

**MINUTES OF THE
SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE**

Utah State Development Center, 895 North 900 East, American Fork, Utah

June 12, 2015 1:00 p.m.

Members Present: Sen. Allen M. Christensen, Co-Chair
Rep. Paul Ray, Co-Chair
Rep. Edward H. Redd, House Vice Chair
Rep. Sandra Hollins
Sen. Brian E. Shiozawa
Rep. Robert Spendlove
Rep. Raymond Ward
Sen. Todd Weiler

Members Excused: Rep. Rebecca Chavez-Houck
Rep. Bradley M. Daw
Sen. Luz Escamilla
Sen. Deidre M. Henderson
Rep. Earl D. Tanner

Members Absent: Rep. Melvin R. Brown
Sen. Alvin B. Jackson
Sen. Mark B. Madsen
President Wayne L. Niederhauser

Staff Present: Mr. Russell T. Frandsen, Fiscal Analyst
Mr. Stephen C. Jardine, Fiscal Analyst
Ms. Lorna Wells, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

1. Call to Order

Co-Chair Ray called the meeting to order at 1:30 p.m. He thanked the Utah State Development Center for hosting the meeting and for the tour that the committee would be taking later.

2. Group Presentation on the Intergenerational Poverty Initiative.

Workforce Services - Tracy Gruber, Senior Advisor for Intergenerational Poverty
Human Services - Lana Stohl, Deputy Director
Health – David Patton, Director, Utah Department of Health
Utah State Office of Education - Syd Dickson, Deputy Superintendent

Ms. Gruber explained the background of the intergenerational poverty report. [DWS Unanswered Questions Intergenerational Poverty - 2015 Interim](#). She discussed some of the key findings of the

research since 2012. She also reported on the costs to date. She discussed the annual report, the demographic groups involved, and the updated tracking system that started in 2013. She mentioned that they are now sharing data across agencies especially as it relates to children. They have looked specifically at early childhood development and have established a 5-10 year plan looking at four specific areas of child well-being.

Ms. Stohl said that earlier intervention is key to greater long-term success for early childhood development. They are focusing on emotional and cognitive development in order to have children ready to go into kindergarten. She explained that completion of the Baby Watch program helps get the children up to speed.

Ms. Dickson looked at the five-ten year plan in education, emphasizing the importance of junior high mathematic proficiency. She explained the programmatic attempt to have all agencies working together. They noted that lack of family economic stability was a leading cause of chronic absenteeism. She reported that only 29 percent of these parents were employed for the entire year, with earnings of \$10,000 or less. The majority of these parents lack education beyond high school. She discussed the importance of children living with stable families with adequate food, clothing, and shelter. One of the benchmarks is to have 50 percent of adults maintain year-round employment. A second benchmark is to have 50 percent of adults on the pathway to enhancing job skills that will lead to better employment.

Mr. Patton stated that 90 percent of children experiencing intergenerational poverty lack proper nutrition. He discussed the 5-10 year plan from the Department of Health. He explained the importance of coordinating activities with the other agencies as well as Medicaid. He mentioned the 5-10 year plans with regard to physical, medical, and dental care. He discussed the benchmark of having 100 percent of children at risk having access to health care and the benchmark to have those individuals who require mental health services receive those mental health services at the same rate as the statewide rate.

Ms. Dickson reported on the "Next Generation Kids" pilot project involving about 30 families in the Ogden area. This is a specific two-generational approach designed to look at the needs of the families. Case workers are engaging with the children and their parents in the school environment. They are hoping to enhance the relationship with schools to ensure that the right services are identified throughout all of the agencies involved.

Ms. Stohl explained that the vision is to have better agency coordination to help avoid service duplication. They want to have flexibility in funding to choose the individual and family-needs that would achieve long-term success. She stated that the "System of Care" Pilot shows improved educational performance and lower care costs.

Ms. Gruber reported on the funding issues and importance of intervention in schools and after-school programs.

Rep. Ray asked if there were plans to expand this pilot program to other areas in the state. Ms. Stohl explained that the system approach to care is a model. They hope to be statewide by 2017. They are trying to coordinate across their own divisions to partner with families to ensure that students stay in healthy homes. They can provide more detail if necessary.

