



TEXAS

Health and Human
Services Commission

**TRANSITION LEGISLATIVE
OVERSIGHT COMMITTEE**

*Commission Update on Health and Human
Services Transformation*

**Austin, TX
December 14, 2004**

- **HHS Agency Consolidation**
- **HHS Administrative and Support Services Consolidation**
- **HHS Human Resources Project**
- **Reports from Agencies**
 - **Department of State Health Services**
 - **Department of Aging and Disability Services**
 - **Department of Assistive and Rehabilitative Services**
 - **Department of Family and Protective Services**



HHS Agency Consolidations

Bill Campbell

H.B. 2292 set a new direction for improving the delivery of health and human services for Texas...

- Build an organizational structure that is rational
- Consolidate or better coordinate administrative systems
- Structure programs based on similar processes to maximize efficiencies in delivery and improve service delivery

...with a renewed focus on measurable performance outcomes that matter...

- Improved client services
- Reduced administrative costs

...with strengthened accountability and more effective use of tax dollars.

The HHS System in June 2003

- Consisted of 12 agencies
 - Developed without comprehensive plan over a long time
- Blurred lines of accountability and authority
- Limited ability to function as an integrated system
- Redundant and inefficient administrative structures
- Clients often had to navigate multiple agencies to receive services



Major Accomplishments to Date

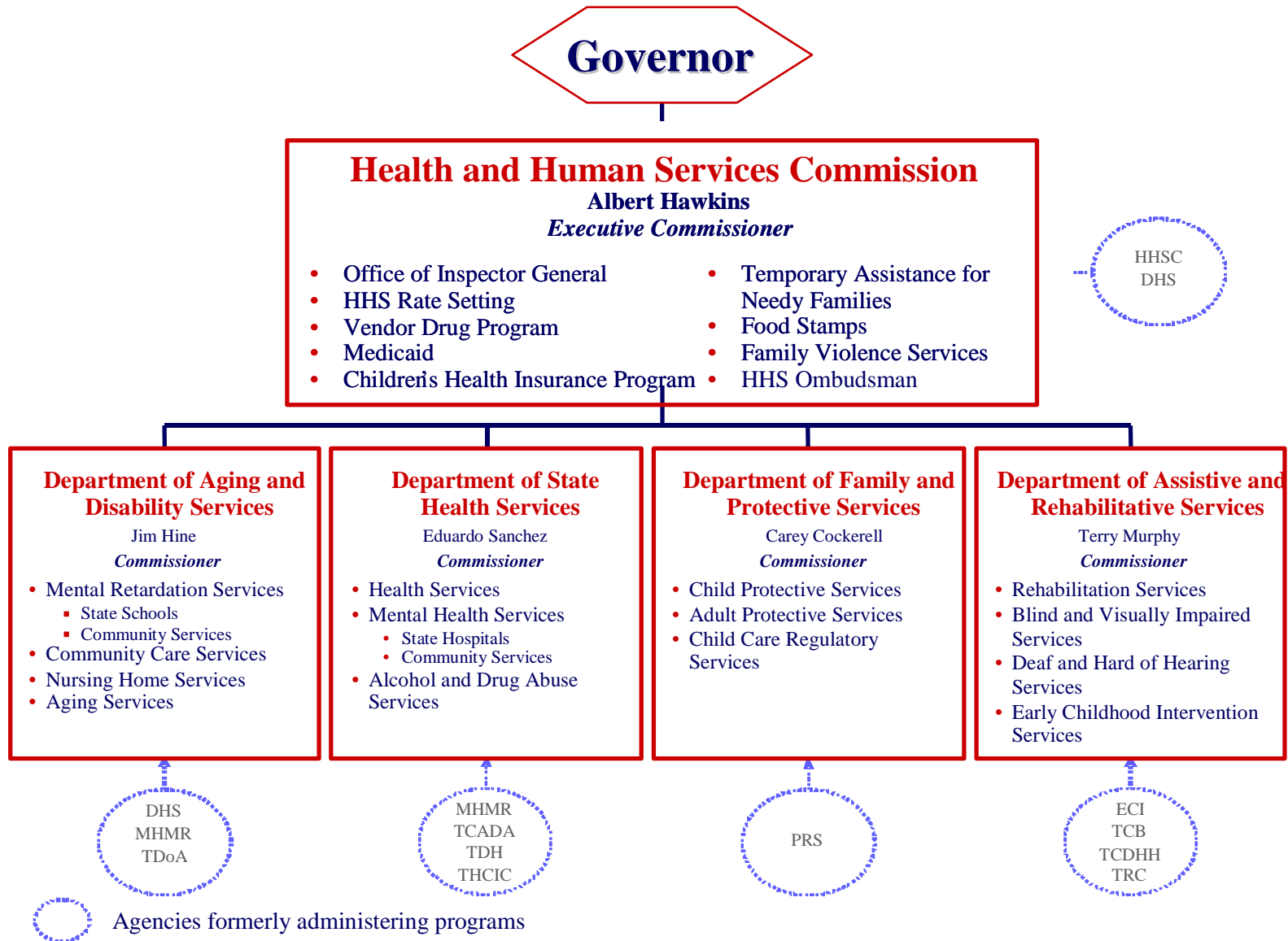
- Created four new departments while continuing to deliver client services.
 - DFPS began operations February 1, 2004
 - DARS began operations March 1, 2004
 - DADS began operations September 1, 2004
 - DSHS began operations September 1, 2004
- Guided by a Transition Plan approved by the Transition Legislative Oversight Committee in November, 2003.
- Accomplished transition of 46,000 employees to new agencies.
- Consolidation was accomplished while maintaining services.

