

Report Highlights

Why DLA Performed This Audit

The audit was performed to determine if there is a continued need for the board and if its termination date should be extended. The board is set to sunset on June 30, 2025, and will have one year from that date to conclude its administrative operations.

What the Legislative Auditor Recommends

1. The Office of the Governor, Boards and Commissions director should work with the board to identify potential applicants to fill board seats in a timely manner.
2. Division of Corporations, Business and Professional Licensing's (DCBPL) director should improve training to ensure certifications are supported by adequate documentation, and board members should adequately review applications prior to approval.
3. DCCED's commissioner should work with policymakers to improve the recruitment and retention of DCBPL licensing staff.

A Sunset Review of the Department of Commerce, Community, and Economic Development (DCCED), Board of Certified Direct-Entry Midwives (board)

June 6, 2024

Audit Control Number 08-20138-24

REPORT CONCLUSIONS

The audit concluded that the board served the public's interest by conducting its meetings in accordance with state law and actively amending regulations to enhance public safety and improve the certification process. The audit also concluded that the board generally certified midwives in compliance with state law, but documentation improvements were needed. Furthermore, the audit found the board did not audit compliance with certification renewal requirements in a timely manner.

During the audit period, a change to regulations required midwives to obtain a national certification as a prerequisite to state certification. Prior to the change, midwives already had one of the highest licensure/certification fees of any occupation. This change further increased the costs to obtain and maintain state certification.

In accordance with AS 08.03.010(c)(8), the board is scheduled to terminate on June 30, 2025. We recommend that the legislature extend the board's termination date six years to June 30, 2031, which is two years less than the maximum allowed by statute. The reduced extension reflects the need for more routine oversight of the board in light of the audit findings.

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ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Audit



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June 7, 2024

Members of the Legislative Budget
and Audit Committee:

In accordance with the provisions of Title 24 and Title 44 of the Alaska Statutes (sunset legislation), we have reviewed the activities of the Department of Commerce, Community, and Economic Development, Board of Certified Direct-Entry Midwives and the attached report is submitted for your review.

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT BOARD OF CERTIFIED DIRECT-ENTRY MIDWIVES SUNSET REVIEW

June 6, 2024

Audit Control Number
08-20138-24

The audit was conducted as required by AS 44.66.050(a). Per AS 08.03.010(c)(8), the board is scheduled to terminate on June 30, 2025. We recommend the legislature extend the board's termination date six years to June 30, 2031.

The performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Fieldwork procedures utilized in the course of developing the findings and recommendations presented in this report are discussed in the Objectives, Scope, and Methodology.

A handwritten signature in blue ink, appearing to read "Kris Curtis".

Kris Curtis, CPA, CISA
Legislative Auditor

ABBREVIATIONS

AAC	Alaska Administrative Code
ACN	Audit Control Number
AS	Alaska Statute
board	Board of Certified Direct-Entry Midwives
CDM	Certified Direct-Entry Midwife
CISA	Certified Information Systems Auditor
CPA	Certified Public Accountant
CPM	Certified Professional Midwife
DCBPL	Division of Corporations, Business and Professional Licensing
DCCED	Department of Commerce, Community, and Economic Development
DLA	Division of Legislative Audit
FY	Fiscal Year
NARM	North American Registry of Midwives

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Certificate and Permit Fees, FY 22 through FY 23

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ORGANIZATION
AND FUNCTION

Board of Certified
Direct-Entry Midwives
(board)

The board was established for the purpose of regulating the practice of direct-entry midwifery in Alaska. Per AS 08.65.010, the board is made up of two certified direct-entry midwives (CDM), one physician licensed by the State Medical Board,¹ one certified nurse midwife licensed by the Board of Nursing, and one public member. Exhibit 1 lists board members as of February 29, 2024.

