



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Administration
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Memorandum

To: The Honorable Steven M. Costantino
Chairman, House Finance Committee

The Honorable Daniel DaPonte
Chairman, Senate Finance Committee

From: Rosemary Booth Gallogly *RB Gallogly*
Executive Director/State Budget Officer

Date: April 3, 2009

Subject: Revised Article 39 for the FY 2010 Appropriations
Act (09-H-5983)

The Governor requests that Article 39, Relating to Executive Office of Health and Human Services be replaced with the attached version. The amended version eliminates references to the Department of Health as one of the departments managed by the Executive Office of Health and Human Services. The amended sections are indicated by shading.

If you have any questions regarding this amendment, feel free to call me at 222-6300 or Gary Alexander at 462-2121.

RBG:sm09-139
cc: Michael O'Keefe
Peter Marino
Tim Costa
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ARTICLE 39

RELATING TO THE EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

SECTION 1. Sections 42-7.2-2, 42-7.2-5 and 42-7.2-6.1 of the General Laws in Chapter 42-7.2 entitled "Office of Health and Human Services" are hereby amended to read as follows:

§ 42-7.2-2. Executive office of health and human services. – There is hereby established within the executive branch of state government an executive office of health and human services to serve as the principal agency of the executive branch of state government for managing the departments of children, youth and families, elderly affairs, ~~health~~, human services, and mental health, retardation and hospitals. In this capacity, the office shall:

(a) Lead the state's ~~five~~ four health and human services departments in order to:

(1) Improve the economy, efficiency, coordination, and quality of health and human services policy and planning, budgeting and financing.

(2) Design strategies and implement best practices that foster service access, consumer safety and positive outcomes.

(3) Maximize and leverage funds from all available public and private sources, including federal financial participation, grants and awards.

(4) Increase public confidence by conducting independent reviews of health and human services issues in order to promote accountability and coordination across departments.

(5) Ensure that state health and human services policies and programs are responsive to changing consumer needs and to the network of community providers that deliver assistive services and supports on their behalf.

(b) Supervise the administrations of federal and state medical assistance programs by acting as the single state agency authorized under title XIX of the U.S. Social Security act, 42 U.S.C. § 1396a et seq., notwithstanding any general or public law or regulation to the contrary, and exercising such single state agency authority for such other federal and state programs as may be

designated by the governor. Except as provided for herein, Nothing nothing in this chapter shall be construed as transferring to the secretary: (1) The powers, duties or functions conferred upon the departments by Rhode Island general laws for the administration of the foregoing federal and state programs; or (2) The administrative responsibility for the preparation and submission of any state plans, state plan amendments, or federal waiver applications, as may be approved from time to time by the secretary with respect to the foregoing federal and state programs.

§ 42-7.2-5. Duties of the secretary. – The secretary shall be subject to the direction and supervision of the governor for the oversight, coordination and cohesive direction of state administered health and human services and in ensuring the laws are faithfully executed, not withstanding any law to the contrary. In this capacity, the Secretary of Health and Human Services shall be authorized to:

(1) Coordinate the administration and financing of health care benefits, human services and programs including those authorized by the Global Consumer Choice Compact Waiver and, as applicable, the Medicaid State Plan under Title XIX of the US Social Security Act. However, nothing in this section shall be construed as transferring to the secretary the powers, duties or functions conferred upon the departments by Rhode Island public and general laws for the administration of federal/state programs financed in whole or in part with Medicaid funds or the administrative responsibility for the preparation and submission of any state plans, state plan amendments, or authorized federal waiver applications.

(2) Serve as the governor's chief advisor and liaison to federal policymakers on Medicaid reform issues as well as the principal point of contact in the state on any such related matters.

