

**Department of Health and Social Services Transition Plan**  
**Implementation of Executive Order 121**  
**Establishing the Department of Health and the Department of Family and Community Services**

What follows is the transition plan established for the implementation of Executive Order 119 and adjusted for Executive Order 121 establishing the Department of Health (DOH) and the Department of Family and Community Services (DFCS). There are a number of work processes and staff that are involved with the transition plan – these are primarily the behind-the-scenes items necessary for departmental operations and these do not affect the normal services and programs provided by the current divisions of the Department of Health and Social Services (DHSS). This is not an exhaustive list, but a higher-level overview. This is a combination of department wide transition plans and section specific transition plans, with the majority of the work being performed by Finance and Management Services (also known as Departmental Support Services). Ideally, the goal is to have very little to zero disruption to the operations and services that DHSS provides as it transitions to DOH and DFCS.

**Pre-November 2020**

- Internal discussion, research, analysis, and vetting of reorganization concepts and plans.

**November 2020**

- Begin work with the Department of Law to draft the Executive Order for the reorganization of the Department of Health and Social Services (DHSS) into the Department of Health (DOH) and the Department of Family and Community Services (DFCS). The leadership team of DHSS met with the Department of Law three times a week regarding the drafting of the Executive Order. Informal and formal meetings also occurred with Deputy Commissioners, Division Directors, Deputy Directors, and policy advisors.

**December 2020**

- Consulted with Information Technology (IT) on HIPAA security and compliance aspects of reorganizational decisions.
- Stakeholder engagement with federal agencies, tribal organizations, vendors/customers, other state agencies, and employee unions.
- Department email to all staff from Commissioner; Department Support Services (DSS) email from Assistant Commissioner.
- Internal and external feedback emails established and publicized to respond to comments and concerns, and suggestions.
- Press conference December 22, 2020; with Governor Dunleavy to announce Executive Order 119.

**January 2021**

- Department of Law finalized Executive Order 119 that was introduced during the 1<sup>st</sup> session of the 32<sup>nd</sup> Legislature.
- Executive Order transmitted to the Senate on January 20, 2021.
- Internal town hall events scheduled with each division to discuss impacts and answer questions from DHSS employees.

- Continued engagement with stakeholder groups.
- Review usage data to determine correct allocation of support staff for each department.
- Conduct an inventory of signage requiring replacement at all facilities and estimate cost of replacement in facilities and offices.
- Begin plan for IT licensing split and preliminary budget breakout.
- Identify IT services easily split and determine the time and cost allocation.
- Prepare organizational charts for the Governor's Amended FY2022 Budget.
- Review historical data and usage data to project one-time expenditures for the Governor's Amended FY2022 Budget.
- Determine expenditure allocations and corresponding revenue allocation for the Governor's Amended FY2022 Budget.
- Determine appropriate department for existing capital projects.
- Begin updating policy and procedures to facilitate application to DOH and DFCS.
- Begin work with IT/ Business Applications for creating new departments in the GEMS grant management system.
- Begin talks with Division of Finance (DOF) at Dept. of Administration and Office of Management and Budget (OMB) about updates to IRIS and Alaska Budget System (ABS) to facilitate the creation of two departments in each system.
- Establish reoccurring meetings with OMB and DOF

#### **February 2021**

- Prepare budget amendments and submit to OMB for approval before submitting to the Legislature by statutory deadline.
- Post SFY22 grant solicitations with reorganization information.
- Begin re-allocating capital funding to the appropriate department and division.
- Identify organizational impact for IT Governance and Portfolio Management System for DOH and DFCS.
- Continue stakeholder engagement through DHSS public employee townhalls, virtual session fly-in and townhall meetings with various stakeholder groups.

#### **March 2021**

- Negotiate Letters of Agreement and/or Memoranda of Understanding regarding layoff organizational units and references to DHSS in all collective bargaining agreements and active Letters of Agreement to reflect DOH and DFCS.
- Begin Public Assistance Cost Allocation Plan statistical updates in preparation for transition to DOH and DFCS.
- Begin work on designing cost allocation structures (activity codes) for DFCS in CapPLUS, cost allocation software, to pool costs for distribution through the CapPLUS Allocation Process.
- Establish a plan for how records tied to DHSS in GEMS, the Revised Program log, and other shared information systems will continue to be available to appropriate staff for records retention and reference for continuity.
- Finalize HIPAA entity determination and draft plan for DOH and DFCS department security office and privacy office service alignment.
- Begin discussions with federal partners about the reorganization; begin transition meetings.
- Meet with DOF to ensure continuity of accounting and payroll functions through transition.