Per AS 08.65.030, the board regulates the profession of direct-entry midwifery in the state by:

- establishing certification requirements and conducting examinations,
- establishing requirements for the practice of direct-entry midwifery,
- conducting disciplinary hearings, and
- approving education and training requirements.

The board issues certificates to qualified direct-entry midwives and permits to qualified apprentice direct-entry midwives.

Department
of Commerce,
Community,
and Economic
Development's DCBPL

The Division of Corporations, Business and Professional Licensing (DCBPL) provides administrative and investigative assistance to the board. Administrative assistance includes budgetary services and functions such as collecting fees, maintaining files, receiving application forms, publishing notices for meetings and exams, and assisting with board regulations.

Exhibit 1

Board of Certified Direct-Entry
Midwives, Members as of
February 29, 2024

Bethel Belisle, Chair
CDM

Darcy Lucey
Certified Nurse Midwife

Hannah St. George
Public

Vacant
Physician/OB Practice

Rachel Pugh
CDM

Source: Office of the Governor, Boards and Commissions website.

¹ The physician must have an obstetrical practice or have specialized training in obstetrics.

Alaska Statute 08.01.087 gives DCBPL authority to act on its own initiative or in response to a complaint. DCBPL may:

1. Conduct an investigation to determine whether a person has violated a law.
2. Bring an action in Superior Court to enjoin the act.
3. Examine or have examined the books and records of a person whose business activities require a business license or licensure by a board listed in AS 08.01.010, or whose occupation is listed in AS 08.01.010.
4. Issue subpoenas for the attendance of witnesses and the production of records.

Alaska Statute 08.01.065 requires the department to adopt regulations that establish the amount and manner of payment of application, examination, investigation, and certification fees.

REPORT

CONCLUSIONS

In developing our conclusion regarding whether the Board of Certified Direct-Entry Midwives' (board) termination date should be extended, its operations were evaluated using the 11 factors set out in AS 44.66.050(c), which are included as Appendix A of this report. Under the State's "sunset" law, these factors are to be considered in assessing whether an entity has demonstrated a public policy need for continuing operations.

The audit concluded that the board served the public's interest by conducting its meetings in accordance with state law and actively amending regulations to enhance public safety and improve the certification process. The audit also concluded that the board generally certified midwives in compliance with state law, but documentation improvements were needed. Furthermore, the audit found the board did not audit compliance with certification renewal requirements in a timely manner.

During the audit period, a change to regulations required midwives to obtain a national certification as a prerequisite to state certification. Prior to the change, midwives already had one of the highest licensure/certification fees of any occupation. This change further increased the costs to obtain and maintain state certification.

In accordance with AS 08.03.010(c)(8), the board is scheduled to terminate on June 30, 2025. We recommend that the legislature extend the board's termination date six years to June 30, 2031, which is two years less than the maximum allowed by statute. The reduced extension reflects the need for more routine oversight of the board in light of the audit findings.

Detailed report conclusions are as follows.

The board generally conducted its meetings in accordance with state law.

The board's physician member seat was vacant during the audit period. (See Recommendation 1) Despite the vacancy, the board effectively conducted its meetings. A review of seven of the 14 board meetings held during the audit period found that meetings were appropriately publicly noticed, allowed time for public comment, and a quorum was consistently met. Auditors also found that training was provided to specific board members by Division of Corporations, Business and Professional Licensing (DCBPL) management during the audit period to clarify proper board conduct.

The board actively amended regulations.

The board issued and amended regulations to implement statutory changes and improve the certification process. Significant changes included regulations that:

- established a temporary military courtesy certification to allow qualified active-duty military members and spouses to practice as a direct-entry midwife or apprentice direct-entry midwife. The new regulation implemented a statutory change and expedited the certification process for military members and spouses.
- transitioned the peer review process from a random selection process to a mandatory participation process. This change enhanced public safety by ensuring all certified direct-entry midwives participate in peer review.
- required that midwife and preceptor applicants be certified through the national North American Registry of Midwives (NARM) as a prerequisite for applying for State certification. This change, discussed in more detail below, created DCBPL efficiencies by transferring some board certification responsibilities to NARM.

