Selected Major Recommendations
From the 29 different recommendations in the body of the report the Analyst selected 15 for Executive Appropriations consideration:

1. The Division of Child and Family Services (DCFS) establish a pilot program that would decrease office time and increase field time by the use of non-traditional work schedules, laptops, cell phones, and other technologies. (P. 28)

With better technology field workers could be more efficient and effective.

Status: “Based on discussion with the Health and Human Services Appropriations Subcommittee on November 18, 2010 to permit comment to be taken from various interested parties, the Department of Human Services can develop an implementation plan to present to the Social Services Appropriations Subcommittee in the 2012 session (Department of Human Services Implementation Plan – In-depth Review (DHSIP), dated December 14, 2010). In response to intent language in HB 2, Item 216 (2010 GS) intending DCFS “identify opportunities to increase in-field work as well as telecommuting in order to reduce facility costs on an ongoing basis”, the department stated “with better technology now available, the Division of Child and Family Services, depending on available funding, will identify opportunities for field workers to be more efficient and effective in serving our clients through various mobile interconnected devices”.

LFA recommends the subcommittee include this item in 2011 General Session intent language to ensure follow through and continued reporting.

2. DCFS explore alternatives to housing case workers in single, private offices and paying for multiple high-cost leases around the state. (P. 83)

The division currently provides case workers and support staff with single, private offices.

Status: “Based on discussion with the Health and Human Services Appropriations Subcommittee on November 18, 2010 to permit comment to be taken from various interested parties, the Department of Human Services can develop an implementation plan to present to the Social Services Appropriations Subcommittee in the 2012 session (DHSIP, Dec. 14, 2010). As a result of actions taken by the Legislature to eliminate the structural imbalance in the state’s ongoing budget, this item, referred to as “10% savings in facility costs by implementing new building and worker strategies”, was included as a reduction on the Committee Proposal to Eliminate Deficit approved January 28, 2011 for an amount of $300,000 General Fund.

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

3. The department realign priorities and decision making by moving State Hospital funding to counties since they are responsible for hospital placements. The department and counties should provide options to the Analyst by November 1, 2011. (P. 41)

Direct State Hospital funding discourages counties from managing service costs.

Status: “Based on discussion with the Health and Human Services Appropriations Subcommittee on November 18, 2010 to permit comment to be taken from various interested parties, the Department of Human Services can develop an implementation plan to present to the Social Services Appropriations Subcommittee in the 2012 session (DHSIP, Dec. 14, 2010). As a result of actions taken by the Legislature to eliminate the structural imbalance in the state’s ongoing budget, this item, referred to as “reduce USH funding by 10% and transfer funds to counties to best determine reductions”, was included as a reduction on the Committee Proposal to Eliminate Deficit approved January 28, 2011 for an amount of $4,041,500 General Fund.

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

4. The Legislature eliminate or provide authority for the ARTC program at the State Hospital. (P. 38)

All Human Services programs have statutory authority except the State Hospital 5-bed Acute Rehabilitation Treatment Center (ARTC) program. It provides acute beds for rural community mental health centers that do not have community inpatient psychiatric beds

Status: “Based on the discussion at the Health and Human Services Appropriations Subcommittee on November 18, 2010, the Department of Human Services will work with the legislature and other agencies to develop implementation plans at the appropriate time, subject to further review by the Social Services

LFA recommends the subcommittee review this item, to be presented later in Issue Brief – FY2012 – DHS – Utah State Hospital – Adult Rehabilitation Treatment, Center (ARTC), and take action that would provide clearer authority regarding this program.

5. The department disclose to the Legislature all federal block grants: available balances, authorized federal amounts, detailed projected expenditures, and changes on an ongoing basis. (P. 75)

Four federal block grants used by the department are highly flexible and can be transferred across line items and departments, accumulated off the budget, and used according to agency rather than legislative direction.

Status: “Department will proceed with implementation” (DHSIP, Dec. 14, 2010). The department provided the information to the Fiscal Analyst. The information has been included in the FY 2012 Issue Brief – Social Services Related Revenue Options

No further action needed

6. The state sell the five Division of Services for People with Disabilities’ (DSPD) group homes or lease them to providers at market rates. (P. 84)

The state built five, $450,000 group homes for the Division of Services for People with Disabilities and currently leases these buildings at no cost to private providers. Other providers house individuals in division programs at their own expense.