- Continued stakeholder engagement through DHSS townhall meetings with various stakeholder groups, attend virtual session fly-ins as requested to discuss EO.
- Commissioner's office and Public Information Team (PIT) create and update public facing information webpage on the DHSS homepage for easy access to information regarding the reorganization.
- March 11, 2021; EO pulled from the First Regular 32<sup>nd</sup> Legislative Session

#### **April 2021**

- Review Department Policies and Procedures; design plan for updates into DOH and DFCS P&P's

#### **May 2021**

- Review Finance Processes; design plan for transition into DOH and DFCS.
- Begin FY2022 budgeted/unbudgeted Review.
- Copy IRIS Charts of Accounts from FY2021 into FY2022.
- Note – Cyberattack became IT top focus.

#### **June 2021**

- Review Department ALDER reports: design plan to separate and update for DOH and DFCS.
- Ensure Automated Authorized Budget (Auto AB) loads budget correctly in IRIS.
- Establish RSAs with other state agencies for services.
- Continued stakeholder engagement; townhall hosted by Alaska Children's Trust.

#### **July 2021**

- Work on plan for reappropriation for future transition to DOH and DFCS.
- Create Management Plan budget scenario for DOH and DFCS.
- Annual Comprehensive Annual Financial Report (ACFR) reporting to DOF.
- Continued stakeholder engagement on potential new executive order and answering questions.

#### **August 2021**

- Work on plan for reappropriation for future transition to DOH and DFCS.
- Annual Comprehensive Annual Financial Report (ACFR) reporting to DOF.
- Complete budget reappropriation for DHSS.
- Continued stakeholder engagement on potential new executive order and answering questions.

#### **September 2021**

- Annual Comprehensive Annual Financial Report (ACFR) reporting to DOF.
- Open item adjustments for DSS encumbrances.
- Continued stakeholder engagement on potential new executive order and answering questions.

#### **October 2021**

- Develop public education and awareness plan for beneficiaries, customers, vendors, and grantees.
- Met with groups, attended virtual session fly-ins as requested to discuss EO (Stakeholder outreach).

- Commissioner's office and Public Information Team (PIT) create and update public facing information webpage on the DHSS homepage for easy access to information regarding the reorganization.
- Review updated usage data to determine correct allocation of support staff for each department.
- Continue plan for IT licensing split and preliminary budget breakout.
- Establish reoccurring meetings on IT services easily split and determine the time and cost allocation.
- Prepare organizational charts for the Governor's FY2023 Budget.
- Determine expenditure allocations and corresponding revenue allocation for the Governor's FY2023 Budget.
- Determine appropriate department for existing capital projects.
- Begin updating policy and procedures to facilitate application to DOH and DFCS.
- Continued stakeholder engagement on potential new executive order and answering questions.

#### **November 2021**

- Prepare FY2023 Governor's Budget to be submitted to OMB.
- Reoccurring talks with Division of Finance (DOF) at Dept. of Administration about updates to IRIS facilitate the creation of two departments in IRIS.
- Met with OMB about updates to Alaska Budget System (ABS) to facilitate the creation of two departments.
- Continued stakeholder engagement on potential new executive order and answering questions.

#### **December 2021**

- Finalize FY2023 Governor's Budget and submit to OMB for approval.
- Department email to all staff from Commissioner; Department Support Services (DSS) email from Assistant Commissioner.
- Internal and external feedback emails publicized to respond to comments and concerns, and suggestions.
- December 15, 2021; Budget Release announced by Governor Dunleavy to include reintroduction of a new Executive Order to establish the Department of Health and the Department of Family and Community Services.
- Continue updating policy and procedures to facilitate application to DOH and DFCS.
- Internal town hall events scheduled with each division to discuss impacts and answer questions from DHSS employees.
- Continued engagement with stakeholder groups via meetings, virtual townhalls, and calls.

#### **January 2022**

- Internal town hall events scheduled with each division to discuss impacts and answer questions from DHSS employees. Please see the attached stakeholder engagement schedule, which includes the employee town hall schedule.
- Meeting with federal partner Administration for Community Living (ACL) on Governor's Council on Disabilities and Special Education Designated Service Agency (DSA) considerations with the department split.

- Continued engagement with stakeholder groups via meetings, virtual and in-person townhalls and calls.