No changes to board related statutes were made during the audit period; however, the board was active in recommending changes as determined necessary.

The board adopted the NARM CPM credential as a prerequisite for State certification.

In January 2023, the board adopted regulation changes that require certified direct-entry midwives to hold, in good standing, a certified professional midwife (CPM) credential from NARM. A description of the CPM credential is shown in Exhibit 2. As described in detail below, auditors compared the State’s direct-entry midwife certification requirements before the regulation change to the new CPM process and concluded that:

- some board functions now duplicate NARM functions, and
- the CPM certification requirement increased certification costs for direct-entry midwives.

Exhibit 2

North American Registry of Midwives Certified Professional Midwife Credential

NARM is a national association that administers the CPM credential, a certification program that establishes the entry-level knowledge, skills, and abilities necessary to competently practice midwifery. The CPM competency is established through training, education, and supervised clinical experience, followed by successful completion of a written examination. According to the NARM website, 37 other states require an applicant be a CPM as a prerequisite for midwife licensure.

The CPM credential must be renewed every three years. Renewal requirements include continuing professional education and peer review. NARM sets the standards for qualifying continued education.

Source: NARM website.

1) Some board functions are duplicated by NARM functions.

By adopting the CPM credential as a prerequisite for State certification, some of the board's regulatory oversight responsibilities were shifted to NARM. For instance, continuing professional education requirements that were previously monitored by the board became satisfied through NARM's process for CPM certification and renewal. Furthermore, the board no longer monitored compliance with the IV therapy certification requirement since it is separately required for CPM certification.

The audit also noted instances where board and NARM functions were duplicated. For instance, under the new regulations, certified direct-entry midwives must meet separate board and NARM peer review requirements. The board requires four hours of peer review over a two-year certification period. NARM requires five hours of peer review over a three-year certification period.

The audit also identified certain certification requirements that are required by the board, but not required by NARM. For instance, the board set a continuing practice requirement for renewal (10 births per certification period). NARM has no continuing practice requirement.

2) CPM certification increased midwife certificate costs.

The cost of obtaining a NARM CPM certificate varies between \$210 to \$1,275 (excluding NARM exam fees) for new midwives entering the profession depending on the route chosen to meet requirements. Upon adoption of the new CPM regulation, active certified direct-entry midwives could obtain the NARM CPM credential for a \$55 fee. Every three years, midwives pay NARM \$210 to renew the CPM. These costs are in addition to the board's certification fees. The audit notes that prior to the change, midwives already had one of the highest occupational licensing fees.

Board related investigations were actively performed.

A review of board related investigative activity concluded that cases were actively investigated. A total of seven board related cases were open or opened from July 2022 through January 2024. Of the open cases, four were open for more than 180 days. The audit reviewed the four cases and found no unjustified periods of inactivity. As of January 2024, there were no open cases.

The board generally certified in compliance with State law; however, documentation improvements were needed.

Exhibit 3 shows that, as of January 2024, there were 41 midwife certificates and permits, representing a 13 percent decrease when compared to the 2022 sunset audit.² According to the board chair, the decrease in certificates and permits may be due to low Medicaid reimbursement rates, high certification fees, and high insurance costs.

² The prior sunset audit certificate and permit count was 47 as of June 30, 2022, per sunset audit ACN 08-20133-22.

Exhibit 3

Board of Certified Direct-Entry Midwives Certificates and Apprentice Permits FY 22 through January 31, 2024			
Certificate or Permit Type	Newly Issued (Exclusive of Renewals)		Total Certificates as of January 31, 2024
	FY 22	FY 23	
Certified Direct-Entry Midwives	4	1	33
Apprentice Direct-Entry Midwives	2	6	8
Total	6	7	41

Source: DCBPL’s licensing database.

