Grant Approval Memo

Trust
Alaska Mental Health Trust Authority

Grantee: Independent Living Center - Homer
Request Amount: $300,000.00
Project Title: Self-Directed HCBS (FY27)
Grant Term: 10/1/2026 to 9/30/2027
Trust Staff: Kelda Barstad

Staff Analysis:

- What does this project do?
  Trust funds will support the second year of a statewide effort to design and prepare for a self-directed Home and Community-Based Services (HCBS) option in Alaska. Trust funds will support personnel and contractual services to explore how to implement self-directed home and community-based services (HCBS). Funding will enable project coordination, stakeholder engagement, technical assistance, and development of the structural components required for a potential Medicaid waiver amendment that would allow participants to direct their own services.

- Who is receiving the funds?
  The Independent Living Center (ILC) is a nonprofit organization serving multiple regions of Alaska and providing advocacy, independent living skills training, peer support, transition services as well as adaptive recreation programs and access to assistive technology and equipment. ILC has experience operating participant-directed models, including the Veteran-Directed Care program, and is well positioned to lead statewide exploration of a self-direction option for Medicaid beneficiaries. The Independent Living Center initially implemented the federally funded veteran's directed care (VDC) model in Alaska in 2015, a participant directed model that includes both employer and budget authority. These services are now available in Kodiak, Chugach, and Copper River Census communities, Mat-Su, Southeast, and Fairbanks.

- Why is staff recommending this project?
  Alaska is the only state that does not have a participant-directed service delivery model for Medicaid Waiver recipients. The Medicaid.gov definition: “Self-directed Medicaid services means that participants, or their representatives if applicable, have decision-making authority over certain services and take direct responsibility to manage their services with the assistance of a system of available supports. The self-directed service delivery model is an alternative to traditionally delivered and managed services, such as an agency delivery model. Self-direction of services allows participants to have the responsibility for managing all aspects of service delivery in a person-centered planning process.” This will give Trust beneficiaries more choice, control, and independence regarding their services.

  This project partners with the Department of Health, advocates, and providers to explore how self-directed HCBS can be implemented in Alaska. There are multiple options on how to implement self-directed services within a Medicaid waiver program, and it is critical to involve stakeholders in the discussion early so that advocates and the State of Alaska can understand what is or is not preferred by Alaskans. A successful outcome will be incorporating self-direction into the HCBS Medicaid waivers through the available Medicaid authorities ensuring the long-term sustainability of the project.

- Will this be a multi-year project?
  Yes. This is year two of an estimated 3–5-year process, with the largest unknown variable being CMS acceptance of a Medicaid waiver application or amendment. Each year of funding will require board of trustee approval.

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Trust Five Year Funding History

Fiscal Year	Project Title	Amount	Status	Final Expended
2026	Self-directed HCBS	$300,000	Active	Project ends 9/30/2026
2026	Gulf Coast TABI Expansion Project	$125,000	Active	Project ends 9/30/2026
2025	Alaska Participant Directed Medicaid Waiver Services Project	$50,000	Closed	$50,000
2025	Gulf Coast TABI Expansion Project	$100,000	Closed	$100,000
2024	Gulf Coast TABI Expansion Project	$100,000	Closed	$100,000
2022	Gulf Coast TABI Expansion Project	$98,962	Closed	$98,962

Comp Plan - Area of Focus	Strategic Priority Area
Area of Focus 7: Services in the Least Restrictive Environment	Priority 4: Ongoing Support & Wellbeing

Project Description (from grant application)

The Self-Directed HCBS project will explore how to implement self-directed home and community-based services (HCBS) in Alaska, including identifying what is needed to prepare provider organizations and people receiving services for this system change. The Medicaid.gov definition: "Self-directed Medicaid services means that participants, or their representatives if applicable, have decision-making authority over certain services and take direct responsibility to manage their services with the assistance of a system of available supports. The self-directed service delivery model is an alternative to traditionally delivered and managed services, such as an agency delivery model. Self-direction of services allows participants to have the responsibility for managing all aspects of service delivery in a person-centered planning process."

This will give Trust beneficiaries more choice, control, and independence regarding their services. Alaska is the only state that does not have a self-directed service delivery model for Medicaid Waiver recipients. Alaska has a federally funded veteran-directed care (VDC) model available, including employer and budget authority. The Independent Living Center initially implemented VDC in Alaska in 2015 and is now available in Kodiak, Chugach, and Copper River Census communities, Mat-Su, Southeast, and Fairbanks. This project would work with the Department of Health, advocates, and providers to explore how self-directed HCBS can be implemented in Alaska.

Proposed Project Performance Measures (developed by the Trust & consistent with applicant's proposed measures)

1. Project facilitation.
    a. Coordination and facilitation of project activities.
    b. Communication with project team members and documentation of activities.

2. Finalize description of self-directed services in Alaska to inform the amendment of the 1915 c waiver, regulations, and participant support documents.
    a. Develop full model proposal, including:
        i. Model structure and service design
        ii. Roles and responsibilities
        iii. Fiscal structures (FMS, employer authority, budget authority)
        iv. Quality assurance and risk mitigation
        v. Regulation and statutory suggested concepts
    b. Training curriculums for:
        i. Individual participants and families
        ii. Information and assistance (support brokers)
        iii. Financial management services
        iv. Care coordinators

3. Survey potential participants to determine level of interest in self-directed services and identify common priorities and barriers.
    a. Develop a participant-centered survey with input from stakeholders and partners.
    b. Disseminate the survey through partner organizations, disability networks, and providers.
    c. Analyze survey results to identify themes, measure interest in self-direction, and help inform future program and policy development in Alaska.