### **February 2022**

- Complete work with IT/ Business Applications for creating new departments in the GEMS grant management system.
- Submit requests to Classification Services for any positions in the Partially Exempt Service that require Personnel Board approval.
- Continue engagement with stakeholder groups via meetings, virtual and in-person townhalls and calls.

### **March 2022**

- Break out IT enterprise licensing, divisional use only licenses, and PCN-specific client access licenses.
- Identify organizational impact for IT Governance and Portfolio Management System for DOH and DFCS.
- Register DFCS on SAM.gov, the federal government's system for award management.
- Define IRIS security and workflow for DOH and DFCS.
- Identify IRIS appointing authority/security contacts.
- Begin work on designing organizational units in the accounting system for tracking activities related to the new departments and each of the divisions.
- Begin work on designing chart of account element for expenditure tracking i.e.: activity, function, location codes.
- Create new security and folders in ALDER, the reporting system from IRIS.
- Continue work on designing cost allocation structures (activity codes) for DFCS in CapPLUS, cost allocation software, to pool costs for distribution through the CapPLUS Allocation Process.
- Implement plan for how records tied to DHSS in GEMS, the Revised Program log, and other shared information systems will continue to be available to appropriate staff for records retention and reference for continuity.
- Plan for shared resources on IT Governance and Portfolio Information Management System.
- Create a support matrix for IT Help Desk Coverage for DOH and DFCS.
- Continue discussions with federal partners about the reorganization; begin transition meetings.
- Meet with federal partners to determine requirements stemming from the reorganization.
- Continue engagement with stakeholder groups via meetings, virtual and in-person townhalls and calls.

### **April 2022**

- Submit draft position descriptions to Human Resources for new positions and positions that will be reclassified.
- Work with Department of Administration to establish separate profiles for DOH and DFCS in Workplace Alaska.
- Appear before Personnel Board regarding any requests for Partially Exempt positions.
- Establish CapPLUS cost allocation structures (activity codes) for DFCS to pool costs for distribution through the CapPLUS Allocation Process.

- Begin design of the Human Resource Management (HRM) Home Unit structure for tracking personal service expenditure by division in the HRM system.
- Complete IRIS chart of account assessment and updates for Medicaid; Title IV-E; and allocable activity codes.
- Establish internal audit protocols to ensure single state audit compliance for awardees of two departments.
- Create reports in GEMS for each new department while maintaining DHSS reports for retention.
- Identify department liaisons to work with on shared IT enterprise licensing and finalize direction on hybrid solution to determine HIPAA compliant accounts.
- Update existing sites domain name system (DNS) names and certificates.
- Begin the process of renaming and changing email addresses for all resource mailboxes, distribution groups, group calendars, and associated access security groups.
- Continue work with DOF to ensure robust plan to transition into FY2023.
- Continue meetings with federal partners on reorganization transition.
- Finalize outreach and education plan to beneficiaries, customers, vendors and grantees of DHSS.
- Continue stakeholder engagement through DHSS public employee townhalls, townhall meetings with various stakeholder groups.
- DOF updates the payroll financial structure for positions in both departments.
- Update Web Help Desk.
- Develop public education and awareness plan for beneficiaries, customers, vendors, and grantees.

#### **May 2022**

- Receive completed classification actions for reclassified positions.
- Begin recruiting for DSS vacancies created by reorganization for both departments.
- Setup new appropriations in IRIS after passage of appropriation bills.
- Begin department delegation of authority updates in preparation for reorganization to DOH and DFCS.
- Begin FY2022 budgeted/unbudgeted RSA requests.
- Begin labor distribution profile (LDP) setup for both DSS divisions, and IRIS HRM home unit setup.
- Work with DOF to update E-Travel profiles and one card hierarchy updates.
- In conjunction with DOF, develop plan to update field warrants and the single audit.
- Contract notification letter to all vendors regarding name change, effective 7/1/2021.
- Draft necessary Reimbursable Services Agreements (RSA) for any shared work for facilities staff.
- Review Office of Civil Rights Corrective Action Plan requirements and identify end users and compliance to ensure proper licensing and cost.
- Continue meetings with federal partners on reorganization transition.
- Implementation of outreach and education plan to beneficiaries, customers, vendors, and grantees of DSS.
- Begin Public Assistance Cost Allocation Plan statistical updates in preparation for transition to DOH and DFCS.
- Establish and finalize Reimbursable Services Agreements (RSA) required for DFCS Medicaid claiming and reporting.