Status: “Based on discussion with the Health and Human Services Appropriations Subcommittee on November 18, 2010 to permit comment to be taken from various interested parties, the Department of Human Services will develop an implementation plan to present to the Social Services Appropriations Subcommittee in the 2011 session” (DHSIP, Dec. 14, 2010). As a result of actions taken by the Legislature to eliminate the structural imbalance in the state’s ongoing budget, this item was approved as a reduction on the Committee Proposal to Eliminate Deficit approved January 28, 2011 for an estimated lease amount of $43,000.

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

7. The Department of Facilities Construction and Management (DFCM) and the department study how to best use 62,400 square feet of vacant building space and use or sell 250 acres of excess lands at the Developmental Center. (P. 80)

The Developmental Center has 62,400 square feet of vacant facility space available and 250 acres of available farm land.

Status: “Based on the discussion at the Health and Human Services Appropriations Subcommittee on November 18, 2010, the Department of Human Services will work with the legislature and other agencies to develop implementation plans at the appropriate time, subject to further review by the Social Services Appropriations Subcommittee in the 2011 session” (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

8. The Developmental Center and the State Hospital annually provide the Analyst with a detailed average direct and overhead cost per patient. (PP. 17 and 39)

The department does not collect detailed costs per individual at the State Hospital or the State Developmental Center, inhibiting legislative and management analysis of treatment alternatives.

Status: “Department will proceed with implementation” (DHSIP, Dec. 14, 2010).

No further action needed

9. The department post transaction level detail showing vendor/payee on the Transparency website. (P. 74)

The Analyst recommends the department post transaction level detail showing vendor/payee on the Transparency website.

Status: “Based on the discussion at the Health and Human Services Appropriations Subcommittee on November 18, 2010, the Department of Human Services will work with the legislature and other agencies to develop implementation plans at the appropriate time, subject to further review by the Social Services Appropriations Subcommittee in the 2011 session” (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

10. DFCM assist the Office of Recovery Services (ORS) to find other state agencies to share 23,000 square feet of vacant lease space in the HK Towers. (P. 83)

The Analyst recommends DFCM assist the Office of Recovery Services to find other state agencies to share 23,000 square feet of vacant lease space in the HK Towers.

Status: “Based on the discussion at the Health and Human Services Appropriations Subcommittee on November 18, 2010, the Department of Human Services will work with the legislature and other agencies to develop implementation plans at the appropriate time, subject to further review by the Social Services Appropriations Subcommittee in the 2011 session” (DHSIP, Dec. 14, 2010). DFCM is currently in discussions with other agencies to fill this space. The
department and DFCM may have additional information to report during the session to the subcommittee.

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

11. ORS and DFCM plan to exit the HK Tower lease when it comes due in FY 2014 and explore options in state owned facilities. (P. 82)

The Analyst recommends ORS and DFCM plan to exit the HK Tower lease when it comes due in FY 2014 and explore options in state owned facilities.

Status: “Department will proceed with implementation” (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting on developing plans.

12. DFCM develop new space standards based on current needs and employee information. (P. 81)

The Analyst recommends DFCM develop new space standards based on current needs and employee information.

Status: “The following recommendations need to be referred to other agencies” (DHSIP, Dec. 14, 2010).

LFA recommends the Social Services Appropriations Subcommittee request the Infrastructure and General Government Appropriations Subcommittee review this recommendation for implementation.

13. All department divisions follow best practices for performance measures (P. 65 in App. #3):

- Measure things that matter
- Focus on outcomes, then outputs
- Compare internally and against other states

The best department examples are DCFS for state provided services and the Division of Substance Abuse and Mental Health (DSAMH) for contract services.

Agency performance measures vary widely in quality and quantity.

Status: “Department will proceed with implementation” (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting on the department’s progress.

14. All programs develop easily understood reports regarding major budget areas and routinely share them with the Legislature, Governor’s Office and the public by publishing them on public websites (various pages).

Department programs collect detailed financial information which is often difficult for outsiders to obtain and understand once they do get it.

Status: “The Department of Human Services will work to implement… based upon prioritized resources” (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting on the department’s progress.

15. The department annually report distribution of services by county to the Legislature for:

- State Hospital Forensic Unit (P. 42)
- Utah State Developmental Center (P. 20)
- DCFS regional budgets (P. 32)
- DJJS detention and secure care facilities (P. 52).

Some department services do not appear to be distributed in a manner consistent with relevant populations.

Status: “Department will proceed with implementation” (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

Remaining Recommendations

Recommendations and observations from the report not summarized previously include:

Multiple Agency
1. As it completes its USSDS Rewrite by April 2011, the Analyst recommends the department make USSDS detailed transaction records available annually and on a timely basis to the Legislature and the Governor. (#2 on p. 16 and #2 on p. 28)

78.9% ($155 million) of all DSPD transactions and 40.2% ($63.2 million) of all DCFS transactions are not available to the Legislature and Governor for review.