Auditors tested three new certificates/permits and three renewal certificates issued during the audit period. Of the six applications tested, one application was missing required clinical experience information. (See Recommendation 2)

The board did not audit compliance with certification renewal requirements in a timely manner.

In accordance with regulations, the board conducts random audits to verify compliance with renewal requirements (continuing education, continuing professional practice, disciplinary certification, and peer review). The audit found that the board did not conduct random audits in a timely manner to verify compliance with renewal requirements. According to DCBPL management and the board chair, the random audits did not occur timely due to changes in management and staff shortages. (See Recommendation 3)

Midwife certification fees were reduced in response to a surplus.

The board's schedule of revenues and expenditures for FY 22 through January 2024 is shown in Exhibit 4. The board receives its revenue from certificate and renewal fees. Renewals are conducted on a biennial basis, creating a two-year cycle in board revenues. The board had a \$60,575 surplus at the end of FY 22, the second year of its biennial licensing period.

In response to the surplus, the board reduced direct-entry midwife certification fees from \$3,800 to \$2,800 and apprentice permit fees from \$875 to \$300 for the FY 23 renewal period. The board's schedule of fees from FY 22 through FY 23 is shown in Exhibit 5 on page 10.

Exhibit 4

Board of Certified Direct-Entry Midwives Schedule of Revenues and Expenditures FY 22 through January 31, 2024 (Unaudited)			
	FY 22	FY 23	July 1, 2023 – January 31, 2024
Revenues			
Certification Fees	\$17,065	\$82,680	\$11,475
General Fund Received	1,165	320	-
Other Sources	-	-	-
Total Revenues	<u>18,230</u>	<u>83,000</u>	<u>11,475</u>
Direct Expenditures			
Personal Services	14,917	19,358	2,675
Travel	-	5,490	-
Services	3,327	19,781	17,955
Commodities	-	-	-
Total Direct Expenditures	<u>18,244</u>	<u>44,629</u>	<u>20,630</u>
Indirect Expenditures	6,740	8,024	4,013*
Total Expenditures	<u>24,984</u>	<u>52,653</u>	<u>24,643</u>
Annual Surplus (Deficit)	(6,754)	30,347	(13,168)
Beginning Cumulative Surplus (Deficit)	<u>67,329</u>	<u>60,575</u>	<u>90,922</u>
Ending Cumulative Surplus (Deficit)	<u>\$60,575</u>	<u>\$90,922</u>	<u>\$77,754</u>

Source: DCBPL management.

* Estimate based on the indirect expenditures for July 1, 2023 through December 31, 2023.

Exhibit 5

Board of Certified Direct-Entry Midwives Certificate and Permit Fees FY 22 through FY 23		
	FY 22	FY 23
Nonrefundable Midwife Application Fee	\$ 500	\$ 500
Midwife Initial Certification and Renewal Fee	3,800	2,800
Nonrefundable Apprentice Application Fee	250	250
Apprentice Permit and Renewal Fee	875	300
Nonrefundable Emergency Courtesy Application Fee	50	50
Emergency Courtesy Certification Fee	950	950

Source: DCBPL management.

FINDINGS AND RECOMMENDATIONS

The prior 2022 sunset audit made four recommendations:

- Department of Commerce, Community, and Economic Development's (DCCED) commissioner should work with policymakers to improve the recruitment and retention of investigators.
- DCCED's commissioner should work with policymakers to improve recruitment and retention of licensing staff, and Board of Certified Direct-Entry Midwives (board) members should adequately review applications prior to approval.
- Division of Corporations, Business and Professional Licensing's (DCBPL) director should work with the board to ensure the online licensing application is sufficient to monitor compliance with continuing education hours and that accurate regulatory references are included in the application.
- The Office of the Governor, Boards and Commissions director should work with the board to identify potential applicants to fill board vacancies in a timely manner.

