

# Evaluation of Intellectual and Developmental Disability Provider Organizations

# Trust

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## Alaska Mental Health Trust Authority

Prepared by: Effective Health Design  
Sandra J Heffern, PhD  
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***“The providers reviewed are not failing, but they are struggling.”***

The report’s core conclusion is structural: Alaska’s provider network remains mission-driven and operational, but it is stable only with limited buffer for additional shock.





**\$126M**

annual services across reviewed providers



**≈1,800**

Trust beneficiaries served annually



**6+**

regions represented statewide



**Stable, but capacity-constrained**

central finding

# Provider network profile

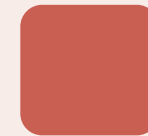
Across 10 legacy organizations



**3 small / 4 mid / 3 large**  
revenue mix by  
organization size

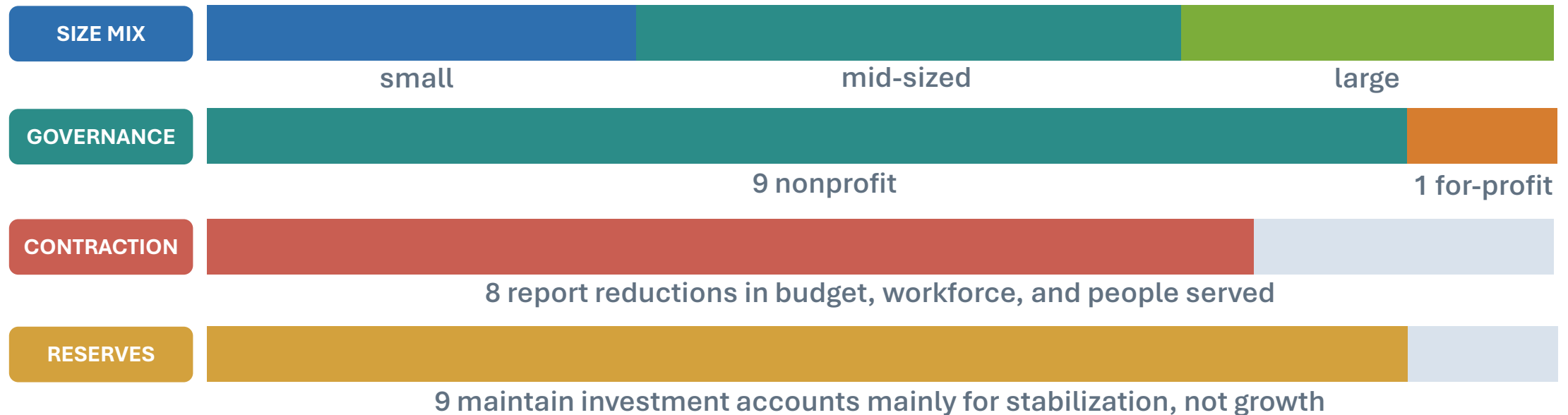


**4 deficit / 5 surplus /  
1 even**  
current financial position



**6 of 10**  
executive turnover in  
past 2 years

## Structural pattern across the network

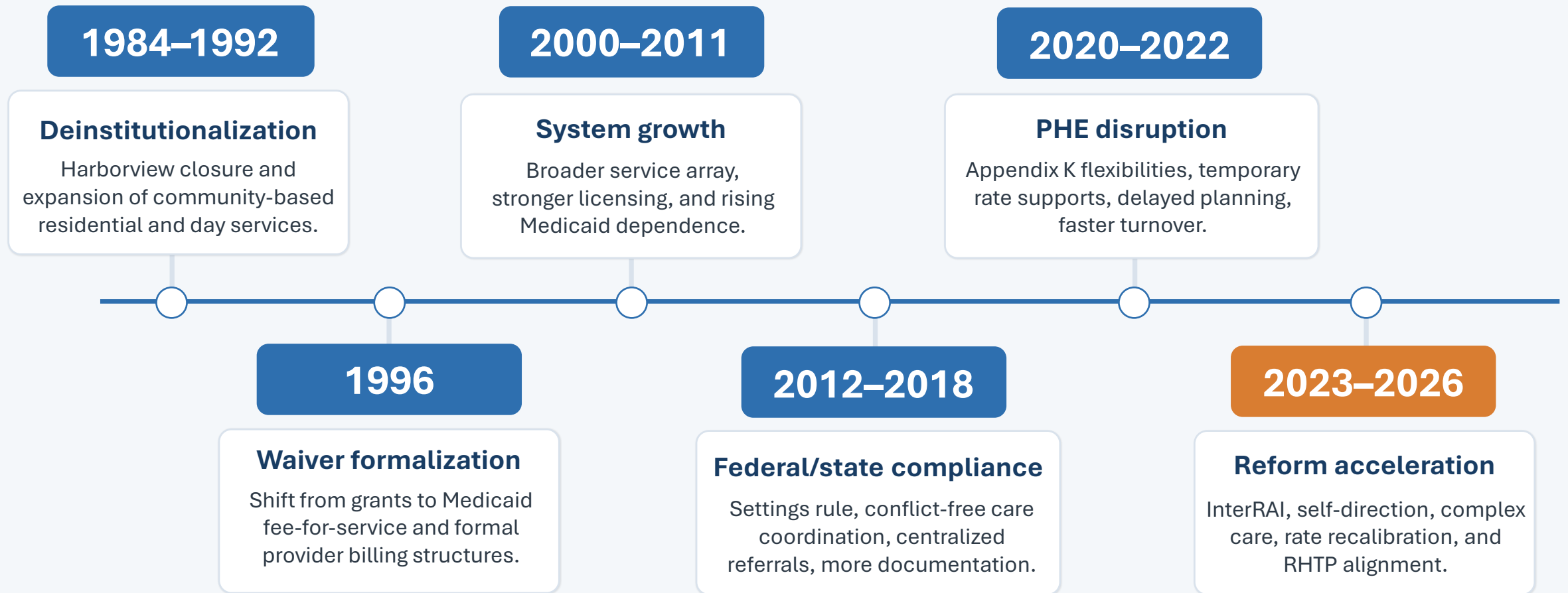


- Network includes small, mid-sized, and large organizations — but no segment operates in a low-risk environment.
- Larger providers carry higher fixed costs; smaller providers have less staffing redundancy.
- Thin margins and reserve use reflect volatility buffering, not expansion capacity.
- Leadership transition raises risk during an already unstable workforce period.



# How Alaska's HCBS framework evolved

Four decades of policy layering



Today's operating environment reflects cumulative policy decisions rather than a single recent change.

# What is driving sustainability risk today

Current operating environment

## 1 Workforce shortages

Persistent vacancies, turnover, wage pressure, and cross-sector competition constrain real capacity.

## 3 Administrative expansion

Documentation, audits, electronic systems, licensing, and coordination consume leadership bandwidth.

## 2 Financial strain

Underutilization, wage compression, and higher overhead narrow already thin margins.

## 4 Leadership transition

Six organizations have new executive leaders while reforms and workforce stress are accelerating.

**1** Rate reform is necessary but not sufficient

**2** Administrative simplification matters as much as reimbursement

**3** Reform sequencing and buffering reduce destabilization risk

## What other states suggest (cont.)

### MINNESOTA

Simplify service design and documentation while recalibrating rates.

### COLORADO

Build self-direction infrastructure before accelerating expansion.

