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Sundwall resigning as Utah's top health official

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Saying it's time for a new leader to take over the Utah Department of Health, David Sundwall announced his resignation as executive director Tuesday.

But the 69-year-old, who has held the job for six years, stressed he is not retiring: He plans to continue to train future doctors as a professor at the University of Utah's Division of Public Health; he is co-editor of an upcoming public-health textbook; and he will continue his national role in helping advise Congress about Medicaid.

"Now's the right time for me to go. I wasn't asked to resign," Sundwall said.

Still, just two weeks ago, he told The Salt Lake Tribune he considered "job security" more important than pursuing other career goals and said he had no plans to leave the department. And his resignation comes amid increasing scrutiny of the Health Department's handling of Medicaid, which has seen its enrollment — and costs — swell during the economic downturn.

Sundwall was recently battered by a legislative audit indicating that a Health Department-run medical clinic was overcharging Medicaid.

As a volunteer physician at the clinic, Sundwall was embarrassed to learn he had incorrectly coded information, but he said it was simply a mistake since there was no financial incentive to do so.

A 2009 audit had previously warned that millions of dollars were being wasted on medical procedures that weren't covered by



Medicaid due to a lack of strong oversight, prompting then-Utah House Speaker David Clark to call Health Department leaders “lazy and sloppy.” Clark, R-Santa Clara, declined to comment on Sundwall’s resignation.

Sundwall complied with auditors’ recommendations for beefing up oversight of Medicaid, but he initially downplayed some of their findings — drawing further examination.

Frustrated by Medicaid’s rising expenses, lawmakers plan to scour the program for waste during the upcoming legislative session. They have reorganized appropriations committees to consolidate Health, Human Services and Workforce Services — all areas that draw Medicaid dollars — in an effort to keep better tabs on spending.

Sundwall defends the public-health insurance program, which now covers more than 240,000 low-income Utahns, saying it is being demonized.

“Medicaid is not a monster. It helps people in need,” he says.

In his resignation letter to Gov. Gary Herbert, Sundwall suggested the governor’s top Health Department priority should be to maintain and strengthen Medicaid, even as some lawmakers have suggested opting out.

“I hope that you, as governor, will lend your strong support to constructive dialogue about how to improve our service to those who are entitled to Medicaid,” Sundwall wrote.

As vice chairman of the federal Medicaid and Children’s Health Insurance Program Payment and Access Commission (CHIP), Sundwall will have a national platform to defend the two programs.

Funded by the federal health care reform law, the commission will review and make recommendations on the programs’ payment and eligibility programs and quality of care.

Rep. Paul Ray, R-Clearfield, leader of the House Health and Human Services Committee, said he is sad to see Sundwall go. Ray credits Sundwall for making the Health Department more proactive — and thus prepared to take on issues such as the H1N1 outbreak.

“He did an excellent job articulating for the department,” Ray said. “He was very upfront and honest about things. That’s all you can ask for.”

Sundwall and others point to accomplishments during his tenure overseeing a department with a \$2 billion budget (with all but \$211 million going to Medicaid) such as: taking steps to address prescription drug overdose deaths; building a new public-health lab; increasing access to CHIP; reducing the cost of prescriptions bought with Medicaid; and positioning Utah as a leader in health information technology.

“The recession and Medicaid caseload growth left him with little room to maneuver on his many laudable and ambitious goals,” said Judi Hilman, executive director of the Utah Health Policy Project. That he was able to do so much, she said, “speaks volumes about what we’re giving up with David’s resignation.”

Sundwall is expected to step down by the time the legislative session starts in the middle part of this month. Herbert hasn’t named a replacement.

In a statement, the governor thanked Sundwall for his service.

“His leadership on critical public-health matters such as the state’s response to the H1N1 pandemic has literally saved lives,” Herbert said.

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What's next?

P Gov. Gary Herbert is evaluating candidates to lead the Utah Department of Health, a spokeswoman said. Sundwall is expected to depart before the legislative session starts in the middle of the month.

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Achievements in health

Resigning Executive Director David Sundwall notes these accomplishments by the Utah Department of Health during his tenure:

The development of health information technology projects, such as the All Payer Claims Database and the Clinical Health Information Exchange.

The state's vaccination and education response to the H1N1 influenza pandemic.

Initiatives to address Utah's epidemic of prescription drug overdose deaths.

Construction of the new Unified Public Health Laboratory building, which replaced a decades-old facility on the University of Utah campus.

Implementation of open enrollment in the Children's Health Insurance Program (CHIP), which ensures all children who qualify for CHIP can access it.

The creation of a Medicaid Preferred Drug List, which saves Utah taxpayers millions of dollars every year by guiding Medicaid clients to drugs available at the best possible prices.

A reorganization of the department that saved taxpayers nearly \$1 million.

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