

Greetings:

I want to share some exciting news with you about our role during this historic time of health care reform.

Earlier today in Seattle, Governor Gregoire outlined some bold and innovative steps she is taking to ensure that Washington State continues its leadership role as national health care reform becomes reality. Among those steps is to appoint Doug Porter, Health and Recovery Services Administration Assistant Secretary, to the Cabinet position of Administrator of the Health Care Authority. As part of his role, Doug will continue to serve as State Medicaid Director. Doug is the perfect choice and I am confident he will do a terrific job. Steve Hill will continue to serve as the Director for the Department of Retirement Systems and will be a key advisor to the Governor and her newly created Health Care Cabinet.

The Health Care Cabinet, composed of Doug, Department of Health Secretary Mary Selecky and me, will work with other state agencies and key stakeholders to ensure that Washington State is a smart purchaser of health care and is ready to lead the nation in health care reform. In addition, this restructuring will allow us to more fully participate in the development of new federal regulations and will model and inform those regulations to build what will become the health care system of the 21st century.

Beginning May 1st, Doug will assume his new responsibilities for key Health Care Authority programs and continue guiding all functions related to Medicaid purchasing of health care. During this transition, I will delegate Medicaid related authority and staff to Doug as the Administrator of the Health Care Authority and as State Medicaid Director. All of these staff will maintain current reporting relationships and continue as employees of the Department of Social and Health Services.

Also effective May 1, David Dickinson and his Division of Behavioral Health and Recovery will report to the Aging and Disability Services Administration; Duane French and the Division of Disability Determination Services will report to the Economic Services Administration; and Richard Kellogg and the Mental Health System will report to the Office of the Secretary. The Regional Service Network contract staff in the Division of Healthcare Services will transition to David's division, while the rest of the medical assistance divisions (budget code 080) will continue reporting to Doug.

Through the leadership of the Governor and the Health Care Cabinet we will thoughtfully plan for the realignments necessary in state government to implement health care reform most efficiently, extend coverage to more Washingtonians, and improve the quality of care while restraining cost inflation.

Please join me in congratulating Doug in his new role. I look forward to our continued work together in providing leadership during this historic era of reform. I know I can count on you to join me in leadership to extend our vision, mission, and "[One Department](#)" impact statement to more Washingtonians.

Susan N. Dreyfus
DSHS Secretary



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TO: Health and Recovery Services Administration employees
FROM: Doug Porter, Assistant Secretary/State Medicaid Director
SUBJECT: Realigning Washington State's Health Purchasing Agencies

Earlier today, in Seattle, Governor Gregoire announced that I will become Administrator of the Health Care Authority, as well as State Medicaid Director, effective May 1. This is another step forward on a journey that began earlier this year, when the Governor outlined a plan to better coordinate the state's health purchasing practices and policies.

This is not a new idea, but a continuation of a process that began back in the 1990s. It continued throughout the last decade, informing the key strategies outlined by the state's Blue Ribbon Health Commission in 2007.

This is also the path of national health care reform. The new way, outlined in January by the Governor and authorized today, is Washington State's best hope of bridging today's health purchasing to the era of reform. Today, only a week after Congress passed landmark health-care reform legislation, we take another long step forward by bringing together the Medicaid program and the major health purchasing authorities in state government.

HCA Administrator Steve Hill will continue to head the Department of Retirement Systems, and he has graciously offered to assist me in any way he can to assure a smooth transition. I also want to express how honored I am that the Governor has offered me the career opportunity of a lifetime.

I know this announcement will prompt many questions from some of you since there is uncertainty about exactly what the final shape of these moves will be. For the moment, I can say that we will be working to answer those questions over the next six months to a year in a new gubernatorial Health Care Cabinet that includes me, Secretary Dreyfus, Department of Health Secretary Mary Selecky, the Director of the Office of Financial Management, the Governor's Executive Policy Office Director, and other health-related agencies as needed.

Effective May 1, David Dickinson and his Division of Behavioral Health and Recovery will report to the Aging and Disability Services Administration; Duane French and the Division of Disability Determination Services, will report to the Economic Services Administration, and Richard Kellogg and Mental Health Systems will report to the Office of the Secretary. The Regional Support Network contract staff in the Division of Healthcare Services will transition to David's division, while the remainder of the medical assistance divisions (budget code 080) will continue to report to me.

We do not anticipate any physical moves, and the routine personnel and payroll services will continue to be handled by the Department of Social and Health Services. You and I will continue to be employees of the Department of Social and Health Services.

Please join me in taking advantage of this historic opportunity to implement national health care reform, extending coverage to more Washingtonians, and improving the quality of that care while restraining cost inflation.