Agency consolidations have produced a number of benefits and created a foundation for future improvements:

- Eligibility determination for closely related services is now located in one agency (**HHSC**).
- A single agency (**DSHS**) is now able to address physical and mental health needs, including substance abuse, in a coordinated way.
- A single agency (**DADS**) now has long-term care services as its primary focus.
- A single agency (**DARS**) is now in a position to leverage resources to enhance the assistive and rehabilitation services provided to several client groups.
- **DFPS** can now enhance its focus on client services due to the consolidation of administrative support functions.
- The Office of Inspector General provides stronger audit and investigation capacity.
- A new structure of governance and accountability promotes the goal of functioning as an **integrated system** rather than a loosely related group of independent agencies.



Overview of HHS System





HHS Administrative and Support Services Consolidation

HB 2292 Envisioned HHSC as a Central Provider of Support and Administrative Services for HHS Agencies

- Goal was to eliminate redundancy, obtain economies of scale and improve coordination.

The Organizational Consolidation of Most Support Functions is Complete

- Human Resources was consolidated effective June 1, 2003.
 - agencies began using the same Human Resource policies in June, 2004.
- Administrative Procurement/Contracting was consolidated October, 2003.
- The Office of Inspector General was created effective January, 2004.
- Strategic Planning was consolidated effective February, 2004.
- The Civil Rights function was consolidated effective March, 2004.
- A centralized Ombudsman function was created effective May, 2004.
- Leasing and Facilities Management was consolidated effective June, 2004.



Information Resources Has Been Consolidated Where Beneficial

- A framework for system-wide management of information resources was adopted.
- Agencies primarily retain responsibility for supporting their unique specialized systems.

Evaluation of Potential Financial Services Consolidation is Continuing

- Agencies began using the same automated financial system on September 1, 2004.
 - project was completed three years ahead of schedule with a savings of \$12.8 million



Legal Services Consolidated Where Beneficial

- HHSC established a System Legal Services section within the Chief Counsel Division to support HHSC oversight and consolidated HHSC administrative, compliance and policymaking functions.
- Each agency will maintain an in-house office of general counsel focused on the unique legal issues of agency programs.

Consolidation of Regional Administrative Services

- HHSC has initiated a review of options for consolidating, standardizing, and improving administrative services that support staff and operations throughout the state.