The finding that led to the prior recommendation to improve recruitment and retention of investigators was resolved. The case that was the subject of the prior recommendation was completed and closed during the audit period. Testing of investigations, as part of this audit, did not identify any unjustified periods of inactivity.

The finding that led to the prior recommendation to improve recruitment and retention of licensing staff and for board members to adequately review applications was not fully resolved and is reiterated as Recommendation 3.

The prior audit recommendation to ensure the online licensing application is sufficient to monitor compliance with continuing professional education hours and that accurate regulatory references are included in the application was resolved. A regulation change shifted responsibility for monitoring continuing professional

education to the North American Registry of Midwives. Furthermore, auditors found that the application form's regulatory references were correct.

The prior audit recommendation to identify potential applicants to fill board vacancies in a timely manner was not resolved and is reiterated in this audit as Recommendation 1.

This audit makes one new recommendation.

Recommendation 1:

The Office of the Governor, Boards and Commissions director should work with the board to identify potential applicants to fill board seats in a timely manner.

The physician board seat was vacant during the entire audit period. Per AS 08.65.010, the board is composed of five members appointed by the governor and approved by the legislature. The Office of the Governor, Boards and Commissions director is responsible for actively recruiting, interviewing, and vetting board applicants. According to the director, there were no applicants for the vacant position. Vacant board positions may limit the board from efficiently conducting business with sufficient input and perspective.

We recommend the Office of the Governor, Boards and Commissions director work with the board to identify potential applicants to fill board seats in a timely manner.

Recommendation 2:

DCBPL's director should improve training to ensure certifications are supported by adequate documentation, and board members should adequately review applications prior to approval.

Auditors reviewed three new and three renewed certificates or permits issued during the audit period. Of the six certificates and permits, one applicant's verification of clinical experience was incomplete, as it did not contain birth location information. According to DCBPL management, this deficiency was due to staff error. The error was not detected by the board during the approval process.

According to AS 08.01.050, DCBPL is responsible for overseeing the licensing activity for the board. Per AS 08.65.030(a)(1), the board shall examine applicants and issue certificates to those applicants

it finds qualified. Issuing certificates without ensuring applicants comply with state laws increases the risk to public safety.

We recommend DCBPL's director improve training to ensure certifications are supported by adequate documentation. Additionally, board members should adequately review application support prior to authorizing certificates or permits.

Recommendation 3:
DCCED's commissioner should work with policymakers to improve the recruitment and retention of DCBPL licensing staff.

Random audits were not performed timely during the audit period for the FY 23 certification renewal cycle. Auditors found that DCBPL staff began audits just over a year after the FY 23 certification renewal cycle.

Per AS 08.01.050, DCBPL is responsible for overseeing the certification activity for the board. With the assistance of DCBPL staff, in accordance with 12 AAC 14.460(b), the board conducts random audits to verify compliance with certification renewal requirements.

According to DCBPL management and the board chair, the random compliance verification audits did not occur in a timely manner due to changes in management at the time of renewal and staff shortages. Ineffective monitoring of renewal requirements increases the risk to public safety.

We recommend the DCCED commissioner work with policymakers to improve the recruitment and retention of DCBPL licensing staff. As the recruitment and retention problem is pervasive across State government, the problem should be addressed at a statewide policy level.

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OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Title 24 and Title 44 of the Alaska Statutes, we have reviewed the activities of the Board of Certified Direct-Entry Midwives (board) to determine if there is a demonstrated public need for its continued existence.

As required by AS 44.66.050(a), this report shall be considered by the committee of reference during the legislative oversight process in determining whether the board should be reestablished. Currently, under AS 08.03.010(c)(8), the board will terminate on June 30, 2025, and will have one year from that date to conclude its administrative operations.

Objectives

The three central, interrelated objectives of our report are to determine:

1. If the termination date of the board should be extended.
2. If the board is operating in the public's interest.
3. The status of recommendations made in the prior sunset audit.

