for Disabled Individuals and Seniors	ADN/RPL #: 16-2027-0032
Amount requested: \$1,281,000	Appropriation Authority: Sec. 1 Ch. 34 SLA 2026 Pg. 24 Ln. 31-32; Sec. 1 Ch. 36 SLA 2026 Pg. 5 Ln. 8-9
Funding source: \$640,500 Federal Receipts (1002); \$640,500 Mental Health Trust Authority Authorized Receipts (1092) Operating	Statutory Authority: AS 47.24; AS 47.65; AS 47.80

PURPOSE

Additional Federal Receipt authority and Mental Health Trust Authority Authorized Receipt (MHTAAR) authority are needed to support the implementation and integration of the new Senior and Disabilities Services assessment system for older Alaskans and individuals with disabilities who participate in Medicaid home and community-based waiver programs or seek personal care services. The InterRAI assessment system will provide a standardized, person-centered approach to evaluating service needs, improving consistency in eligibility determinations, service planning, and resource allocation. Implementation of the system is expected to strengthen program administration, improve consistency and transparency in assessments, support person-centered service delivery, and enhance stewardship of state, federal, and Mental Health Trust Authority resources.

The \$640,500 MHTAAR will leverage approximately \$640,500 in federal Medicaid funding, resulting in a total implementation investment of approximately \$1.28 million.

This system directly supports the mission of the Division of Senior and Disabilities Services to promote the health, well-being, and safety of seniors, individuals with disabilities, and vulnerable adults by facilitating access to quality services and supports that foster independence, personal choice, and dignity. The Division will utilize this funding to support up to seven positions necessary for successful implementation of the assessment system.

PREVIOUS LEGISLATIVE CONSIDERATION

The Legislature previously appropriated funding for activities related to assessment modernization and capacity improvements within Senior and Disabilities Services.

In FY2024, \$1,119,000 was appropriated in Sec. 62(h), Ch. 1, FSSLA 2023 (HB 39), to support development of a cost allocation assessment tool. This appropriation was extended in Sec. 9(b), Ch. 1, SLA 2026 (HB 289) through the fiscal year ending June 30, 2026.

In FY2027, \$1,841,469 of unexpended and unobligated fund balances were reappropriated in Sec. 19(b-d), Ch. 35, SLA 2026 (SB 214) to support assessment capacity for older Alaskans and individuals with disabilities for the fiscal years ending June 30, 2027, June 30, 2028, and June 30, 2029.

No previous Legislative Revised Program requests have been submitted for this purpose.

TIMING ISSUES

The funding was not included in FY2027 operating budget because it was awarded by the Alaska Mental Health Trust Authority (AMHTA) in May 2026, after the FY2027 legislative budget process was substantially complete.

The funding was not anticipated during budget development. Documentation of the award is available and attached. The Department of Health (DOH) received a letter dated May 21, 2026, from the AMHTA confirming an award of \$640,500 in MHTAAR to support implementation of the InterRAI assessment system.

The funding is expected to be available upon approval of this request. Approval is needed at this time to allow the Division of Senior and Disabilities Services to accept and expend the award in support of ongoing implementation activities.

Timely approval will help maintain project momentum and support successful implementation of the assessment system, which has received broad support from stakeholders serving older Alaskans and individuals with disabilities. Delayed approval or disapproval could result in implementation delays, reduced project effectiveness, and the loss of an opportunity to leverage federal Medicaid funding. The award will generate federal Medicaid participation at the 50 percent Federal Medical Assistance Percentage (FMAP), maximizing the impact of the Trust's investment.

The funding supports activities that are integrated with ongoing Medicaid program operations and federal reporting requirements. DOH will continue to provide routine federal reporting and oversight consistent with Medicaid program requirements.

BUDGETARY ISSUES

There was \$45,524 in excess federal receipt authority in the prior fiscal year. This amount is substantially below the authority needed to receive and expend the newly awarded MHTAAR funding and associated federal Medicaid match for this project.

The department does not anticipate future general fund pressure associated with this request. Additional receipt authority may be requested in future budget cycles if MHTAAR funding and associated federal matching funds continue to be available through FY2029.

Legislative Fiscal Analyst Comment:

There is existing authority for both Mental Health Trust Authority Authorized Receipts and Federal Receipts (Fed) in the Division Senior and Disabilities Services in DOH, and the Division does existing work on the development, implementation, and review of the cost allocation assessment tool this request relates to. Therefore, the RPL does not have any technical issues.