Administrative & Support Services Consolidation

HHSC already has accomplished significant savings in administrative services due to consolidation of:

Support Function	Savings (All Funds), 2004-05
Purchasing	\$ 5.8 million
Information Resource Management	\$ 4.3 million
Leasing & Facilities Management	\$ 1.6 million
Financial Management	\$ 3.6 million
Other Support	\$15.0 million
Total	\$30.3 million
Savings in Employee Benefits	\$ 9.7 million
Grand Total	\$40.0 million

Note:

- Other Support includes a variety of agency functions affected by consolidation, including media services, library, data analysis and reporting, internal audit and program management.





Human Resources Project

Dr. Wanda Thompson

RFP published Summer 2004

Contract signed October 15th with Convergys

Scope of contract services:

- **Human Resources**
- **Payroll**
- **Time and Leave**
- **HSAS HRMS(PeopleSoft) production support**

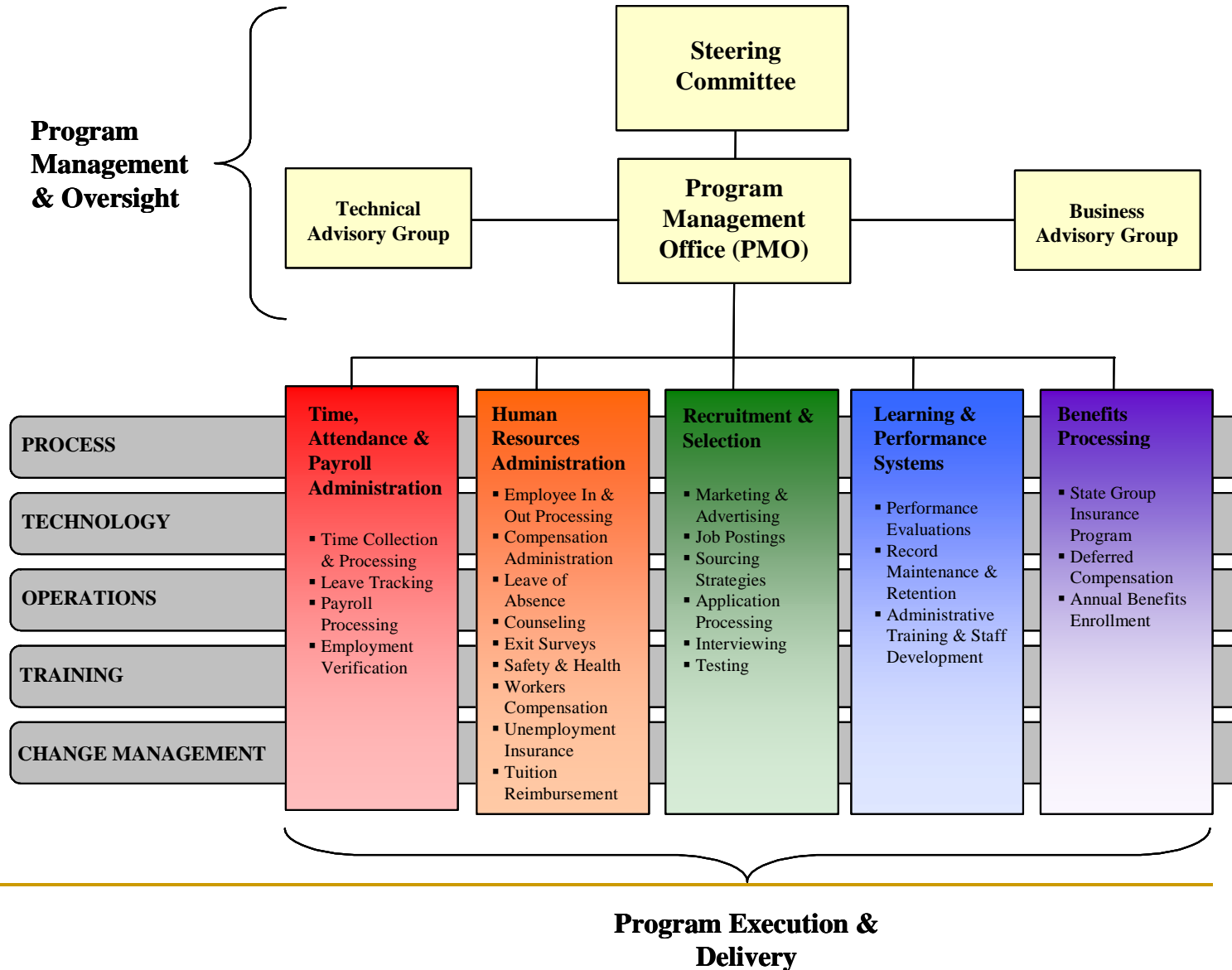


Basic Contract Terms

Term of the Agreement – 5 years not to exceed \$85 million
Reduction in costs (all funds) over the 5 year period
anticipated to be approximately \$45 million
Compliance with the HHS Uniform Terms and Conditions
Operating Plan
Tailored remedies and performance metrics
Fidelity bond
Limitation of liability
Convergys Corporate guarantee
Change order process
Opportunity to expand agencies in scope



Project Governance



Service Delivery Model

- Self-service via employee and manager web sites and Interactive Voice Response (IVR telephone) system
- Customer Service Call Center Convergys employees
- State stay-back Human Resource and Payroll employees

Retention strategies have been implemented

- Retention pay of \$3000 for critical HR/Payroll positions
- Priority consideration for vacant positions in HHS agencies
- Leave options to include ability to run out vacation, compensatory time

Displacement: no reductions in force will take place prior to August 2005



Employees will be able to:

- View leave balances and submit leave requests and timesheets
- View earnings statements
- Take on-line computer based training courses
- Change personal information (e.g. home mailing address)
- Submit application for employment

Managers will be able to:

- Initiate a job posting
- Submit personnel actions for merit increases and promotions
- Complete performance evaluations
- Build organization charts
- View reports (e.g. turnover rate)