Scope

The assessment of operations and performance of the board was based on criteria set out in AS 44.66.050(c). Criteria set out in this statute relates to the determination of a demonstrated public need for the board. We reviewed the board's activities from July 1, 2022 through January 31, 2024. Financial data is presented, unaudited, from July 1, 2021 through January 31, 2024.

Methodology

During the course of our audit, we reviewed and evaluated the following:

- The prior sunset audit report (ACN 08-20133-22) to identify issues affecting the board and to identify prior sunset audit recommendations.

-
- Applicable statutes and regulations to identify board functions and responsibilities, determine whether statutory or regulatory changes enhanced or impeded board activities, and help ascertain if the board operated in the public interest.
 - Board meeting minutes and annual reports to gain an understanding of board proceedings and activities, the nature and extent of public input, whether a quorum was maintained, and whether board vacancies impeded operations.
 - The State's Online Public Notices System to verify meetings were adequately public noticed in compliance with state law.
 - Expenditures, revenues, and fee levels for the board to determine whether fee levels covered the cost of operations.
 - Board investigation data for cases open or opened from July 1, 2022 through January 31, 2024, to assess the efficiency of the investigative process.
 - Various Alaska news websites to identify complaints against the board or other board related concerns.
 - Various websites containing information for potential duplication of board activities.

Internal controls over the licensing and investigative processes were assessed to determine if controls were properly designed and implemented. Additionally, to identify and evaluate board activities, we conducted interviews with State agency staff and the board chair. Specific areas of inquiry included: board operations, statutory duties, regulations, duplication of efforts, fee levels, board and staff vacancies, and complaints against the board.

During the audit, the following samples were selected:

- Three of 10 new and three of 30 renewal certificate and permit applications from FY 23 through January 31, 2024, were selected

to assess internal controls and compliance with statutes and regulations. Test results were not projected to the population.

- There were 10 investigations that were open or opened from FY 23 through January 31, 2024. Of these cases, four were open for over 180 days. Auditors reviewed all four cases to determine if the board had operated in the public interest by efficiently processing and resolving cases. Test results were not projected to the population.
- A judgmental sample of seven of 14 board meetings held from FY 23 through January 2024 was reviewed to gain an understanding of board proceedings and activities, the nature and extent of public input, whether a quorum was maintained, whether the meetings were public noticed, and whether board vacancies impeded operations. Test results were not projected to the population.

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APPENDIX SUMMARY

Appendix A: Appendix A provides the sunset criteria used in developing the conclusions regarding whether the Board of Certified Direct-Entry Midwives' termination date should be extended.

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APPENDIX A

Analysis of Public Need Criteria AS 44.66.050(c)

A determination as to whether a board or commission has demonstrated a public need for its continued existence must take into consideration the following factors:

1. the extent to which the board or commission has operated in the public interest;
2. the extent to which the operation of the board or commission has been impeded or enhanced by existing statutes, procedures, and practices that it has adopted, and any other matter, including budgetary, resource, and personnel matters;
3. the extent to which the board or commission has recommended statutory changes that are generally of benefit to the public interest;
4. the extent to which the board or commission has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service that it has provided;
5. the extent to which the board or commission has encouraged public participation in the making of its regulations and decisions;
6. the efficiency with which public inquiries or complaints regarding the activities of the board or commission filed with it, with the department to which a board or commission is administratively assigned, or with the office of victims' rights or the office of the ombudsman have been processed and resolved;
7. the extent to which a board or commission that regulates entry into an occupation or profession has presented qualified applicants to serve the public;

APPENDIX A

(Continued)

8. the extent to which state personnel practices, including affirmative action requirements, have been complied with by the board or commission in its own activities and in the area of activity or interest;
9. the extent to which statutory, regulatory, budgetary, or other changes are necessary to enable the board or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection;
10. the extent to which the board or commission has effectively attained its objectives and purposes and the efficiency with which the board or commission has operated; and
11. the extent to which the board or commission duplicates the activities of another governmental agency or the private sector.