(3) Review and ensure the coordination of any ~~new departmental waiver~~ Global Consumer Choice Compact Waiver requests and renewals as well as any initiatives and proposals requiring amendments to the Medicaid state plan or category one (I) or two (II) changes, as described in the special terms and conditions of the Global Consumer Choice Compact Waiver with the potential to

affect the scope, amount or duration of publicly-funded health care services, provider payments or reimbursements, or access to or the availability of benefits and services as provided by Rhode Island general and public laws. The secretary shall consider whether any such ~~waivers or amendments~~ changes are legally and fiscally sound and consistent with the state's policy and budget priorities. The secretary shall also assess whether a proposed ~~waiver or amendment~~ change is capable of obtaining the necessary approvals from federal officials and achieving the expected positive consumer outcomes. Department directors shall, within the timelines specified, provide any information and resources the secretary deems necessary in order to perform the reviews authorized in this section;

(4) Beginning in 2006, prepare and submit to the governor, the chairpersons of the house and senate finance committees, the caseload estimating conference, and to the joint legislative committee for health care oversight, by no later than ~~February 1~~ March 15 of each year, a comprehensive overview of all Medicaid expenditures outcomes, and utilization rates. The overview shall include, but not be limited to, the following information:

(i) Expenditures under Titles XIX and XXI of the Social Security Act, as amended;

(ii) Expenditures, outcomes and utilization rates by population and sub-population served (e.g. families with children, children with disabilities, children in foster care, children receiving adoption assistance, adults with disabilities, and the elderly);

(iii) Expenditures, outcomes and utilization rates by each state department or other municipal or public entity receiving federal reimbursement under Titles XIX and XXI of the Social Security Act, as amended; and

(iv) Expenditures, outcomes and utilization rates by type of service and/or service provider.

The directors of the departments, as well as local governments and school departments, shall assist and cooperate with the secretary in fulfilling this responsibility by providing whatever resources, information and support shall be necessary.

(5) Resolve administrative, jurisdictional, operational, program, or policy conflicts among departments and their executive staffs and make necessary recommendations to the governor.

(6) Assure continued progress toward improving the quality, the economy, the accountability and the efficiency of state-administered health and human services. In this capacity, the secretary shall:

(i) Direct implementation of reforms in the human resources practices of the departments that streamline and upgrade services, achieve greater economies of scale and establish the coordinated system of the staff education, cross-training, and career development services necessary to recruit and retain a highly-skilled, responsive, and engaged health and human services workforce;

(ii) Encourage the departments to utilize consumer-centered approaches to service design and delivery that expand their capacity to respond efficiently and responsibly to the diverse and changing needs of the people and communities they serve;

(iii) Develop all opportunities to maximize resources by leveraging the state's purchasing power, centralizing fiscal service functions related to budget, finance, and procurement, centralizing communication, policy analysis and planning, and information systems and data management, pursuing alternative funding sources through grants, awards and partnerships and securing all available federal financial participation for programs and services provided through the departments; and

(iv) Improve the coordination and efficiency of health and human services legal functions by centralizing adjudicative and legal services and overseeing their timely and judicious administration;

(v) Facilitate the rebalancing of the long term system by creating an assessment and coordination organization or unit for the expressed purpose of developing and implementing procedures across departments that ensure that the appropriate publicly-funded long-term care

health services are provided at the right time and in the most appropriate and least restrictive setting; and

(vi) Strengthen health and human services program integrity, quality control and collections, and recovery activities by consolidating functions within the office in a single unit that ensures all affected parties pay their fair share of the cost of services and are aware of alternative financing.

(7) Prepare and integrate comprehensive budgets for the health and human services departments and any other functions and duties assigned to the office. The budgets shall be submitted to the state budget office by the secretary, for consideration by the governor, on behalf of the state's health and human services in accordance with the provisions set forth in § 35-3-4 of the Rhode Island general laws.

(8) Utilize objective data to evaluate health and human services policy goals, resource use and outcome evaluation and to perform short and long-term policy planning and development.