The Governor’s Optimization Commission recommended “accelerate robust information systems and tools to measure performance, increase communication, and institutionalize accountability” (page C-2).

Status: “Department will proceed with implementation” (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.
**Division of Services for People with Disabilities**

2. The Analyst recommends DSPD provide a detailed update of administrative and regional staff responsibilities and functions to the LFA by September 1, 2011 after its structural changes have had time to take effect. (#4 on p. 17)

Significant changes have been made to the organizational structure of the Division of Services for People with Disabilities through the consolidation of regions, the elimination of offices, and contracting for support coordinators. Outside observers have questioned the staff efficacy under the new organization in the context of reductions to services. A review of the DSPD organization and the purpose of its functions would help to assure the value of its current staff structure.

Status: "Department will proceed with implementation" (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

**Division of Child and Family Services**

3. The Analyst recommends DCFS include private contracts in the FINET expenditure category "Pass Through." (#4 on p. 28)

The department is not consistent in how it accounts for private contracts which can cause confusion in summary documents for policy makers and the public.

Status: “Department will proceed with implementation” (DHSIP, Dec. 14, 2010).

No further action needed

4. The Analyst recommends DCFS review its contracts and rewrite these contracts, when necessary, to ensure ancillary processes are not delaying high-stakes, basic child welfare functions. (#7 on p. 29)

LFA staff observed an instance in a courtroom where the basic functions of assessing the status of a child and family with regard to reunification was significantly delayed by a mental health assessment not being available to a judge in a timely manner. The child welfare system is one where timelines are established and the outcomes at stake are high.

Status: “The Department of Human Services will work to implement . . . based upon prioritized resources" (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

5. The Analyst recommends DCFS plan in advance to take advantage of future funding opportunities in order to benefit from technology advances when the opportunity arises. (#8 on p. 29)

DCFS staff functions can be time and paperwork intensive. There are still numerous functions DCFS workers perform that could also benefit from technology.

Status: “The Department of Human Services will work to implement . . . based upon prioritized resources” (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

**Division of Juvenile Justice Services**

6. The Analyst recommends DJJS plan in advance to take advantage of future funding opportunities in order to benefit from technology advances when the opportunity arises. (#4 on p. 50)

DJJS staff functions can be time and paperwork intensive. There are still numerous functions DJJS workers perform that could also benefit from technology.

Status: “The Department of Human Services will work to implement . . . based upon prioritized resources” (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

7. The Analyst recommends closure of excess bed space if the trend of reduced nightly bed counts continues. (#7 on p. 51)

DJJS nightly bed counts have gone down from FY 2008 by 106 beds or 21.7 percent. This may be an ongoing or a temporary drop. If the decline is long term, bed space could be closed. Data do not differentiate high utilization days. There are also variables to consider, such as a requirement for dividing male and female offenders, separating gang members, considering offender ages, and others.

Status: “Based on discussion with the Health and Human Services Appropriations Subcommittee on November 18, 2010 to permit comment to be taken from various interested parties, the Department of Human Services can develop an implementation plan to present to the Executive Offices and Criminal Justice Appropriations Subcommittee in the 2012 session (DHSIP, Dec. 14, 2010). As a result of actions taken by the Legislature to eliminate the structural imbalance in the state’s ongoing budget, this item was approved as a reduction on the Committee Proposal to Eliminate Deficit approved January 28, 2011 as part of the item “JJS - Capacity Reduction” for an amount of $7,027,800.
LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

Office of Recovery Services
8. The Analyst recommends the Office of Recovery Services annually provide total direct and overhead costs per collection unit compared to actual collections for the same unit. The collection units are: 1) Child Support and Children in Care, 2) Medical Collections - Cost Recovery, 3) Medical Collections - Torts (auto accidents, etc), 4) Medical Collections - Probate (estates), 5) Disability Recovery for Workforce Services, and 6) State Hospital Collections. (#1 on p. 57)

The Office of Recovery Services budget is not set up to show total costs compared to total collections by each collection unit.

Status: “Department will proceed with implementation” (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

9. The Analyst recommends ORS, in conjunction with the Department of Health, study the use of the industry standard approach to cost recover Medicaid pharmacy, which includes more cost avoidance at the time of payment for services rather than the current approach of “pay and chase” and report its findings to the Legislature by November 1, 2011. (#4 on p. 59)

The Office of Recovery Services currently follows the Medicaid directive on cost recovery of Medicaid payments regarding pharmacy that allows for initial payment of the pharmacy claim and then review, after the fact, information regarding potential third party payers.

