Cost Savings Estimates
Department of Human Services

1. Average number of employees per manager by division (span of control) and cost savings from reducing from the current level to 8 employees per manager:

The Department of Human Services (DHS) encompasses various roles from direct care and services to administration and indirect supervision. Increasing the management span of control in each line item would not necessarily result in a cost savings. Federal regulations, statewide program management, Department oversight, supervisor workload considerations, and specialized functions are important factors in DHS's management span of control.

Division of Child and Family Services (DCFS) management span of control is impacted by DCFS frontline caseworker staff high turnover, with an average turnover rate of 32% in SFY20. For this challenging work performed by an inexperienced workforce caused by the high turnover, DCFS caseworkers and caseworker supervisors should not be expected to carry higher workloads and receive sufficient on-the-job training. There should be care to avoid adding additional liability to the State and creating problems for youth and families due to staff not properly performing their responsibilities.

Agencies such as Division of Substance Abuse and Mental Health and Division of Aging and Adult Services are responsible for statewide management of many specialized programs where expert knowledge is required to appropriately manage the programs. Increasing the span of control for these areas could result in supervision being more of a timesheet review and high-level management due to the knowledge needed for these programs. Regardless, personnel with their knowledge are still necessary to perform the unique functions expected for the specialized programs oversight. Additionally, federal programs limit supervision due to conflicts of interest. For example, the State Long-Term Care Ombudsman cannot report to the supervisor over the Older Americans Act Title III programs or the Adult Protective Services supervisor.

Areas in the Executive Director Operations (EDO) line item provide department-level support, oversight, and indirect supervision which limits direct management span of control. As one example, the Bureau of Internal Review and Audit is a small unit within EDO that must remain independent from other agencies in DHS. The Office of Fiscal Operations includes specialized areas where employees are subject matter experts and a resource for the Department. Supervisors in EDO and the Department carry workloads in addition to their supervisory duties. The supervisor's workload would still need to be completed if the span of control was increased.

Because of the applicable circumstances, DHS is not reporting a cost savings for the span of control request.

Average Management Span of Control by Division in DHS			
DAAS	5.50	EDO	4.68
DCFS	5.54	JJS	6.85
DSAMH	10.25	OPG	4.50
DSPD	6.44	ORS	7.38

2. Percentage of employees who could telework permanently and resulting cost savings:

The Department of Human Services (DHS) employs approximately 3,900 full time employees (FTEs) across eight line items/Divisions. The Division of Juvenile Justice Services line item is appropriated through Executive Offices and Criminal Justice Appropriations Sub-Committee. All the other line items are funded through the Social Services Appropriations Sub-Committee. Approximately 2,100 of the 3,900 employed by DHS are in facilities serving vulnerable populations at the Utah State Hospital, Utah State Developmental Center, or Juvenile Justice Centers throughout the State. The nature of the work performed at these facilities disqualifies them for telework. This leaves a balance of 1,800 DHS employees working outside a facility type setting. Approximately 1,300 of these positions would be candidates for telework on some level. The number of days would vary dependent on their job function and need to meet with clients. Most of these jobs have some expectation of meeting with clients or require tasks that can only be performed in a state office setting. For example; DCFS caseworkers holding family and team meetings or supervised visits of children in state custody, administrative staff in buildings charged with receipting and processing mail and payments, staff performing background checks where fingerprinting is required, staff meeting with clients for notarization of legal documents or DNA testing, Administrative Hearings etc.

There are potential savings with the implementation of telework, but quantifying these savings and their timing is challenging. As described above, the level and degree to which staff could sustain telework will largely depend on the job and tasks performed. The extremes being those that could feasibly telework 5 days a week with no need to return to a state building, and those where telework is simply not an option because their physical presence is required to perform essential tasks of their job. Most non-facility based jobs fall somewhere in between these two extremes where some telework is possible.

The greatest opportunity for savings is the reduction of leased building space. The challenge is determining what that need is going forward. Assuming all 1,300 DHS staff in positions that are candidates for telework were located in a single leased building, and all were able to telework 5 days per week, the calculation would be simple. The savings would be the cost of the leased space less any one-time costs to enable telework. Unfortunately, these employees are in 75 buildings scattered throughout the state, and most would need a shared space at least 1 day per week and some as many as 3 days. Telework will allow for consolidation with shared office space and the termination of some more costly leased spaces. However, any savings would not be immediate. Rather, they would be realized over time as leases expire and space consolidation occurs.

DHS will need the assistance of the Division of Facilities Construction and Management (DFCM) to coordinate this effort and transition employees, to ensure the right sizing of space needs. Planning will require accounting for one-time investments necessary to modify existing state space to meet the needs of the new tenants.

For example, the largest state lease is the Dan Jones building in Salt Lake City, which has been occupied by the Office of Recovery Services (ORS) since 1994. ORS has reduced the lease from approximately 94,000 square feet to 72,000 square feet in the past 10 years. The square footage cost is over $22 per square foot for an approximate cost of $1.6 million annually, the majority of which is federal funds. There are significant savings that would occur with the elimination of this lease, but it will require a large one-time investment to cover renovation and moving costs to space in a state-owned building such as the Taylorsville State Office Building (TSOB). If there were no reduction to the square footage (which there will be) the savings at an estimated state-owned building cost of $6.50 per square foot would approximate $1 million annually, the majority of which is federal funds. The ORS lease expires on June 30, 2022 so the window of opportunity is short. Action would need to be taken now, while there is still enough time to identify state-owned space and make modifications to meet the security needs of ORS.