This RPL does raise a question about existing funding related to the implementation of the InterRAI tool. During SLA 2026 the legislature approved a FY27 Reappropriation of funding not to exceed \$1,841.5 [\$175.8 Unrestricted General Funds, \$885.5 General Fund/Mental Health, \$780.1 Fed]

from various prior appropriations in DOH to Senior and Disabilities Services, SDS Administration to provide additional support for the implementation of the assessment tool (including personal services for the six full-time temporary positions authorized under the initial Multiyear) effective through June 20, 2029.

This RPL does not address whether the funding authorized under the Reappropriation will still be necessary if this request is approved. However, AMHTA employs zero-based budgeting and assesses all expenditures and grants annually, which could potentially lead to a downturn or loss of funding from AHMTA in future years while the implementation phase is still underway. The contract between DOH and AHMTA for the FY27 grant award states that up to \$480.0 of the grant may be expended for personal services and this RPL states that DOH may use that funding to support up to seven positions. It is not specified whether these positions will all be new, existing, or a mix, so it is unclear if there will be a total of seven or thirteen positions associated with the tool's implementation and subsequent assessment of its efficacy. It may be beneficial to consider the full complement of staff dedicated to this project to better assess the request to authorize additional funding.

**Alaska Court System
Trial Courts**

Subject of RPL: National Criminal History Information Program Award	ADN/RPL #: 41-2027-0004
Amount requested: \$863,073	Appropriation Authority: HB 263 Sec 1 Ch 34 SLA 2026 Pg 45 Ln 27
Funding source: Federal Receipts (1002)	Statutory Authority: AS 22

PURPOSE

Additional Federal Receipt authority is needed to receive an award from the federal Department of Justice, Bureau of Justice Statistics (BJS) for the Consolidated National Criminal History Improvement Program. Funding will be used to improve the accessibility and quality of criminal history records. The funding is for five positions which are needed to advance the BJS initiative to enhance criminal records by improving the quality, timeliness, and accessibility of criminal histories and related records. These records will eventually link data across law enforcement, prosecutors, courts, and corrections agencies.

The five positions are: an Integrated Justice Coordinator; two Programmer/Analysts; a Case Management System Analyst; and a Records Clerk. These positions are directly involved in initiatives to improve the number and quality of criminal dispositions available to the Department of Public Safety (DPS) for submission to the National Instant Criminal Background Check System (NICS).

In addition to the position costs totaling \$740,073, the grant authorizes \$9,100 for travel and \$3,200 for conference fees to attend a SEARCH (Systems for the Electronic Analysis and Retrieval of Criminal Histories) membership meeting.

The Alaska Court System also has the authority to assess a 25% federally negotiated indirect rate for this program. The total amount of authorized indirect revenues through this grant is \$188,093; however, the Alaska Court System is only requesting \$110,700 in additional Federal Receipt authority. This will bring the agency total for indirect in Administration and Support to \$450,000 for FY2027. The indirect revenue will be transferred to the Administration and Support component via an unbudgeted Reimbursable Services Agreement (RSA) in FY2027.

PREVIOUS LEGISLATIVE CONSIDERATION

In past years, the Alaska Court System received funding for this program as unbudgeted pass-through funding from the State of Alaska, DPS. For FY2027, the Alaska Court System secured this funding as a direct grantee rather than as a pass-through entity. Due to federal funding delays, the status of the grant funding was not known in time to submit a request for this increased federal funding during the FY2027 budget process.

TIMING ISSUES

The funding was not included in the FY2027 operating budget because it was awarded after the FY2027 budget process was complete. The initial grant award was dated June 12, 2026, and the

Alaska Court System received the finalized modified grant award and related budget documentation on July 22, 2026. The award information is included as an attachment to this request.

BUDGETARY ISSUES

The funding authorized for FY2027 is for the first year of a two-year grant cycle. The Alaska Court System expects continuation of these federal funds in FY2028 and a budget request for continuation funding will be submitted through the regular operating budget process.

Legislative Fiscal Analyst Comment:

This RPL expands Federal Receipt authority in the Alaska Court System (ACS) appropriation, Trial Courts allocation from \$641.0 to \$1,504.1. The Court has previously received grant funding for this existing program as pass-through funding from the Department of Public Safety using unbudgeted Interagency Receipt authority. The direct award of this grant to ACS in FY27 requires additional Federal Receipt authority to continue work to make criminal history data accessible in the criminal background check system. A total of \$940.5 in Federal authority is needed for the project, and the Court will use \$77.4 in existing authority in addition to the \$863.1 of Federal authority requested in this RPL. The Court intends to request a base Increment of a similar amount for FY28 and beyond to continue this work.

There are no technical issues with this RPL.