- Continue stakeholder engagement through DHSS public employee townhalls, stakeholder and beneficiaries townhall meetings with various stakeholder groups.
- Copy IRIS Charts of Accounts from FY2022 into FY2023.

### **June 2022**

- Select candidates for vacant positions, obtain hire approval, and make job offers for both departments.
- Ensure Automated Authorized Budget (Auto AB) loads budget correctly in IRIS.
- Plan office moves to split Finance and Management staff into DOH and DFCS teams including the Commissioner's Office.
- Draft plan for core service chargebacks.
- Submit the Public Assistance Cost Allocation Plan (PACAP) amendments to US Department of Health and Human Services Cost Allocation Services amending the existing plan and creating a plan for DFCS.
- Establish RSAs with other state agencies for services.
- Work with Department of Transportation and Public Facilities (DOTPF) to assign state equipment fleet vehicles to the appropriate department.
- Update lease agreements with private lessors to reflect new departments.
- Update occupancy agreements for state buildings with DOTPF.
- Issue grant awards to recipients as DHSS.
- Work with DOTPF to update construction delegations.
- Establish plan for reappropriation for DHSS by DOH and DFCS staff.
- Work with DOA to update American with Disabilities Act (ADA) delegations for ADA coordinators for each of the departments.
- Establish Service Level Agreements (SLA) between the two new departments and the Office of Procurement and Property Management (OPPM), Office of Information Technology, Division of Personnel and Labor Relations, Shared Services of Alaska, and DOT Division of Facilities Services.
- Separate out licensing in State of Alaska Enterprise Technology License Agreements and Enterprise Agreements contracts to ensure compliance in both departments.
- Finalize plan for Department Security Office and Privacy Office service alignment for both departments.
- Outreach and education to beneficiaries, customers, vendors, and grantees of DHSS.
- Finalize implementation of requirements from federal partners.

### **July 2022**

- July 1, 2022 the Department of Health and the Department of Family and Community Services are established.
- Onboard new hires and transfers for each department.
- Implement reappropriation plan for DHSS to each of the respective departments.
- Create Management Plan budget scenario for DOH and DFCS.
- Annual Comprehensive Financial Report (ACFR) reporting to DOF.
- Amend or update grant agreements issued in June with new department names.
- Begin coordinated work to update domain name system names and certificates.
- Implement new help desk support matrix in Web Help Desk.

- Implement plan for automatically updating display name on email accounts and continue to monitor for when this function can be taken over by the normal IRIS process.
- Implement plan for resource mailbox, distribution group, and security group remediation for each department.
- Meet with new DFCS Leadership to discuss options for shared IT Governance and Portfolio Information Management System.
- Address any concerns that are received by DOH and DFCS transition and tribal liaisons.

#### **August 2022**

- Complete budget reappropriation for DHSS.
- Finalize necessary RSAs for each of the departments.
- Based on HIPAA entity determination and DOH/DFCS Commissioner priorities, establish plan for IT licensing controls and management of accounts that can be split.
- Begin implementation of approved strategies for IT Governance and Portfolio Management.
- Annual Comprehensive Financial Report (ACFR) reporting to DOF.
- Stakeholder post-implementation engagement
- Address any concerns that are received by DOH and DFCS transition and tribal liaisons.
- Continue through Stabilization Phase

#### **September – December 2022**

- FY2024 budget development including new performance measures for DOH and DFCS.
- Open item adjustments for DSS encumbrances.
- ACFR reporting.
- Complete final DHSS Single State Audit responses.
- Create two separate Operating Grant books for both departments.
- Continue implementation of approved IT strategies for Governance and Portfolio Management.
- Annual Comprehensive Financial Report (ACFR) reporting to DOF.
- Stakeholder post-implementation engagement .
- Address any concerns that are received by DOH and DFCS transition and tribal liaisons.
- Continue through Stabilization Phase.

#### **January – March 2023**

- Confirm correct reports established for audit reporting for both departments.
- Post SFY2024 grant solicitations for the two new departments.
- Stakeholder post-implementation engagement.
- Address any concerns that are received by DOH and DFCS transition and tribal liaisons.
- Continue through Stabilization Phase.

#### **April 2023 and Beyond**

- Negotiate and finalize outstanding PACAP amendments for DHSS and two new departments.
- Complete final DHSS Single State Audit responses for SFY2022.
- Stakeholder post-implementation engagement.
- Address any concerns that are received by DOH and DFCS transition and tribal liaisons.
- Continue through Stabilization Phase.