3. Unanswered questions from the Department of Workforce Services

Mr. Jardine referred to the memo from Kathy Bounous regarding performance measures for new funds for the Department of Workforce Services. [Unanswered Questions from the Department of Workforce Services](#)

4. Unanswered questions from the Department of Health

Dr. Robert Rolfs, Deputy Director, and Mr. Nate Checketts, Deputy Division Director, Medicaid and Health Financing explained that the handout provides written answers to the questions that were asked. [Health - 2015 Interim Unanswered Questions](#). He highlighted a few targets and performance measure evaluations. He stated that this was an important exercise for the department. Mr. Checketts discussed the benchmarks and goals in Medicaid and Health Financing. He referred to the preferred pharmacy drug list. He stated that the dental program saved more than had been anticipated at first.

Co-Chair Christensen mentioned that once targets and goals are reached that there should always be a push to do just a little bit better and to set new goals and targets.

5. Unanswered questions from the Department of Human Services

Mr. Mark Brasher, Deputy Director and Mr. Doug Thomas reported on the questions asked of DHS. [DHS Unanswered Questions - Interim 2015](#) Mr. Brasher specifically reported on Sen. Weiler's question regarding federal funds.

Mr. Thomas responded to Rep. Redd's question about the wait list for beds at the Utah State Hospital. He explained that based on the current data, it is not in the best interest of the state to open another hospital.

Co-Chair Ray asked for clarification regarding the wide disparity in the wait time among local mental health authorities. He also asked about mental health units in hospitals. Mr. Thomas explained that once a referral has been made, patients do have to wait for availability. He explained that all local authorities participate in a monthly coordinating meeting.

Sen. Shiozawa asked about the cost differential between a bed day at a local hospital and a bed day at the state hospital. Mr. Thomas answered that at a local hospital is between \$800 and \$1,200 and about \$500 per day at the state hospital. Sen. Shiozawa asked about the cost to the system of opening another 30-bed unit. Mr. Thomas indicated that opening another 30-bed unit would be extremely expensive. It would be more cost effective to increase the capacity at the state hospital. They will follow-up on this discussion off-line.

Rep. Redd asked why more patients in state hospitals were not on Medicaid. Mr. Thomas indicated that the federal government does not participate in institutional-level care.

Mr. Brent Platt, Director, Division of Child and Family Services, reported on the data provided in answer to Rep. Chavez-Houck and Sen. Jackson's questions regarding DCFS in-home care and out-

of-home care. He discussed the “HomeWorks” program in the Northern Region which has resulted in a four percent decrease in the number of children in foster care. He stated that they will be rolling out the program to the Southwest portion of the state next year.

Mr. Platt mentioned that having more at-risk children in the home may cause some additional problems where more services would have to be provided.

6. Unanswered questions from the Utah State Office of Rehabilitation

Stacey Cummings, Interim Executive Director, USOR reported on Rep. Ray’s question regarding penalties and late fees assessed. [USOR Unanswered Questions - 2015 Interim](#). USOR does not pay late fees or other penalties. They estimate that less than \$500 was paid in late fees for the entire agency. However, they will continue to work to correct this problem. They do want to ensure that people do not have to pay for inefficiencies on the part of USOR.

Ms. Cummings reported on the answer to Co-Chair Christensen’s question regarding performance measures and targets. She indicated that there were three performance measures identified in S.B. 8. For two measures, USOR’s actual experience was not 10 percent or greater above the chosen target. The third performance was regarding the number of individuals served by the Deaf and Hard of Hearing Program. Ms. Cummings reported on the one-time funding for rural outreach.

Sen. Shiozawa asked for clarification regarding the USOR oversight from the State Board of Education. Jennifer Johnson, Member, Utah State Board of Education responded that this is an excellent question and it is being studied during the interim.

Sen. Weiler reported that board member, Mark Openshaw, his wife and two of his children were killed today in a plane crash. He expressed his deep sympathy to the Utah Board of Education as well as condolences for this family. He asked Ms. Johnson to pass this message along to the other board members.