Convergys Service Center employees will:

- Be available from 7:00 a.m. to 7:00 p.m. (CST)
- Provide assistance to employees and managers via toll-free phone line (1-888-TX-HHS-HR) in English & Spanish
- Provide information and assistance to external applicants pursuing employment with HHS agencies
- Coordinate employment verifications and testing for applicants
- Conduct job classification audits
- Perform payroll reconciliation
- Support payroll error/exception processing
- Perform initial accident investigations
- Reset PINs and passwords
- Process mass data changes
- Support the PeopleSoft HHSAS HRMS production system



State Human Resources and Payroll employees will:

- Provide contract oversight
- Write Human Resources and Payroll policy
- Provide employee relations support
- Certify payrolls
- Administer sick leave pool programs
- Perform workforce planning
- Provide ad hoc reporting



January 2005

- **Business Operations Defined**
- **Initial Web Site Published**

April 2005

- **Service Center Initial Operations**
 - **Worker's Compensation**
 - **Unemployment Insurance**
 - **Benefits**

May 2005

- **On-line Recruitment & Selection**
- **Executive Dashboard – Organizational Statistics**
- **Staff Training and Development**

August 2005

- **Full Service Center Operations**





Department of Assistive and Rehabilitative Services

Terrell I. Murphy



DARS administers the programs previously provided by the:

- **Texas Rehabilitation Commission**
- **Commission for the Blind**
- **Commission for the Deaf and Hard of Hearing**
- **Interagency Council on Early Childhood Intervention**



DARS Vision

- **A Texas where people with disabilities and families with children who have developmental delays enjoy the same opportunities as other Texans to pursue independent and productive lives.**

DARS Mission

- **To work in partnership with Texans with disabilities and families with children who have developmental delays to improve the quality of their lives and to enable their full participation in society.**



DARS achieves its mission by

- **Helping put Texans with disabilities to work**
- **Helping Texans with disabilities to live independently in their communities**
- **Preparing children with disabilities to meet their educational goals**
- **Providing time-limited services to decrease longer-term costs**
- **Expending \$3 of federal funding for every \$1 of state General Revenue**



