

Grant Approval Memo



Grantee: State of Alaska, Department of Health, Division of Senior and Disabilities Services
Request Amount: \$640,500.00
Project Title: InterRAI project
Grant Term: 7/1/2026 to 6/30/2027
Trust Staff: Kelda Barstad

Staff Analysis:

- **What does this project do?**

Trust funds will support the Division of Senior and Disabilities Services (SDS) in implementing the statewide transition to the interRAI assessment system, which will modernize Alaska’s eligibility and support-planning processes for home and community-based services. Trust funding will directly support seven new assessor positions, assessor travel to complete in-person assessments—including in rural and remote communities—and supplies and IT equipment needed for successful implementation. These investments ensure SDS can conduct comprehensive, standardized assessments for all recipients of the four 1915(c) waivers, Community First Choice (CFC), and Personal Care Services, as required for full implementation of the interRAI suite.

- **Who is receiving the funds?**

The Division of Senior and Disabilities Services (SDS) is the state agency within the Department of Health (DOH) involved in making sure that the state meets the health needs of seniors, people with disabilities, and vulnerable adults. SDS works to meet the long-term care and support needs of Alaskans by:

- Managing Medicaid services for individuals who need assistance with daily activities, including five home and community-based services waivers, Community First Choice, and Personal Care Services
- Providing grant money for local services, from infant learning programs to senior living support
- Providing a central reporting system for reporting and responding to incidents of harm to vulnerable adults
- Temporary assisted living home care for low-income Alaskans
- Authorization of long-term care services for who need to enter a nursing home

Funding is contingent on receipt authority being granted by the Legislative Budget and Audit Committee (LB&A) because the request is being processed outside of the established State of Alaska budget cycle. If Trustees approve funding, the Department of Health has committed to take the request to LB&A at the next opportunity available after the board meeting.

- **Why is staff recommending this project?**

The interRAI project implements a modern assessment system for Alaska’s publicly funded home and community based services, which is critical for determining program eligibility and allocating resources. This initiative will introduce new assessment tools through interRAI for eligibility, level-of-care determination, and support planning for recipients of Alaska’s four 1915(c) waivers, Community First Choice (CFC), and Personal Care Services. Additionally, the

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project will establish infrastructure that will enable SDS to manage costs effectively and adopt a more person-centered approach through resource allocation. interRAI is an international network and suite of standardized clinical assessment tools designed to evaluate the health, functional status, and care needs of individuals across various healthcare settings.

This project will benefit all Trust beneficiaries who rely on home and community-based services, including individuals with Alzheimer’s disease or related disorders, developmental disabilities, and traumatic brain injuries. Many beneficiaries also experience mental illness or substance use disorders; however, when these conditions are secondary to other diagnoses that determine level of care, SDS currently lacks comprehensive data to quantify their prevalence. When fully implemented, the interRAI tool will allow for secondary conditions to be better tracked and provide a more accurate count of Trust beneficiaries served by SDS programs.

This effort has long been supported by stakeholders and beneficiaries, with initial planning funded through advocacy from stakeholders, the Administration, and the Legislature. That funding was allocated for 3 years and will expire on 6/30/2026. Due to unexpected budget shortfalls projected for FY27, gap funding is needed to maintain the implementation momentum of the project. Implementing interRAI is critical in order to implement future innovations in Medicaid home and community based services. This includes program options such as self-directed services, offering a responsive service array based on assessed needs of the population served, accurately paying for staffing based on assessed acuity, and potentially offering a waiver based on functioning instead of diagnostic categories that could create a pathway to serving more Trust beneficiaries.

- Will this be a multi-year project?
This request represents one-time gap funding for FY27; however, additional implementation-phase support may be requested through the Trust’s regular budget process as SDS completes subsequent phases of tool development and resource allocation model rollout.

Trust Five Year Funding History

The Department of Health, Division of Senior and Disabilities Services has been the recipient of numerous MHTAAR grants over the past 5 years.

Comp Plan Identification

Area of Focus	Objective	Comments
Area of Focus 7: Services in the Least Restrictive Environment	7.2 Increase access to effective and flexible, person-centered, long-term services and supports in urban and rural areas to avoid institutional placement where inappropriate	

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Trust Focus Area Connection

Budget Area	Strategy	Comments
Housing & Home & Community Based Services	HHCBS - Beneficiaries access effective and flexible person-centered HCBS	

Project Description (from grant application)

The Division of Senior and Disabilities Services (SDS) is undertaking a modernization of its assessment system, which is critical for determining program eligibility and allocating resources. This initiative will introduce new assessment tools for eligibility, level-of-care determination, and support planning for recipients of Alaska’s four 1915(c) waivers, Community First Choice (CFC), and Personal Care Services. Additionally, the project will establish infrastructure that will enable SDS to manage costs effectively and adopt a more person-centered approach through resource allocation. This effort has long been supported by stakeholders and beneficiaries, with initial planning funded through advocacy from stakeholders, the Administration, and the Legislature. That funding was allocated for 3 years and will expire on 6/30/2026. SDS is now entering the design, development, and implementation phase, with the first new assessment tool scheduled to launch this winter.

