

32nd Alaska State Legislature



16 November 2021

Governor Michael J. Dunleavy
Office of the Governor
P.O. Box 110001
Juneau, AK 99811

<Delivered Electronically>

Dear Governor Dunleavy and Commissioner Crum:

Alaskans have received much needed support through pandemic relief funds from the Federal government and distributed by the State. These funds help local businesses weather workforce and supply chain challenges; expand resources so Alaskan families can keep food on the table; and better equip the healthcare and public health sectors, along with the Department of Health and Social Services (DHSS), to fight the spread of COVID-19.

While millions of dollars have been successfully distributed, there are some that have been significantly delayed. The delay is long enough that constituents now contact us with concerns regarding the distribution of funds and pandemic response capacity. We are writing to request updates from the administration that can help us inform our constituents and the general public.

Below, we highlight three common areas of inquiry and request specific information:

1. Pandemic Electronic Benefit Transfer (P-EBT)

The amended Families First Coronavirus Response Act of 2020 provides temporary emergency nutrition benefits for eligible children and families. The state was approved by the USDA Food and Nutrition Service to receive and distribute these funds in three rounds. Round 1 missed many eligible families due to initial delays in rollout, and it took significant time for those families to be issued back benefits. Round 2 was meant to be distributed in July 2021, but has been delayed at least twice and has not been distributed. Delays in distribution are harming the health of our children and families who need support. **The amount of support for each eligible child can be as much as \$2400 per year – more than twice the 2021 PFD.** This additional money spent on food means fewer hungry families, more money in our economy, and more dollars available to go to other costs.

We ask the following questions regarding P-EBT:

- What issues delayed the initial distribution and subsequent back issuance of Round 1 P-EBT funding? (Note: This delay occurred prior to the May 2021 cyberattack on DHSS.) How can these issues be addressed for subsequent rounds?
- If the cyberattack on DHSS in May 2021 contributed to the delay of Round 2, what efforts were made/are being made to find alternate methods of funding distribution?
- When will Round 2 P-EBT funding be distributed, and over what timeframe?
- What effort is the Division of Public Assistance making to inform families about Round 2 P-EBT delays and/or timeline for distribution?
- What resources are needed by the Division of Public Assistance to support timely distribution?
- Did the reduced Division of Public Assistance workforce (and persistent vacancies) contribute to delays in distribution? Will additional personnel be hired to facilitate distribution of the funds and return to the approved plan timeline? If so, what is the associated timeline? If not, why, and what other alternate actions are being taken?
- Does DHSS intend to participate in Round 3 of P-EBT benefits? What steps are being taken to ensure that benefits are distributed in a timely manner?

2. Public Health Nursing (PHN)

According to the FY22 DHSS Nursing Component Budget Summary, Public Health Nurses (PHNs) in Alaska have targeted six core areas relevant to COVID-19: contact investigation/monitoring, testing, increasing healthcare capacity, increasing community capacity, increasing Tribal/rural capacity, and building COVID-19 response infrastructure. They have been a critical component to Alaska's pandemic response and have worked tirelessly to protect Alaskans. In the few years preceding the pandemic, the number of PHN PCNs was reduced through budget cuts, and the vacancy rate as of August 2021 was approximately 30%. **Funding is available to fill the vacant PHN positions (20+ PHN nurses had long term vacancies according in an August 2021 vacancy report), yet only a handful of PHN positions appear to have been publicly posted.**

We ask the following questions regarding PHNs:

- What is the current vacancy rate?
- Is it correct that five positions are publicly posted? If so, why aren't the remaining positions posted? Are there internal hires occurring instead?
- What delayed posting the PHN positions?
- What efforts are being made to recruit for the vacant PHN positions?
- What resources are needed by DHSS to recruit for and fill the vacant PHN positions?
- What are the locations of the various vacant PHN positions (posted and not posted)? How is this impacting equitable responses to COVID-19?
- What is the status of the approved PHN funding if it is not being applied to fill these positions?

3. Childcare Relief

COVID-19 has significantly impacted childcare providers, who are experiencing reductions in enrollment, safety-related limits to capacity, difficulties in hiring and retaining staff, and challenges to making payroll. Pre-pandemic, childcare in Alaska already did not meet demand, was exceptionally costly to families, and posed significant challenges to caregivers returning to the workforce. Mid-pandemic, these challenges have been exacerbated.

It was a welcome development when the State of Alaska received \$95 million in childcare relief funds in Spring 2021. Unfortunately, months later, only \$5 million will have been distributed in Fall 2021 (but just \$1.5 million were distributed as of testimony by the Division of Public Assistance during the 10/27/21 House Labor and Commerce hearing), applications for the next round won't be available until some time between January and March, and it is unclear when the next round of funding will be distributed. **According to public comments made by the Division of Public Assistance, it will be well over a year before the remaining 95% of funds will be available to childcare centers who need it now.**

We ask the following questions regarding Childcare Relief:

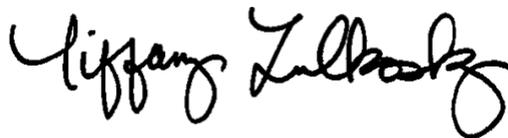
- What specific issues contributed to the delay in distributing the first \$5 million in childcare relief funds? If the cyberattack on DHSS in May 2021 contributed to the delay, what efforts were made/are being made to find alternate methods of managing funding distribution? If coordination with the collaborating partner contributed to the delay, what efforts were made/are being made to improve coordination? If the need to collect provider input contributed to the delay, how can existing resources/mechanisms/programs be leveraged moving forward?
- When will the second round of funds be distributed? Who will be the partner agency? If challenges to reviewing applications and distributing funds in the first round persist, how will they be eliminated or minimized ahead of Round 2? What lessons were learned, or what data were collected, in Round 1 that can be applied to accelerate Round 2?
- How many additional rounds of funding are anticipated, when, and in what amounts?
- What additional resources are needed by the Division of Public Assistance to support timely distribution?
- Did the reduced Division of Public Assistance workforce contribute to delays in distribution? Are there plans to hire additional personnel to engage with providers, post applications, review submissions, and distribute funding? If so, how many and when? If not, why?

We thank DHSS and division leaders for their herculean efforts in responding to the pandemic, and we thank you in advance for helping us better understand the challenges to, and solutions for, distributing remaining federal funds to Alaskans. These funds are critical to the health and economic recovery of our state, and we look forward to sharing your updates with our constituents and the general public.

Signed,



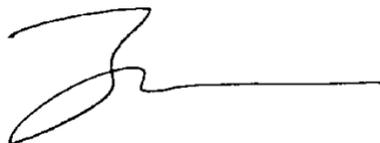
Representative Liz Snyder
House Health & Social Services, Co-Chair



Representative Tiffany Zulkosky.
House Health & Social Services, Co-Chair



Representative Ivy Spohnholz



Representative Zack Fields

CC: Heidi Hedberg, Department of Health & Social Services, Division of Public Health Director
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