Better Services for the Deaf and Hard of Hearing

- **Merging the Division for Deaf and Hard of Hearing Services with the Division for Rehabilitative Services, resulting in an estimated \$500,000 to \$1,000,000 in additional federal vocational rehabilitation funds for consumer services.**
- **Increased coordination of service delivery among DARS divisions.**
- **Identified specialized resources within DARS and communicated their availability to the deaf and hard of hearing community.**
- **Increased ability to track number of consumers using services across more than one DARS division.**
- **Coordinating staff training between divisions.**



A single point of contact for information about department programs and services

- **Integrating the information, referral and complaints-handling functions into one office to increase capacity, efficiency, and consistency.**
- **Providing a single “front door” for DARS consumers seeking services.**
- **Will provide deaf and hard of hearing clients an accessible 800 line (TTY) for reaching the agency.**



Simplified Social Security Reimbursement Process

- **DARS receives reimbursement for serving Social Security beneficiaries in the vocational rehabilitation program.**
- **Workgroup identified best practices in DARS and other states for claiming and maximizing reimbursement.**
- **DARS modified its business processes to increase reimbursements and to centralize the function.**
- **Reimbursements are expected to increase by up to \$500,000 in FY 2005.**



Workplace Practices Plan

- **A cross-section of more than 70 employees participated in a project to identify “workplace practices.”**
- **The purpose was to promote staff satisfaction, exemplary performance and decrease staff turnover.**
- **Weekly meetings conducted via NET meeting resulted in twelve recommendations, currently being considered by DARS management.**
- **Recommendations address staff training, career advancement, peer and self evaluation and performance rewards.**



Maintaining Client Services in 2006-2007

- **DARS evaluated its broad array of programs to identify new financing options that would maintain services for 14,000 persons with 5% less General Revenue.**
- **Programs benefiting from method of finance proposal include:**
 - **Vocational Rehabilitation**
 - **Independent Living**
 - **Deaf and Hard of Hearing**
 - **Blind Children**





Department of State Health Services

Eduardo Sanchez, M.D., M.P.H.



Mission and Responsibilities

Mission

DSHS promotes optimal health for individuals and communities while providing effective health, mental health and substance abuse services to Texans.

Responsibilities

- **Promoting healthy lifestyles among Texans to help them avoid preventable diseases, conditions, injuries and death.**
- **Working with local communities to ensure early detection, preparedness and response to disease outbreaks and disasters.**



Responsibilities (continued)

- **Community medical, mental health and substance abuse services through contracts and reimbursement of uncompensated care.**
- **Improving the health of women, infants and children up to age 5 who are low-income and at nutritional risk through supplemental nutrition – WIC.**
- **Regulatory programs to ensure quality of health care facilities and professionals and to protect consumers.**
- **Hospital-based physical and mental health services.**



Optimization Projects

- **Better coordination of the Community Preparedness Section by integrating bio-terrorism preparedness, mental health disaster response, and infectious disease tracking.**
- **Realignment of laboratory services to better utilize expertise and improve customer service.**
- **Reorganization of regulatory programs along functional lines.**
- **Disease Management has been implemented in the Mental Health Services system to improve services and efficiency.**



Optimization Projects

- **The Center for Health Statistics improved consistency and accessibility of key Texas health information.**
- **Planned expansion of integrated web-based technology for mental health and substance abuse services.**
- **Partnership between UTMB and NorthSTAR to enhance services to indigent clients, including expansion of New Generation Drugs and telemedicine sites.**



Key Transformation Issues for the Future

- **HB 2292 creates the opportunity to treat the whole person.**
- **Where medical, substance abuse and mental health professionals work together, patient outcomes improve.**
- **The challenge of a changing Texas requires us to think creatively about how these services are delivered.**
- **Investment in evidence-based prevention yields long-term cost savings for Texans.**





Department of Aging and Disability Services

Jim Hine



Administers long-term care services and supports for older people, people with physical disabilities and persons with mental retardation.