7. Report on Statewide Distribution of Services by Program

Mr. Jardine reported on the [Statewide Distribution of Services](#) Issue Brief. He said that in 1986 a taskforce was established to study the allocation of social services programs to local governments. The recommendations of this taskforce were codified through a series of bills. He suggested possible legislative action with regards to distribution of funds by social services programs.

Mr. Jardine mentioned spending distribution in these ten programs may be of interest to the subcommittee for further action: 1) Tobacco Prevention and Control; 2) Baby Watch; 3) Domestic Violence Shelters; 4) Drug Court Services; 5) Autism Services in Local Mental Health Centers; 6) Temporary Assistance for Needy Families (TANF); 7) “Other Assistance” Programs; 8) Community Impact Board ; 9) Direct Vocational Rehabilitation Client Services; and 10) Independent Living Centers. Mr. Frandsen clarified information regarding some of these items.

Mr. Jardine explained that other handouts regarding distribution of services were also available: [Distribution of Medicaid Funds Passed Through to Local Government Entities](#)
[Distribution of Funds Statewide - Department of Health](#)

[Distribution of Funds Statewide - Human Services](#)
[Distribution of Funds Statewide - State Office of Rehabilitation](#)

8. Distribution of all General and Education Fund and Total Funds Among Programs by the Lowest Organizational Unit Possible

Co-Chair Ray indicated that this item would be moved to the September Interim Meeting

9. Tour of the Utah State Developmental Center

Mr. Guy Thompson, Superintendent, divided the committee members into five groups. Each group then toured the Center by visiting four or five buildings.

Co-Chair Ray called the meeting back to order at 3:53 p.m.

10. Where Individuals with Disabilities Receive Services and the Standardization and Coordination of Eligibility and Delivery of Services

Mr. Jardine explained that Ms. Helen Post is Executive Director of the Utah Parent Center, but also serves on the Coordinating Council for People with Disabilities, which is a coordinating council established in statute involving various state agency and non-governmental representatives. Mr. Jardine explained the chart titled [Disability Safety Net Overview](#). He said that this is an attempt to give a one-page analysis of how complicated the system is. He explained that the areas shaded in light green are under the appropriations control of the Social Services Subcommittee.

Ms. Post briefly discussed the background and function of the Coordinating Council. [Coordinating Council for People with Disabilities Description](#). She explained that this council had charge to oversee a full range of disabilities across an individual's lifespan.

Ms. Post reported on the questions asked where individuals receive services, and the standardization and coordination of eligibility of delivery of services. [Coordinating Council for People with Disabilities Handout](#). She stated that they are making progress but are dealing with very complex issues involving a number of state and federal agencies. The answer for most questions starts with "It depends."

She said that one of the greatest challenge is that there are families that don't have access to these services. One problem is they may not meet eligibility criteria or they simply don't know where to go or what is even out there. Ms. Post explained that lack of information or receiving bad information are almost a universal issue. She also referred to the Safety net document. She mentioned there are often gaps in services.

Ms. Post explained they haven't made very much progress in the standardization because of federal laws. They haven't been able to break down barriers to a common eligibility. She is not aware of any other state where there is a coordinating council where the agency heads know each other. This is a great advantage. They are in a far better place than where they were. But one of the problems is that the heads of the different agencies change so frequently.

Ms. Post discussed some of the progress the council has made and mentioned some of the specific mechanisms now in place. She explained the “Life Map” in her handout document showing the complexity of the system and coordination that is involved.

Chair Ray asked if there was any way to simplify this map, if this is quite typical, and what recommendations could be made to make this easier for families. Ms. Post answered that this “Life Map” is actually for a child who does have some very complicated issues. She will try to come back with some recommendations.

Ms. Post listed some of the council’s recommendations. There is a great need for good information. They are also considering improvements within their own agencies. They need to make sure that the agency involved has the capacity to provide the required service.

Chair Ray mentioned that getting the right information, from the right contact is very important. It would be nice to figure out how to do this.

