



April 7, 2026

The Honorable Andy Josephson
House Finance Co-Chair
Capitol Building, Room 505
Juneau, AK 99801

The Honorable Neal Foster
House Finance Co-Chair
Capitol Building, Room 511
Juneau, AK 99801

The Honorable Calvin Schrage
House Finance Co-Chair
Capitol Building, Room 410
Juneau, AK 99801

Dear Co-Chairs Josephson, Foster, and Schrage:

The Department of Health received the following request during the House Finance Committee hearing on HB 133 Payment of Contracts on April 2, 2026:

1 - Provide vacancy data among staff responsible for timely payment of invoices.

The Department of Health pulled data from an April 1 position report provided by the Department of Administration, Division of Personnel. Vacancy rates for administrative, accounting, and grants-related job classes are as follows.

Division	Vacancy Rate
Department Support Services	29%
Behavioral Health	27%
Public Health	21%
Public Assistance	19%
Senior and Disabilities Services	18%
Health Care Services	12%

Several factors contribute to delays in invoice processing within the Department of Health:

- **Administrative Staffing Vacancies:**
Vacancies among administrative staff create capacity constraints for processing invoices. These responsibilities include reviewing invoices, coordinating approval from appropriate staff, and entering payments into the accounting system with accurate coding.
 - *The Department is addressing this issue by adding one Shared Services of Alaska Accounting Technician position per division and redistributing workload across existing staff.*

- **Accounting Staff Capacity:**

Limited accounting staff capacity affects the Department's ability to manage funds within the accounting system. Ensuring that sufficient budget authority is available at the time of payment is critical. When funds are not properly aligned, additional budget transactions are necessary which often require multiple steps and approvals. These steps can delay payment processing.

- *The requested Accountant 3 positions reflected in the Department's fiscal notes will strengthen financial management capacity and support more proactive budget alignment, reducing processing delays.*

- **Program Staff Review and Approval Capacity:**

Program staff are responsible for verifying that invoices accurately reflect services or goods delivered. Delays may occur when subject matter expertise is required for review and approval and that position is vacant or overtasked.

- *The Department is addressing this through targeted training and improved workload distribution.*

If you have additional questions, please contact me at (907) 465-1630.

Sincerely,



Pam Halloran
Assistant Commissioner

cc: Valerie Rose, Fiscal Analyst, Legislative Finance
Jordan Shilling, Director, Governor's Legislative Office
Tim Hess, Office of Management and Budget
Heidi Hedberg, Commissioner
Robert Lawrence, Chief Medical Officer
Emily Ricci, Deputy Commissioner
Jenn Carson, Director of Division of Behavioral Health
Lynne Keilman-Cruz, Director of Division of Health Care Services
Deb Etheridge, Director of Division of Public Assistance
Lindsey Kato, Director of Division of Public Health
Tony Newman, Director of Division of Senior and Disabilities Services
Hilary Porter, Deputy Director of Finance and Management Services
Dustin Scown, Budget Manager
Courtney Enright, Legislative Liaison