

ALASKA STATE LEGISLATURE
HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

January 28, 2025

3:17 p.m.

MEMBERS PRESENT

Representative Genevieve Mina, Chair
Representative Andrew Gray
Representative Zack Fields
Representative Donna Mears
Representative Mike Prax
Representative Justin Ruffridge
Representative Rebecca Schwanke

MEMBERS ABSENT

All members present

OTHER LEGISLATORS PRESENT

Representative Alyse Galvin

COMMITTEE CALENDAR

OVERVIEW(S): DEPARTMENT OF HEALTH

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

HEIDI HEDBERG, Commissioner
Department of Health
Anchorage, Alaska

POSITION STATEMENT: Co-offered the Department of Health overview.

EMILY RICCI, Deputy Commissioner
Department of Health
Anchorage, Alaska

POSITION STATEMENT: Co-offered the Department of Health overview.

ROBERT LAWRENCE, MD, Chief Medical Officer
Department of Health
Anchorage, Alaska

POSITION STATEMENT: Co-offered the Department of Health overview.

ACTION NARRATIVE

[3:17:11 PM](#)

CHAIR MINA called the House Health and Social Services Standing Committee meeting to order at 3:17 p.m. Representatives Schwanke, Prax, Ruffridge, Mears, Fields, Gray, and Mina were present at the call to order.

[In response to Chair Mina, committee member introductions were made.]

OVERVIEW(S) : DEPARTMENT OF HEALTH

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CHAIR MINA announced that the only order of business would be the Department of Health overview.

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HEIDI HEDBERG Commissioner, Department of Health, as co-presenter, began the Department of Health overview with a PowerPoint [hard copy included in the committee packet]. She explained that the Department of Health (DOH) has employed three strategies to improve its service of Alaskans: modernize systems, increase capacity, and stabilize workforce.

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CHAIR MINA called an at-ease from 3:23 p.m. to 3:26 p.m.

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COMMISSIONER HEDBERG continued with the PowerPoint. She announced that the DOH will be launching a website to increase accessibility and she described the different facets of this website. She stated the four "arcs of effort" that DOH is using to improve healthcare in Alaska: transformation of care, child care, overdose and suicide prevention, and strengthening the behavioral health system.

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EMILY RICCI, Deputy Commissioner, Department of Health, , as co-presenter, began by describing the transformation of care arc of effort. She said that the DOH is conducting a Medicaid rate review. She said Medicaid demonstration projects allow Medicaid to cover services not typically covered. The department is also focusing on school-based services and supporting youth as they are discharged from detention centers.

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DEPUTY COMMISSIONER RICCI responded to questions from various committee members. She said she does not know what percentage of justice-involved youth lack of safe home to which to return. She defined a 1115 Medicaid waiver as referring to a section of federal law that gives the Secretary of Health and Human Services the authority to evaluate Medicaid demonstration projects that promote the objectives of the Medicaid program, with a hypothesis, research objectives, a report, and a conclusion on the objective at the end of five years. She said DOH is still conducting the first phase of a Medicaid rate review, the findings of which are due by July 2025. She said the department is bringing on a contractor to help evaluate and prioritize projects. She correlated the reduction of costs in health care to streamlining efficiency. In terms of whether DOH can reduce the cost of health care in Alaska beyond Medicaid, she noted that Medicaid is a large component in making changes to the health care system.

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REPRESENTATIVE FIELDS remarked that the lack of behavioral health services in communities causes increases in Department of Corrections (DOC) costs and private sector costs.

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DEPUTY COMMISSIONER RICCI responded to further questions from various committee members. She said the rates selected for the first phase of the Medicaid rate review were chosen with intent and with input from providers. She said that behavioral health is DOH's first priority in this review. She said Medicaid demonstration projects can vary greatly depending on the state. Regarding Medicaid demonstration projects, she said they can vary greatly depending on the state. Alaska stated its first

Medicaid waiver with a focus on behavioral health reform, which includes researching how nutrition affects the health of individuals. She added that DOH is focusing on re-entry support for adults post-incarceration. She affirmed she would be able to speak on some provider and payment changes that have been made in the last year.