Licenses and regulates providers of these services.

DADS vision is for older Texans and persons with disabilities to be supported by a comprehensive and cost-effective service delivery system that promotes and enhances individual well-being, dignity, and choice.



DADS delivery system is comprised of the following key components:

- **Comprehensive array of services**
- **Local access**
- **Partnerships**
- **Self determination**
- **Consumer rights**



Guiding Principles

Customer Focus

Teamwork and Partnerships

Accountability

Best Business Decision

Integrity

Continuous Improvement

Respect



Early Successes

- **Functionally Aligned Organization Structure**
 - Prior to HB 2292 three agencies served the same client base resulting in duplicative administrative structures and requirements, and difficult client access to an uncoordinated system of services and opportunities.
- **Guardianship**
 - As of December 1st, the Department of Family and Protective Services contracted with DADS to operate the guardianship program.
 - Using DADS FTE's to administer the program freed up positions and resources for the Adult Protective Services program at DFPS.



Early Successes

- **Promoting Independence**
 - The Health and Human Services Commission has designated DADS the department responsible for the development, coordination, and implementation of the Enterprise Promoting Independence Initiative and Plan.



- **Long Term Care Integrated Approach to Service Delivery**
 - Improve service and performance of the “Front Door” for consumers of DADS services through integration of local service delivery and creation of accessible services that maximize local resources.



- **Provider Service Process Review**
 - Currently DADS is reviewing the existing Provider Services processes with emphasis on consistent policies and procedures for contracting and the delivery of services. This review will result in additional initiatives to further streamline provider processes and procedures.
- **Community Partnerships**
 - The DADS Community Partnership Unit is working to develop more community volunteer efforts and donations.
- **Ombudsman**
 - DADS is utilizing the Ombudsman to do more community awareness around DADS Services and Functions.



- **Coordinated DADS Regulatory Services**
 - Initial steps of identifying duplication of regulatory oversight and contract monitoring oversight have begun between Access/Intake, Provider Services and Regulatory Services. This increased dialogue with stakeholders and providers of services should identify the most significant areas of impact in coordination of regulatory services provided by DADS.



- **DADS Integrated Agency Business Plan**
 - DADS is developing an integrated agency business plan that looks at all DADS functions and assesses the effectiveness of the organizational structure in supporting service delivery and operations.
 - The business plan will continue to provide a structure to plan and track future consolidation and transformation projects within the department, as a continual means to further improve the structure and design of the service delivery system for long-term care.



- **Enhanced Communication**
 - Development and dissemination of a DADS resource guide which consists of program specific information (i.e., collectively describes all agency services, eligibility criteria, etc.).

- **Changing Payment System for Community MR Centers**
 - Develop an approach to changing payment systems for Community MR Centers to fee for services based on cost reporting.



- **Standardized and consistent interest list policy and procedures for agency services**
 - Review current policies and processes for enrollment and maintenance of waiting/interest lists and determine opportunities to streamline and improve enrollment and referral processes to available services





Department of Family and Protective Services

Ben Delgado



DFPS began operations February 1, 2004.

- **The agency consists of the programs previously administered by the Department of Protective and Regulatory Services.**
- **The agency provides protective services to children, people with disabilities, and the elderly.**
- **The agency mission is to protect vulnerable people from abuse, neglect and exploitation through the Adult Protective Services, Child Protective Services, Child Care Licensing and Prevention and Early Intervention programs.**



Current DFPS focus is dominated by the CPS and APS Reform initiatives.

DFPS is addressing short-term improvements while planning long-term optimization projects.

The agency continues to work through critical operational issues.



Span of Control Review

Adoption Matching

Family Group Decision Making



Improved Grievance Process

- **Consolidation of grievance hearings at HHSC is resulting in a more consistent, timely grievance process.**
- **The consolidation has also lessened the appearance of a conflict of interest by having the grievance hearings officer outside the agency.**
- **Having someone specifically assigned to this process is reducing the backlogged cases for the agency.**