Agency Response from the Department of Commerce, Community, and Economic Development



THE STATE
of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

OFFICE OF THE COMMISSIONER
Julie Sande, Commissioner

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Juneau, Alaska 99811-0800
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November 8, 2024

Kris Curtis
Legislative Auditor
Division of Legislative Audit
P.O. Box 113300
Juneau, AK 99811-3300

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LEGISLATIVE AUDIT

Dear Ms. Curtis:

Thank you for the October 24, 2024, Confidential Preliminary Report, Department of Commerce, Community, and Economic Development (DCCED), Board of Certified Direct-Entry Midwives (board) Sunset Review. I concur with all conclusions of the report but do want to note one small correction to information on page 8.

Page 8 notes that, "In response to the surplus, the board reduced direct-entry midwife certification fees from \$3,800 to \$2,800 and apprentice permit fees from \$875 to \$300 for the FY 23 renewal period." For the record, I wanted to note that while the division works collaboratively with the board regarding fees, the establishment of fees is a duty of the division, not the board. The report notes on page 2 that, "Alaska Statute 08.01.065 requires the department to adopt regulations that establish the amount and manner of payment of application, examination, investigation, and certification fees."

I have the following comments regarding the recommendations:

Recommendation #1: The Office of the Governor, Boards and Commissions director should work with the board to identify potential applicants to fill board seats in a timely manner.

The department will continue to support the governor's office in filling vacant board seats, as appropriate.

Recommendation #2: DCBPL's director should improve training to ensure certifications are supported by adequate documentation, and board members should adequately review applications prior to approval.

It is the intent and policy of this agency to ensure that all documentation required by statute and regulation to obtain a certification from the board be reviewed and retained in the system of

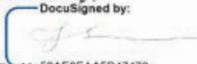
record. This program has experienced a change in staffing and the new staff is well versed in what is required to obtain a certification. The division will continue to work with the board to ensure they understand their responsibility for reviewing applications prior to approval.

Recommendation #3: DCCED's commissioner should work with policymakers to improve the recruitment and retention of DCBPL licensing staff.

The department concurs that recruitment and retention challenges exist throughout state government and will continue to engage with the Office of the Governor, Department of Administration, the Legislature, and other stakeholders as appropriate to identify holistic solutions. Additionally, in July 2024, the department completed a reclassification of many of the positions within the professional licensing section to open promotional pathways and encourage retention within the division. We expect the new job class procession will empower staff to remain with the division in increasingly complex roles, if desired.

Again, thank you for the opportunity for the department to provide input on this matter. If you have any questions, please feel free to contact me.

Sincerely,

DocuSigned by:

50M83CAASD47472...
Julie Sande
Commissioner

cc: Sylvan Robb, Director, Division of Corporations, Business and Professional Licensing, DCCED
Lizzie Kubitz, Legislative Liaison, DCCED

Agency Response from the Office of the Governor



OFFICE OF THE GOVERNOR
Governor Mike Dunleavy
STATE OF ALASKA

November 14, 2024

Ms. Kris Curtis
Legislative Auditor
Division of Legislative Audit
P.O. Box 113300
Juneau, AK 99811-3300

RE: Management Letter 1, Department of Commerce, Community, and Economic Development (DCCED), Board of Certified Direct-Entry Midwives (Board)

Dear Ms. Curtis,

Recommendation 1: The Office of the Governor, Boards and Commissions Director should work with the Board to identify potential applicants to fill board seats in a timely manner.

The Office of the Governor appreciates the opportunity to review and to provide a response to audit recommendation one.

The Office of the Governor agrees with this recommendation. The Director of Boards and Commissions continues to work with the Board of Certified Direct-Entry Midwives to seek new ways to identify qualified candidates, to recruit those candidates and to appoint a candidate that is willing and able to commit to serving on this Board.