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COMMISSIONER HEDBERG returned to the PowerPoint and addressed the second arc of effort, which is child care. She stated that the governor launched a task force which assessed child care needs and made recommendations that are being implemented by the department. She said DOH has launched the Alaska Childcare Information System (ACIS) and explained the efficiencies of this new system. She described the pilot project DOH has launched regarding background checks for childcare providers. Commissioner Hedberg described a new license for subsidized childcare. She explained the two new positions the governor has announced within the childcare program office.

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COMMISSIONER HEDBERG responded to questions from various committee members. Regarding child care regulations being perceived as "a barrier to addressing the licensing component" and mention of a "Friends Family Neighbors" license option, she explained it is home-based rather than center-based and the health and safety standards are federal standards that are applied by the state. Regarding this licensing, she said work must be initiated first, and then she would update the committee. She said she could follow up with information related to a list of recommendations that have been implemented. Regarding the department's method for working with local governments, she said the state defers to the Municipality of Anchorage (MOA) to license all childcare centers in Anchorage, and DOH has ongoing conversations with the task force within MOA.

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ROBERT LAWRENCE, MD, Chief Medical Officer, Department of Health, as co-presenter, continued the PowerPoint by introducing the third arc of effort, which is overdose and suicide prevention. He said there continue to be high rates of overdose and suicide in Alaska. He said that he was authorized to establish the formation of an opioid fatality review committee,

which will work in parallel with the Alaska opioid response. He described the five areas of intervention: interdiction, prevention, harm reduction, treatment, and recovery. He said this work is being funded by the opioid settlement fund. He said the same amount of effort has been applied to suicide prevention.

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DR. LAWRENCE responded to questions from various committee members. He noted that the third arc of effort is focused on overdose and suicides, while also looking at other causes of preventable death, which includes alcohol. He reported that review committees will begin meeting every other month and will provide an annual report of recommendations. He informed the committee that opioid settlement fund began at \$58 million and is growing. The divisions within DOH responsible for distributing these funds are the Division of Public Health and the Division of Behavioral Health. He said he knows neither whether Alaska opted out of reporting related to the opioid settlement funds nor, if it did, what the reasoning would have been. Regarding pregnant women with syphilis, he related that the reported numbers of syphilis cases have increased while the reports of congenital syphilis have decreased.

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COMMISSIONER HEDBERG, returning attention to the PowerPoint, introduced the final arc of effort, which is strengthening the behavioral health system. She explained the efforts DOH made to hear from community members and emphasized the differences between regional needs. She explained that these responses contributed to their implementation of a Youth Behavioral Health Roadmap. She described the collaboration between DOH and the Department of Justice regarding the continuum of care for behavioral health. She said that DOH is continuing to improve access to community-based services. In response to a question from Representative Ruffridge regarding success with increasing access to care within the last 12 months, noted that there has been a lot of necessary foundational work, and she emphasized the need for a strong Medicaid program and the importance of the Medicaid rate review.

MS. RICCI, in response to a follow-up question, stated that it takes time for system changes to take effect. She offered some successes that DOH has seen as the system continues to make improvements.

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COMMISSIONER HEDBERG, in response to Chair Mina, confirmed the department regularly meets with the Division of Justice (DOJ).

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MS. RICCI continued the presentation on slide 7 and spoke about complex care, wherein people with complex medical, behavioral, and potential developmental disability diagnoses may need services from multiple division or departments. She talked about looking for trends and gaps in the system and looking for ways to meet needs. In response to Representative Prax, she said the department meets regularly with behavioral health providers to consider their perspective and address any differences.

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COMMISSIONER HEDBERG moved to slide 8 to name the five departments within DOH: the Division of Behavioral Health, the Division of Health Care Services, the Division of Public Assistance, the Division of Senior & Disabilities Services, and the Division of Public Health.