Potential one-time costs and ongoing savings:

- Costs
  - Building space modifications
  - Network infrastructure improvements in rural areas to support greater internet speeds
  - ADA needs to support workers in multiple locations
  - Transition to paperless environment where it has not already occurred
  - Purchase of high-speed scanners and software to digitize physical files and incoming mail
  - Purchase of laptops for employees currently working from desktops
  - Transition to cell phones from land lines or possibly soft phones
  - Purchase of licenses for ZOOM or Webex for secure electronic meetings
  - Mileage reimbursements
- Savings
  - Reduction in leases for building space
  - Potential to reduce state fleet (increased costs in mileage reimbursements would need to be offset from these savings)
  - Reduced travel for meetings that could be accomplished via electronic means increasing employee productivity
  - Will there be ongoing savings to workers compensation claims? DHS experience since COVID-19 is that claims have dropped noticeably for DHS. Is this unique to DHS?

Finally, the introduction of telework will generate savings to the state but arriving at a reliable dollar figure at this time is challenging with all the unknowns and moving parts including adjustment costs. As DHS moves in this direction, space needs will decrease, but it will take time to achieve any lease savings working through changes with DFCM with existing lease/facility requirements. We do not know the impact of additional mileage reimbursements or fleet adjustments at this point, but we do not anticipate the changes to be relatively significant. There may be other potentially small cost savings that may offset new costs not yet incurred.

3. Cost savings from each program that serves individuals >138% FPL, if the program was eliminated (or provide explanation why programs are not tied to FPL):

Division of Child and Family Services

The Division of Child and Family Services has no income tested services. We do pay for services for children and families, some of which may involve families that IF there were an income test they would meet the described criteria. That said, we feel our services are uniquely required regardless of income and that such a test would not make sense. Consider the following:

- Families pay the state child support through Recovery Services when their income merits that obligation.
- Any payments to client services that may meet this parameter fall under reasonable efforts to keep children out of foster care or to support reunification - both of which we must do by law when a child has experienced abuse or neglect, (e.g., some drug tests and some non-medicaid services when families aren't able to cover the costs through insurance). These are relatively minimal expenses in our service array.
- Adding an income test would likely expend more effort to ensure compliance than we would gain, and would likely compromise our statutory and legal obligations to provide services to parents in order to promote child safety and ensure the preservation of the family unit.

Office of Recovery Services

The Office of Recovery Services provides services to anyone who applies. There is no income test or means test to be eligible for our services. It is a federal regulation that all of the Title IV-D Child Support services of our program are available to all who apply. The Medicaid Bureau is also federally required to recover and cost avoid where there is a third party liable for payment

Division of Substance Abuse and Mental Health

The Division of Substance Abuse and Mental Health (DSAMH) works with County Local Mental Health and Substance Abuse Authorities who provide public behavioral health services to Utahns experiencing symptoms of mental illness or substance misuse. They provide an array of evidence based prevention, early intervention, treatment, and recovery support healthcare services. 96% of the people served in mental health treatment services are at or below 138% of poverty while 91% of people served in substance misuse treatment services were at or below 138% of poverty. Each local authority has a sliding fee scale approved by DSAMH. Generally, it coincides with Medicaid eligibility because it is based on income and family size. As it slides up, providing less of a subsidy, the individual is eventually paying full freight for the service provided. Because overall demand for MH and SUD services outstrips our available funding, others take any spots provided when some graduate out of service subsidies as described with the sliding fee scales. COVID-19 has only increased the demand for these services. There is no "cost savings." Any cut would result in a curtailment of services to people who qualify and need services if funding is available.

Utah State Hospital

Utah State Hospital (USH) serves a small number of patients above 138% FPL. USH provides inpatient psychiatric services, both civil and forensic, for severely mental health patients.

Division of Services for People with Disabilities
The Division of Services for People with Disabilities (DSPD) operates Medicaid Home and Community Based waiver services. The majority of ongoing DSPD services are for individuals who meet Medicaid financial eligibility. The exception is ongoing Non-Medicaid Services (KFG).

Individuals that do not meet Medicaid eligibility criteria, but do meet eligibility standards to receive services from DSPD, and are selected to come into services can receive supports funded through the Social Services Block Grant. This funding is also used for those individuals who temporarily lose Medicaid eligibility due to e.g. not meeting spenddown. This funding is necessary to ensure continuous services and meet critical health and safety needs, including residential services from contracted providers. Approximately 85 individuals receive these services annually. Without these supports, individuals could pose a danger to themselves or their community.

Utah State Developmental Center
Our mission is to serve People with Intellectual Disabilities regardless of income level and we, therefore, do not track this type of socio-economic information from the individuals we serve. Our clients are funded primarily with Federal and State dollars. Only a very small amount of their income comes from work programs.

Division of Aging and Adult Services
All of the federal Older Americans Act programs administered by the Division and the local Area Agencies on Aging are not means tested, so they all serve individuals over the poverty line:

- Home Delivered Meals
- Congregate Meals
- Caregiver Support
- Long-term Care Ombudsman
- Senior Center Activities
- State Health Information Program
- Legal Support
- Adult Protective Services

It is worth noting that all of these programs prioritize low income over individuals with fewer needs, but they don't prevent them from being served.

The state developed Alternatives program is also targeted to low income, but it is based on 150% of poverty, so also served individuals over 138% of poverty.

The answer is not that we are intentionally serving people who are not in poverty, but rather that the federal statute that governs these programs does not allow us to conduct means testing so we do not know if they are above or below poverty. Given that, we have no way of quantifying the amount of General Funds that are actually benefiting people above the poverty line. That said, these programs require providers to seek out low income clients and screening tools weigh low income, low resources clients highest for qualifying for services. In many cases, individuals with resources tend not to seek our services in the same way individuals who don't have other options would.