Sincerely,

A handwritten signature in black ink, appearing to read "Jordan Shilling".

Jordan Shilling
Director of Boards and Commissions

cc: Cheri Lowenstein, Administrative Director, Office of the Governor

550 West 7th Avenue, Suite 1700, Anchorage, AK 99501

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Agency Response from the Board of Certified Direct-Entry Midwives



FROM THE DESK OF
BETHEL BELISLE, CDM, CPM

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LEGISLATIVE AUDIT

November 6, 2024

Legislative Budget and Audit Committee
Division of Legislative Audit
PO Box 113300
Juneau, AK 99811-3830

Dear Legislative Budget and Audit Committee Members,

As the Chair of the State of Alaska Board of Certified Direct Entry Midwives, I want to thank you for your hard work and effort put forth on the 2024 Legislative Audit of the Board of Certified Direct Entry Midwives. I appreciate your service. The Board has been busy in the past several years and we are happy with the work we have completed and for the work still being done. This audit will serve, as the ones before it, to push the Board to yet another level of excellence with careful attention to details.

Recommendation 1: Yet again, our CDM board is being held accountable for the failure of the Boards and Commissions Director to do the job of identifying potential applicants to fill our vacant board seat. The midwives in this State do actively reach out to potential Doctors and have been told by several Doctors that they had applied for the open position, yet the Boards and Commissions director states that they have not received any applications. While the Board and the midwives of Alaska can actively recruit board applicants, the responsibility continues to fall outside of our hands and we would like this recommendation to be placed not on our board but back at the feet of the Boards and Commissions Director. Even without a physician member, the Board has continued to meet, reach quorum at every meeting and make significant changes that better the safety of the women in Alaska. Furthermore, the Board has worked diligently to present Bills before the Legislature to remake our Board into a Board of our peers, thereby removing this need for a Physician position. This would make the CDM board in alignment with all other boards in the State of Alaska. We are continuing this effort into the coming Legislative Session.

Recommendation 2: Due to a continued lack of staffing in the DCBPL, I believe the missed information on the application in question was an oversight based on lack of training for the licensing examiner as well as a more complex application. The case in question had a lot of information not privy to the paperwork seen by the auditor. The Board accepts responsibility for not clarifying the place of birth

on the application...but based on the preceptor listed for the births, the place of birth was easily recognized by the Board members. We are striving to do better with each application submitted.

Recommendation 3: This recommendation is out of the hands of the Board of Certified Direct Entry Midwives. We, as a board, can not recruit or retain DCBPL staff. We would respectfully ask that this recommendation be removed from our audit and placed firmly in the DCCED office. As for the Board, by requiring the Certified Professional Midwife Designation (CPM), the monitoring of audits will fall to the national organization, currently NARM. We have streamlined the process of submitting relicensure to just submitting our CPM certificate. This saves the State of Alaska money and resources and ensures compliance of midwifery standards for renewal are met.

The Board of Certified Direct Entry Midwives is proud of our work on behalf of the families in the State of Alaska. We have been fiscally responsible. We have worked hard to make regulatory changes to better the health and safety of the women in our care. Once again, the audit recommendations falls upon the governmental agencies, which is out of our control. I would humbly ask for the auditors to consider a Sunset extension for the full 8 years allowed by law.

Thank you for your work on behalf of the Board of Certified Direct Entry Midwives and the families we serve.



Bethel Belisle, CDM, CPM

Chair, Board of Certified Direct Entry Midwives

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Legislative Auditor's Additional Comments

ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Audit



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November 18, 2024

Members of the Legislative Budget
and Audit Committee:

I have reviewed management's responses to this audit. Nothing contained in the responses causes me to revise or reconsider the report conclusions or recommendations.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kris Curtis".

Kris Curtis, CPA, CISA
Legislative Auditor