To ensure a successful transition, SDS requires additional assessor positions. Currently, assessments are conducted through in-person or virtual evaluations, or via desk reviews, meaning not all recipients receive a full annual assessment. Under the new system, every applicant and recipient must be assessed with the new tools. To meet this requirement for two waiver programs and individuals receiving CFC or state plan personal care services, SDS seeks funding for 7 additional Health Program Manager 2 assessor positions.

Once SDS has one year of complete assessment data, a case-mix system will be applied to allocate service budgets based on assessed needs. Over the next five years, SDS will implement two additional assessment tools and fully transition to a resource allocation model for the four waivers, CFC, and Personal Care Services.

This project request will also support travel to out-of-state conferences and trainings to provide the opportunity to learn about Self-Directed Programs and additional service options as several beneficiaries are requesting that the Division create new programs and services once the resource allocation system is in place. It will also support assessor travel and opportunities to convene stakeholders to ensure the Division is hearing directly from beneficiaries and providing information about the project throughout the various phases of it.

Grantee Proposed Evaluation Measures (from grant application)

To be developed.

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Proposed Project Performance Measures (developed by the Trust)

Provide a narrative progress report on the FY27 InterRAI implementation status, activities, staffing, and timeline. Be sure to include a description of successes and challenges experienced during the grant term.

The Division of Senior and Disabilities Services will report on the number (#) of staff hired and trained to initiate the use of the InterRAI Home Care Tool.

The Division of Senior and Disabilities Services will report on the number (#) of InterRAI assessments completed within the grant term by waiver type and state plan personal care.

The Division of Senior and Disabilities Services will report on the number (#) of stakeholder engagement activities that occur during the grant term.

The Division of Senior and Disabilities Services will evaluate the effectiveness of in-home assessment delivery, particularly in rural and remote communities, to understand access and service reach.

Sustainability (from grant application)

The Division anticipates reducing the number of assessor positions once all project phases are complete and operations transition to a maintenance phase. The modernization effort is designed to create efficiencies in the assessment process, which will significantly decrease the need for additional staff. As vacancies occur, these temporary positions will not be refilled, ensuring that long-term staffing levels align with operational needs and cost-effectiveness.

Who We Serve (from grant application)

This project will benefit all Trust beneficiaries who rely on home and community-based services, including individuals with Alzheimer’s disease or related disorders, developmental disabilities, and traumatic brain injuries. Many beneficiaries also experience mental illness or substance use disorders; however, when these conditions are secondary to other diagnoses that determine level of care, SDS currently lacks comprehensive data to quantify their prevalence. By modernizing the assessment system, SDS will gain the ability to capture this information, ensuring a more accurate understanding of beneficiary needs and enabling more equitable, person-centered resource allocation.

Estimated Numbers of Beneficiaries Served Experiencing (from grant application)

Developmental Disabilities:	2,713
Alzheimer’s Disease & Related Dementias:	442
Traumatic Brain Injuries:	57
Secondary Beneficiaries (family members or caregivers providing support to primary beneficiaries):	7,000
Number of people to be trained	50

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Project Budget (from grant application)

Personnel Services Costs	\$480,000.00
Personnel Services Costs (Other Sources)	\$480,000.00
Personnel Services Narrative	This will cover the cost of 7 health program manager/assessor positions which includes 1 supervisor.

Travel Costs	\$56,000.00
Travel Costs (Other Sources)	\$56,000.00
Travel Costs Narrative	This includes 8 trips for each assessor to travel to complete assessments.

Space or Facilities Costs	\$87,000.00
Space or Facilities Costs (Other Sources)	\$87,000.00
Space or Facilities Narrative	Contractual core services to support each assessor position.

Supplies Costs	\$17,500.00
Supplies Costs (Other Sources)	\$17,500.00
Supplies Narrative	IT Equipment and other supplies needed by each new assessor position.

Other Funding Sources (from grant application)

Medicaid Administrative Claiming	\$640,500.00
Total Leveraged Funds	\$640,500.00