(9) Establishment of an integrated approach to interdepartmental information and data management that complements and furthers the goals of the CHOICES initiative and that will facilitate the transition to consumer-centered system of state administered health and human services.

(10) At the direction of the governor or the general assembly, conduct independent reviews of state-administered human services programs, policies and related agency actions and activities and assist the department directors in identifying strategies to address any issues or areas of concern that may emerge thereof. The department directors shall provide any information and assistance deemed necessary by the secretary when undertaking such independent reviews.

(11) Provide regular and timely reports to the governor and make recommendations with respect to the state's health and human services agenda.

(12) Employ such personnel and contract for such consulting services as may be required to perform the powers and duties lawfully conferred upon the secretary.

(13) Implement the provisions of any general or public law or regulation related to the disclosure, confidentiality and privacy of any information or records, in the possession or under the control of the executive office or the departments assigned to the executive office, that may be developed or acquired for purposes directly connected with the secretary's duties set forth herein.

(14) Hold the director of each health and human services department accountable for their administrative, fiscal and program actions in the conduct of the respective powers and duties of their agencies.

§ 42-7.2-6.1. Transfer of powers and functions. – (a) There are hereby transferred to the executive office of health and human services the powers and functions of the departments with respect to the following:

(1) By July 1, 2007, fiscal services including budget preparation and review, financial management, purchasing and accounting and any related functions and duties deemed necessary by the secretary;

(2) By July 1, 2007, legal services including applying and interpreting the law, oversight to the rule-making process, and administrative adjudication duties and any related functions and duties deemed necessary by the secretary;

(3) By September 1, 2007, communications including those functions and services related to government relations, public education and outreach and media relations and any related functions and duties deemed necessary by the secretary;

(4) By March 1, 2008, policy analysis and planning including those functions and services related to the policy development, planning and evaluation and any related functions and duties deemed necessary by the secretary; and

(5) By June 30, 2008, information systems and data management including the financing, development and maintenance of all data-bases and information systems and platforms as well as any related operations deemed necessary by the secretary;

(6) By October 1, 2009, assessment and coordination for long-term care including those functions related to determining level of care or need for services, development of individual service/care plans and planning, identification of service options, the pricing of service options and choice counseling; and

(7) By October 1, 2009, program integrity, quality control and collection and recovery functions including any that detect fraud and abuse or assure that beneficiaries, providers, and third-parties pay their fair share of the cost of services, as well as any that promote alternatives to publicly financed services, such as the long-term care health insurance partnership.

(b) The secretary shall determine in collaboration with the department directors whether the officers, employees, agencies, advisory councils, committees, commissions, and task forces of the departments who were performing such functions shall be transferred to the office. ~~Duties that are incidental to the performance of the functions transferred to the office in subpart (a) shall remain with the departments providing that the employees responsible thereof are performing functions that have not been transferred.~~

(c) In the transference of such functions, the secretary shall be responsible for ensuring:

(1) Minimal disruption of services to consumers;

(2) Elimination of duplication of functions and operations;

(3) Services are coordinated and functions are consolidated where appropriate;

(4) Clear lines of authority are delineated and followed;

(5) Cost-savings are achieved whenever feasible;

(6) Program application and eligibility determination processes are coordinated and, where feasible, integrated; and

(7) State and federal funds available to the office and the entities therein are allocated and utilized for service delivery to the fullest extent possible.

(d) Except as provided herein, no provision of this chapter or application thereof shall be construed to limit or otherwise restrict the departments of children, youth and families, human services, elderly affairs, ~~health~~, and mental health, retardation, and hospitals from fulfilling any statutory requirement or complying with any regulation deemed otherwise valid.

(e) The secretary shall prepare and submit to the leadership of the house and senate finance committees, by no later than January 1, 2010, a plan for restructuring functional responsibilities across the departments to establish a consumer centered integrated system of health and human services that provides high quality and cost-effective services at the right time and in the right setting across the life-cycle.

SECTION 2. This article shall take effect upon passage.