MS. RICCI moved to slide 9, which lists the following focal points of the Division of Behavioral Health: 1115 Behavioral Health Waiver Services; Behavioral Health Grants; Behavioral Health Medicaid Program & Payments; Facility Licensing & Provider Support; Prevention & Early Intervention; and 988 Suicide Prevention & Crisis Services. She offered the division's operational update and 2025 focus, listed on slide 10. She talked about the need for the Medicaid program to create its own certified community behavioral health clinic program in order to received enhanced payment. She offered further details and said she would follow up with further information in response to Representatives Gray, Fields, and Prax.

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MS. RICCI brought attention to slide 11, which lists the focal points of the Division of Health Care Services as: Medicaid Provider Enrollment & Payment; Tribal Reclaiming & Recoveries; Clinical & Pharmacy Services; Medicaid Operations & Quality Assurance; Background Checks; and Facility Licensing &

Certification. She offered further details and offered to provide follow-up information in response to questions from Representatives Ruffridge and Schwanke. She moved on to slide 12 to provide the operational update and 2025 focus, including the modernization of the Medicaid system. In response to Representative Ruffridge, she confirmed that even with use of the national systems, it takes the effort of someone to connect that to a provider enrollment packet. To Chair Mina, she confirmed that the issue of late payments is a focal point.

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COMMISSIONER HEDBERG moved to slide 13, which lists the focal points of the Division of Public Assistance as: Medicaid Eligibility & Enrollment; SNAP & Family Nutrition; Alaska Temporary Assistance Program; Heating & General Relief; Adult Public Assistance & Senior Benefits; and Child Care Licensing & Child Care Assistance. She said the programs do not stand alone; they have support. She talked about fairness and efficiency in the use of benefits. She covered the goals of the Division of Public Assistance, as listed on slide 14, including simplified engagement with the client and improved operations, such as Supplemental Nutrition Assistance Program (SNAP) application process completion rates. She offered further details. In response to Representative Gray, she allowed that short staffing was a contributing factor but the not the sole reason related to SNAP application completion rates, and staffing levels have improved. In response to Representative Ruffridge, she reviewed the categories and certification periods related to SNAP. She then related the information from slide 15, regarding information technology (IT) modernization within the Division of Public Assistance, with the focus for 2025 being a move from paper to digital forms.

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MS. RICCI picked up the PowerPoint on slide 16, which showed the focal points for the Division of Senior & Disabilities Services as: Medicaid Home & Community Based Waivers; Community Based Grants; General Relief Assisted Living Care; Adult Protective Services; Early Intervention & Infant Learning Program; and Medicare Information Office. She talked about the operational update and 2025 focus, shown on slide 17, including mention of waiver services, community-based grants, and a self-directed assessment tool previously mentioned by Representative Ruffridge.

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DR. LAWRENCE stepped back in to bring the committee's attention to slide 18, which addresses the Division of Public Health and lists its focal points: Chronic Disease Prevention & Health Promotion Epidemiology & Public Health Nursing; Health Analytics & Vital Records; State Labs & Medical Examiner's Office; Women's, Children's & Family Health; and Emergency Programs. He covered the operational update and 2025 focus, as shown on slide 19, including recognition as an accredited public health system and data integration and modernization.

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MS. RICCI, in response to Representative Fields, defined the Infant Learning Program.

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DR. LAWRENCE, in response to Representative Gray, spoke about the biggest barriers to optimizing public health and used a metaphor of looking upstream to view the threats to public health, including access to nutritious food and clean water and protection from exposure. The Division of Public Health anticipates those problems. To a follow-up question, he said, "We have the resources we need."

COMMISSIONER HEDBERG added that DOH looks at communities to determine current needs. To a comment from Representative Prax, she the work done today by DOH is a testament to the partnerships it has with other state agencies, its partners, and its clients.

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CHAIR MINA thanked the presenters.

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ADJOURNMENT

There being no further business before the committee, the House Health and Social Services Standing Committee meeting was adjourned at 5:13 p.m.