

From: [Sandra Heffern](#)
To: [Rep. Liz Snyder](#); [Rep. Tiffany Zulkosky](#)
Subject: Executive Order 119: DHSS Reorganization
Date: Tuesday, March 2, 2021 10:58:37 AM
Attachments: [image001.png](#)

Representative Snyder and Representative Zulkosky,
I have over 25 years of Alaskan health and human service experience, a PhD in healthcare administration and most recently am the Project Coordinator for the AK Healthcare Transformation Project which is a cross sector collaboration of payers, providers, policymakers, and patient advocates working together to transform Alaska's healthcare system. Representative Spohnholz is a member of the Project Management Committee representing the House.

Alaska has a sporadic history of working towards reforming our healthcare system. Many of our health reform activities have actually focused on growth and building of infrastructure. The growth was responsive to local need but lacked systematic and strategic planning. The result has been healthcare delivery systems and funding structures that lack efficiency and struggle to maximize utilization controls. The unsustainable growth in healthcare costs has necessitated our focus towards better management and coordination of our health care dollars and services. We have struggled with implementing healthcare policy which survives beyond governmental administrations. This was part of the impetus to develop the AK Healthcare Transformation Project.

The Department of Health and Social Services is asked to perform an enormous amount of service for our state while being good stewards of state resources. They have the dubious task of not only trying to responsibly manage the day-to-day operations of this very large and diverse department, but they are also expected to stay on top of what's happening at a federal level, control costs but maintain service levels, and provide policy recommendations and direction based on evidence from data that has been verified and analyzed. The current resources available to the Commissioner of the Department of Health and Social Services makes this an unenviable and untenable situation. Without even considering such things as earthquakes or pandemics.

I have had the opportunity to bear witness to many approaches to streamline, enhance, restructure, and organize state health and human services in Alaska. At one point, services for seniors were housed in the Dept of Administration, Mental health and Developmental Disabilities services were in a division together, and Medicaid was a stand-alone division as the Division of Medical Assistance. Striving to better align functions to provide health and human services is not unique to Alaska. One example at a federal level is the Department of Health and Human Services which used to be the Department of Health, Education and Welfare. We strive to improve our systems hopefully so in the end services are easier to access, are based on best practices, and truly make a difference in the lives of those the system is intended to serve. There are several ways that a reorganization of the Department of Health and Social Services could be approached. This could be around aligning staff functions, regionally, financing of services, or delivering of services.

I don't know what the best structure for the Department might be. But I do know if we want to effectuate change in the Alaskan healthcare system there is a need for a focus on healthcare policy, healthcare data analysis, and research to promote developments for improved care. These specific functions cannot be a part of someone's job, they need to be that person's job. Last session, Commissioner Crum requested high level support positions within his offices. My understanding is that this appropriation did not occur. I believe the Commissioner and the Governor want to see improvements in the Alaskan healthcare system, but they find this difficult with the current level of resources available to them. Reorganizing the department into two is one approach. At a minimum I support providing the Commissioner with the resources he needs to effectively manage the divisions under his charge, establish policy recommendations based on evidence-based practices, resulting in

improving Alaskan's health while also enhancing patient and health professional's experience of care, and lowering the per capita healthcare growth rate.

I am hoping the legislature continues to have robust discussion with the Department regarding their vision for the future and how the proposed separation will achieve their stated goals, how they anticipate ease of access and continuity of care across departments for individual Alaskan citizens, and the rationale for determining which divisions went into each department. Please contact me directly if you would like to discuss this further. The above is my personal opinion and may not be the opinion of any or all of the entities I perform contracted or consulting service for.

Regards,

Sandra J. Heffern, PhD

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