4. Develop Implementation roadmap and task list.
    a. Community forums in Anchorage, Mat-Su, Southeast, Fairbanks, Kenai, and virtually statewide.
        i. Conduct in person discussions and solicit final input.
    b. Graphically design roadmap with task list.
    c. Present final model at conferences to include: ADRC/DDRC, Aging and Disability Summit, IL Conference, Annual Self-Direction conference, HCBS Conference.
5. Present Model to SDS.
    a. Provide formal presentation and technical briefing to SDS leadership.
    b. Provide concepts for SDS to include in CMS submission, including waiver language, assurances, and implementation requirements.
    c. Develop operational guidelines and manuals.
6. Present Model to the Legislature.
    a. Provide committee presentations, bill support materials, and model documentation as requested.
        i. Legislative packet for the purposes of education/advocacy.

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Sustainability (from grant application)

While Trust grants are generally one-time funding opportunities, this project is intended to support long-term systems change rather than become an ongoing standalone program. The ultimate goal is implementation of a Medicaid-funded self-direction option in Alaska. Once a self-directed waiver or state plan option is available, this specific project will no longer be needed in its current form because the work will have successfully moved from advocacy, education, and systems development into actual program implementation. In many ways, the success of this project is measured by the fact that it eventually makes itself unnecessary.

Once implemented, self-directed services would be sustained through Medicaid funding and federal financial participation rather than continued grant funding. However, the relationships, coalition-building, stakeholder engagement, and public education developed through this project will continue to have lasting impact far beyond the grant period. This work is helping build the foundation for a more flexible, person-centered service system in Alaska.

Who We Serve (from grant application)

This project is focused on improving access to self-directed services for Trust beneficiaries who experience disabilities and rely on Medicaid-funded home and community based services, including individuals with developmental disabilities, physical disabilities, traumatic brain injuries, behavioral health needs, and complex support needs. Alaska remains the only state in the nation without a Medicaid-funded self-direction option, leaving many Trust beneficiaries without the flexibility, autonomy, and person-centered supports that self-direction is specifically designed to provide. Through this project, beneficiaries will continue to be engaged in systems-change efforts that center lived experience, increase education and awareness among stakeholders, and build momentum toward implementation of a sustainable self-direction model in Alaska.

Trust beneficiaries will be better off as a result of this project because self-direction has the potential to dramatically increase choice, control, independence, and quality of life. Self-directed services allow people to determine who provides their care, when and how services are delivered, and how supports can best meet their individual goals and cultural and community needs. Expected benefits include reduced service gaps, improved workforce flexibility in a state with significant provider shortages, increased ability for beneficiaries to remain in their homes and communities, and stronger outcomes related to employment, community inclusion, health, and overall well-being. This project also creates opportunities for Trust beneficiaries and family members to directly inform policy discussions and systems design, ensuring future service models are more responsive, equitable, and person-centered for Alaskans with disabilities and behavioral health support needs.

Estimated Numbers of Beneficiaries Served Experiencing (from grant application)

Mental Illness:	10
Developmental Disabilities:	10
Alzheimer's Disease & Related Dementias:	10
Traumatic Brain Injuries:	10
Secondary Beneficiaries (family members or caregivers providing support to primary beneficiaries):	40
Number of people to be trained	20

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Project Budget (from grant application)

Personnel Services Costs	$68,548.00
Personnel Services Costs (Other Sources)	$0.00
Personnel Services Narrative	$33,335 is requested for 0.30 FTE for the Co-ED & Program Director. $15,571 is requested for 0.1875 FTE for the Administrative accounts Manager. $ 4,512 is requested for 0.05 FTE for the Co-ED Operations. $ 3,151 is requested for 0.05 FTE for the Central Office Support $ 2,987 is requested for 0.05 FTE for the Homer Office Support $ 5,995 is requested for 0.10 FTE for the Grants Manager - not yet hired $ 2,997 is requested for 0.05 FTE for the HR Generalist - not yet hired

Travel Costs	$13,500.00
Travel Costs (Other Sources)	$0.00
Travel Costs Narrative	$13,500 is requested to help defray the costs of sending staff members to the NCIL conference.

Space or Facilities Costs	$23,110.00
Space or Facilities Costs (Other Sources)	$0.00
Space or Facilities Narrative	$4,313 is requested for 10% of our Internet expenses and help defray increases in utility expenses. $18,797 is requested approximately 10.8% of our lease expenses.

Supplies Costs	$3,000.00
Supplies Costs (Other Sources)	$3,000.00
Supplies Narrative	$3,000 is requested for small cost office items and consumable supplies.

Other Costs	$191,842.00
Other Costs (Other Sources)	$0.00
Other Costs Narrative	$ 175,000 is requested for contractors directly supporting the Self Direction program and their travel. $10,000 is requested to defray the costs of bringing a subject matter expert to our Central location to train our staff members. $ 3,864 is requested for professional service contractors supporting ILC operations. $ 1,839 is requested to help defray the insurance expenses. $ 300 is requested to help defray advertising and printing costs. $ 760 is requested to help defray the required audit and tax preparation costs. $ 79 is requested to help with dues and subscriptions needed.

Other Funding Sources (from grant application)

N/A	$0.00
Total Leveraged Funds	**$0.00**