Ms. Post mentioned the importance of the security and safety of the computerized records. It is important to control what information goes where. She also stated that it is very important that the different systems can talk to each other. This is not always the case and creates barriers and gaps in service. The council focuses on how to get around the “can’t do’s.”

11. Federal Grants excluded from Legislative Approval Process

Mr. Frandsen explained that some federal funds have to go through a legislative approval process. Agencies can spend 125 percent of the approved amounts without coming back for additional approval. He explained that there are approximately \$1.9 billion in federal grants which are excluded from this process. Agencies have been submitting this information to the committee as a courtesy. [Issue Brief - 2015 Interim - Federal Grants Excluded From Legislative Approval Process May 2015 - Federal and Non-federal Grants Summary.](#)

Dr. Patton explained that Medicaid, CHIP, and WIC program are generally three areas under this exclusion. He said that 100 percent of the WIC program is funded by the federal government. They do inform the Legislature of the funding received and felt that it would not be beneficial to require further action by the Legislature. [Issue Brief - 2015 General Session - Federal Funds in the Department of Health.](#)

Ms. Kathy Bounous, Director of Legal Services, DWS explained that DWS is highly regulated by the federal government. They take the role of managing their portion of the state’s budget very seriously and try to manage funds as efficiently as possible. She mentioned that involving the Legislature further would greatly take away from their ability to manage their programs. She discussed the TANF grant as well as the food stamps program. She would be very willing to discuss the issue further and to look at what is in the best interest of Utah tax payers. [Issue Brief - 2015 General Session - Federal Funds - Department of Workforce Services.](#)

Rep. Redd appreciated Ms. Bounous’ perspective and agreed that there is nothing the state Legislature can do about federal regulations. He stated that it is beneficial to have information

regarding the state obligations required to meet federal regulations. He stated that having this information is very important.

Ms. Bounous indicated that DWS does disclose all of the federal budgets to the committee and to the governor's office for review. This information is available. Allowing exempt status means they can react to situations very quickly. DWS feels it is fully transparent already.

Mr. Mark Brasher, Deputy Director of Human Services stated that the most critical issue is the flexibility that is gained with the exemption status. He said that the Social Services Block Grant enables them to move funds to address a crisis in one area. He mentioned that there is usually a match required. He stated that the federal funds disclosure does give the committee the needed information. [Issue Brief - 2015 General Session - Department of Human Services - Federal Funds.](#)

[Issue Brief - 2015 General Session - Utah State Office of Rehabilitation - Federal Funds.](#)

The Utah State Office of Rehabilitation has no exemptions for any of its federal funds.

Co-Chair Ray stated that the committee could remove the exclusion of specific pieces of federal funding. They also could have staff flag certain types of grants.

12. Report on TANF Reserve and Projected Uses

Mr. Jardine briefly explained the federal Temporary Assistance for Needy Families (TANF) funds. He reported that the ongoing TANF block grant base budget for FY 2016 is \$67 million. During the 2014 General Session, DWS indicated it had \$107 million in excess TANF spending authority. [Issue Brief - 2015 Interim - TANF Funds.](#) At that time the Legislature reviewed potential uses of this TANF reserve and authorized \$17.3 million for 12 programs that qualified by meeting one of the four specified TANF purposes. The Legislature also directed DWS to identify other uses of the TANF reserves.

Mr. Jardine reminded the committee of S.B. 47, which was passed during the 2015 General Session requiring a Legislative review for certain defined TANF one-time funding sources.

Mr. Jardine explained that the last page of the brief provides detail of the proposed use of this \$28 million for agency collaborated TANF grants. He explained the color-coding on this chart. He stated that the Salt Lake County home visiting program had been approved. The Analyst recommends the Legislature continue to review more extensive detail regarding the agency collaborated TANF efforts and the measures agencies intend to use to determine success before authorizing the use of the remaining \$28 million in reserve TANF funding.

Casey Cameron, Deputy Director, Workforce Services and Nathan Harrison, Director of Finance discussed the projected spending over the next three years. Ms. Cameron mentioned that they will be meeting with the governor's office to finalize these outcomes and will come back to EAC seeking approval at that time.