Status: “Based on the discussion at the Health and Human Services Appropriations Subcommittee on November 18, 2010, the Department of Human Services will work with the legislature and other agencies to develop implementation plans at the appropriate time, subject to further review by the Social Services Appropriations Subcommittee in the 2011 session” (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

10. The Analyst recommends ORS, in conjunction with the Department of Health, explore methods to encourage large Utah health insurance providers to provide online membership access. (#5 on p. 59)

Online membership access would allow ORS to improve cost recovery and avoidance efforts now requiring much more timely methods such as telephone and letter.

Status: “Based on the discussion at the Health and Human Services Appropriations Subcommittee on November 18, 2010, the Department of Human Services will work with the legislature and other agencies to develop implementation plans at the appropriate time, subject to further review by the Social Services Appropriations Subcommittee in the 2011 session” (DHSIP, Dec. 14, 2010). As a result of actions taken by the Legislature to eliminate the structural imbalance in the state's ongoing budget, this item was approved as a reduction on the Committee Proposal to Eliminate Deficit approved January 28, 2011 as “Require all large Utah health insurance providers to provide online membership access” for an amount of $77,600.

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

11. The Analyst recommends ORS, in conjunction with the Department of Workforce Services, review the cost and benefit of examining for supplemental health insurance products and provide a recommendation to the Legislature by September 1, 2011. (#6 on p. 59)

The state does not automatically check for supplemental health insurance products (assurance) which impact income determinations for Medicaid. Currently, Medicaid clients must report if they participate in a supplemental health plan, but there is no automatic check to verify that information. If there is under-reporting of this information by Medicaid clients currently, then developing a system to check this information may result in savings to the state.

Status: “Based on the discussion at the Health and Human Services Appropriations Subcommittee on November 18, 2010, the Department of Human Services will work with the legislature and other agencies to develop implementation plans at the appropriate time, subject to further review by the Social Services Appropriations Subcommittee in the 2011 session” (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

12. The Analyst recommends the Office of Recovery Services consider the cost and benefit of electronically accessing Department of Workforce Services' income information into its system in order to automate required calculations now performed manually and report its findings to the LFA. (# 7 on p. 59)

Nearly all cases viewed required the employee to manually access Department of Workforce Services’ income data and then manually calculate what the information meant relative to potential annual income.
Status: “Based on the discussion at the Health and Human Services Appropriations Subcommittee on November 18, 2010, the Department of Human Services will work with the legislature and other agencies to develop implementation plans at the appropriate time, subject to further review by the Social Services Appropriations Subcommittee in the 2011 session” (DHSIP, Dec. 14, 2010). As a result of actions taken by the Legislature to eliminate the structural imbalance in the state’s ongoing budget, this item was approved as a reduction on the Committee Proposal to Eliminate Deficit approved January 28, 2011 as “Require Workforce Services to provide electronic access to ORS to its income information” for an amount of $77,600.

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.

13. The Analyst recommends the Public Utilities and Technology Interim Committee review whether the Department of Technology Services is fulfilling its obligation to coordinate projections under UCA 63F-1-201(4) regarding the Medicaid Management Information System. (#8 on p. 60)

In order to ensure that the Medicaid Management Information System replacement project is coordinating with state/non-state users to maximize efficiencies in the redesign for all major players, a referral has been made to the Public Utilities and Technology Interim Committee to investigate whether the Department of Technology Services is fulfilling its obligation to coordinate projections under UCA 63F-1-201(4) and this committee has put this item on its November 17, 2010 agenda.

Status: “The following recommendations need to be referred to other agencies” (DHSIP, Dec. 14, 2010). The Public Utilities and Technology Interim Committee placed this item on its November 17, 2010 agenda – but the meeting was cancelled.

LFA recommends the subcommittee request the chairs send a letter to this interim committee to review this item.

Vehicles

14. The Analyst recommends that for all private vehicle mileage reimbursement (PVMR) exceeding a calculated breakeven point between PVMR and state motor pool vehicles (708 miles in a given month), the department annually report the reimbursement exceeding that total. (#1 on p. 90)

For FY 2010, 20 percent or $507,800 of all DHS expenditures for vehicle use was for PVMR. $204,300 of the total PVMR was spent to reimburse 140 staff yearly amounts of $1,000 or more with the highest reimbursement being $5,117. The breakeven point between PVMR and state motor pool vehicles is 708 miles per month.

Status: “The Department of Human Services will work to implement . . . based upon prioritized resources” (DHSIP, Dec. 14, 2010).

LFA recommends the subcommittee include this item in 2011 General Session intent language for follow up reporting.