### WASHINGTON

Keep documentation focused on service and outcomes — not excessive narrative.

### PENNSYLVANIA

Tie workforce strategy to quality expectations and provider engagement.

### SMALLER STATES

Centralized coherence can help, but Alaska's geography makes pacing more important.

# Readiness for concurrent reforms

The issue is interaction, not whether reform is warranted

**InterRAI eligibility & allocation**

**Guidehouse-informed rate recalibration**

**Self-directed services**

**Complex care initiatives**

**RHTP alignment & cross-sector reporting**

Main risks if reforms are layered too tightly: underdelivery despite authorization, faster turnover, provider reluctance to join pilots, leadership fatigue, and regional access gaps.

## Short term | 0–24 months

### Stabilize and establish a baseline

- Track vacancy, turnover, utilization, referral timing, and leadership risk.
- Anchor near-term implementation to realistic deliverability assumptions, not just authorization.
- Assess feasibility of shared infrastructure.
- Support executive onboarding.

## Mid term | 2–5 years

### Align policy design with service reality

- Use scenario testing to see how InterRAI, rate changes, and self-direction interact.
- Develop voluntary shared services / Community Care Hub functions.
- Shift oversight emphasis from authorization to actual delivery and service gaps.

## Long term | 5+ years

### Build durable, adaptive system resilience

- Treat provider sustainability as part of Alaska's HCBS access framework.
- Plan for future demand, including youth transitions and rural continuity.
- Institutionalize ongoing system-integration review before major policy changes.

# Where the Trust can make the biggest difference

Distinct role in system stewardship

## Convene

Cross-agency leadership to align implementation expectations.

## Measure

Statewide sustainability monitoring using common indicators.

## Strengthen

Technical assistance for financial modeling, governance, and succession.

## Coordinate

Exploration of shared services, Community Care Hub, and back-office models.

## Evaluate

Ensure reform scorecards include deliverability, not only authorization.

## Bottom line

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**Alaska's IDD provider network is still functioning because providers are absorbing system pressure — not because the system has ample capacity.**

**Align policy ambition with operational capacity.**

**Address sustainability alongside reform implementation.**

**Protect statewide access by preserving provider resilience.**

# QUESTIONS



Protect access by preserving provide you