13. Division of Fleet Services provided to agencies

Ms. Merilee Richins, Operations Officer, Division of Fleet Management gave a brief overview of her division. [Division of Fleet Services 2015 Social Services Appropriations](#). She discussed the fleet requirements for each agency. Marilee stated that they are looking for a cost effective way to reduce fleet emissions to help with air quality. They conducted an in-depth audit of the fleet and identified a number of vehicles that were not being used. This has resulted in a pilot program with Enterprise, which has been going for three months, where they took 23 vehicles out of the fleet. She congratulated agencies who are involved in the pilot. Enterprise has met the agency demands with an average of 8.5 vehicles on business days only.

She discussed some of the costs per mile and ways to make costs more transparent. She explained that the pilot program has been successful and they are planning to expand it and determine what the private sector has to offer. She discussed some of changes being made for the new fiscal year.

Sen. Weiler thanked Ms. Richins for the thorough report. He asked if the fleet requirements for Human Services are subsidized.

Ms. Richins indicated that they do subsidize Human Services. She discussed the breakdown and how much it is subsidized. She stated that in the past utilization was measured by miles driven which resulted in the state paying for vehicles to sit idle. This is a new model and they will need to make changes.

Rep. Redd asked why the Department of Environmental Quality costs per mile are so different than other agencies.

Ms. Richins indicated some reasons why there are discrepancies between agencies stated that the agencies use their vehicles very differently. She indicated that with some agencies having a rental vehicle is not going to be the best option but with others it will be. It is her opinion that some type of hybrid combination will be best; some times it will be cheaper to own the vehicles; in other cases it will be better to rent. She also mentioned the possibility of using a program similar to Uber or Lyft.

Rep. Redd asked if the model would also still allow for individuals to take their own personal car and be reimbursed. Ms. Richins indicated that this would probably still be possible. It is a challenge to match needs with options. Another factor difficult to measure is convenience.

14. Utah State Policy and Practice Regarding Drug Testing of State Job Applicants

[State of Utah - Drug and Alcohol Policy and Procedures](#)
[Rule R477-14 - Substance Abuse and Drug-Free Workplace](#)

Mr. Jardine summarized the issue brief regarding drug testing of potential job applicants. [Issue Brief - 2015 Interim - Drug Testing of Potential Job Applicants Intent Language](#).

None of the four agencies involved test job applicants for drugs. The committee asked all four agencies to respond.

[Health Pre-Employment Drug Testing Policy](#)

[Human Services and Human Resources Pre-Employment Drug Testing Policy](#)
[Workforce Services Pre-Employment Drug Testing Policy](#)
[Utah State Office Rehabilitation - Pre-Employment Drug Testing Policy](#)

Mr. Bob Thompson, Labor Relations Director and Jean Mills, Human Resource Director reported that all of the agencies follow the general state guidelines. These state guidelines are based on federal law. The policy does allow drug testing of final candidates for highly sensitive positions, which involves safety sensitive and data sensitive positions. They reported that numerous studies have shown that pre-employment drug testing is not effective. Random testing based on reasonable suspicion is much better.

Mr. Jardine discussed the four questions listed in the issue brief regarding drug testing policies and practices of pre-employment candidates and current employees.

Rep. Redd indicated that his own experience has shown that unless the testing is random, it is not very useful.

Mr. Thompson indicated if there was reasonable suspicion, agencies are absolutely allowed and encouraged to test the individual. He said that employees in safe and sensitive positions are informed and aware that they may be subject to random testing.

Rep. Redd asked what was done with false positive results. Mr. Thompson indicated that every positive test is re-tested.

Ms. Mills indicated that a split sample approach is used. When the access sample arrives at the lab, it is split into two samples. If there is a positive result, the second part of the sample is immediately tested. She also indicated that the employee can have a third party test that sample. Mr. Thompson and Ms. Mills indicated their willingness to work with the committee and discuss the matter further.

MOTION: Co-Chair Christensen moved to adjourn. The motion passed unanimously

Co-Chair Ray adjourned the meeting at 5:10 p.m.

Sen. Allen M. Christensen, Co-Chair

Rep. Paul Ray, Co-Chair