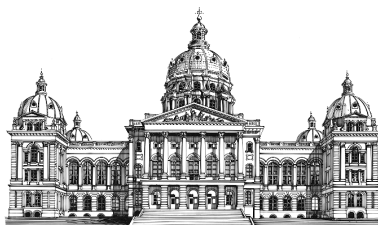


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Update On Implementation Of DHS Major Initiatives

ISSUE

Legislation pertaining to several major initiatives in the Department of Human Services (DHS) was adopted during the 1993 Legislative Session. Several of these have substantial fiscal impact. The Legislative Fiscal Bureau (LFB) will prepare monthly updates on the DHS's progress in implementing these initiatives.

AFFECTED AGENCIES

Department of Human Services

The Departments of Economic Development, Education, Employment Services, and General Services are also affected

CURRENT SITUATION

Child Welfare

This initiative will revise the entire child welfare delivery system to qualify various programs for Medical Assistance funding under the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program. The DHS FY 1994 budget assumes that implementation of this initiative by November 1, 1993, will result in the State receiving an additional \$16.1 million in federal funding for a variety of services designed to avoid out-of-home placements, preserve or reunify families, and keep children in family foster care instead of group care.

The DHS is continuing to plan the implementation of the Child Welfare Medicaid Initiative.

- The DHS has finalized and approved the mental health EPSDT screening instrument. This is the first product that the Peat Marwick consultant is required to deliver. Copies of the screening instrument and related materials are available from the LFB upon request.
- The DHS expects the Clinical Assessment and Consultation Teams (CACT) Plan and the service descriptions will soon be received from the consultant.
- The DHS is discussing drafts from the consultants with federal officials as they are received. The DHS will have to apply for federal approval of a revised Medical Assistance State Plan before the initiative can be implemented.

- The DHS is developing transitional plans for providers and DHS field staff to inform each group of the policies and procedures which will change when the initiative is implemented.
- The DHS expects to receive many of the remaining products from Peat Marwick in June. Planning for a significant portion of the initiative is expected to be finalized by July 1.

The DHS is also planning the implementation of the new group foster care cap (1,350 compared to 1,405 in FY 1993) and the allocation of the Child Welfare appropriation. The reduction in the cap is estimated to reduce expenditures for group foster care by approximately \$1.4 million. These savings are being combined with federal EPSDT funding to expand services designed to reduce the demand for group foster care.

The 5 DHS Regional Administrators and the 8 Chief Juvenile Court Officers have been meeting monthly, along with staff from the DHS Adult, Children and Family Services Division and the State Court Administrator's Office.

- After reviewing alternatives, the group decided to allocate the group care beds to the regions using the same formula as was used in FY 1993. The formula uses historical data; the group decided to move towards a formula based upon demographics in subsequent years.
- The group agreed on formulas for allocating the Child Welfare appropriation. Copies of the allocation formulas are available upon request from the LFB.

The DHS plans to involve the Chief Juvenile Court Officers in the development of the FY 1995 DHS Child Welfare budget request early in the process.

WELFARE REFORM (FAMILY INVESTMENT PROGRAM)

The DHS has submitted requests to the federal Department of Health and Human Services for Aid to Families with Dependent Children (AFDC) and Food Stamp waivers for the Family Investment Program, as directed by SF 268 (Iowa Invests Program). These waivers request federal approval for a variety of changes in eligibility standards that are designed to provide incentives for AFDC recipients to seek employment and attain economic self-sufficiency.

The DHS has requested a 5-year waiver, with the option of extending the waiver for another 5 years. The DHS has requested that the application be given priority consideration. The DHS does not expect to receive federal approval in time for a July 1 implementation, but expects that an August 1 implementation will be possible. Federal officials have responded to the waiver with a set of written questions, and the DHS is in the process of developing their response.

In May, DHS Director Charles Palmer, Senator Elaine Szymoniak, Representative Lee Plaiser, and several Executive Branch staff members traveled to Washington, D.C. to meet with Iowa's Congressional delegation and officials of the federal Department of Health and Human Services (HHS) and Department of Agriculture. Although the group generally received positive feedback about the Family Investment Program, staff of the HHS expressed concern about the evaluation component of the waiver request. DHS staff have verbally been told by HHS officials that the provisions in SF 268 limiting AFDC payments to persons moving into Iowa will not be approved.

The DHS is circulating draft administrative rules for internal review, and expects to be able to submit them to the Council on Human Services for approval on June 9. Changes to the employee manual are also being circulated for internal review, and data processing changes are being developed.

The DHS is planning a mailing to all AFDC clients publicizing the employment incentives contained in SF 268. Employee training is scheduled for June; all income maintenance staff will receive 2 days of training.

Copies of the waiver application and the implementation timeframe are available from the LFB upon request.

X-PERT AUTOMATED ELIGIBILITY DETERMINATION SYSTEM

X-PERT is an automated system which will permit field staff to use expert systems technology to guide them in making eligibility determinations for AFDC, Food Stamps, and Medical Assistance.

The development of X-PERT is proceeding on schedule. Current efforts focus on "knowledge acquisition", which consists of a close review of eligibility policies and how these policies are actually implemented in the field. This review will allow the project to develop "rules" which will permit the automated system to make eligibility determinations. Efforts in May are focusing on Food Stamps and AFDC, while the focus in June will be the SSI-related and AFDC-related eligibility groups.

X-PERT will be developed on personal computers (PCs), although data will be stored on a mainframe system. A performance test will be held this fall to evaluate the hardware needed to handle the X-PERT system.

A total of 13 staff are working on X-PERT development: 4 policy staff, 4 field staff, and 5 data processing staff. Technical and policy writing tasks are being contracted out so that manuals will be synchronized with X-PERT when it is implemented.

X-PERT will start as a pilot project in July 1994 for a 4-month period in Cerro Gordo County. Full implementation is scheduled for the beginning of calendar year 1995.

PC ACQUISITION

The DHS is in the process of installing 450 PCs. The acquisition of this equipment is designed to increase the productivity of field staff.

This equipment was purchased using \$277,000 in State funds that were allocated for the National Adoption and Foster Care Information System, as well as \$444,000 in State funds that were allocated for field staff but not spent for that purpose due to a large number of vacancies.

The machines are being installed by field staff, and few problems have been noted. Each DHS region has a person designated as a system support person to assist with PC implementation, and vendor telephone support staff has been used.

The DHS has hired a consultant for advice on connectivity issues. Paul Odens of Davis Thomas Associates from Minneapolis will provide the DHS with recommendations on the relative merits of direct connections to the IBM mainframe, a Local Area Network (LAN), and a Wide Area Network (WAN). The consultant will also provide examples of different kinds of networks for the DHS to consider, and will identify training and support needs.

The DHS is working with community colleges to provide training through a 28E Agreement with the Department of Education's Division of Community Colleges. Training will focus on basic PC operation, the Windows environment, and Word for Windows software. Each of the 1,000 staff will receive 2 days of training; the average cost per staff member is estimated to be \$130.00.

FIELD OPERATIONS

The FY 1994 appropriation for DHS Field Operations is based upon 1,959.0 FTE positions. This level is 229.0 FTE positions less than the funded FY 1993 level. The Governor's Office did not allow DHS to fill these positions.

There were 1,932.0 FTE positions filled as of April 22, 1993. This represents 27.0 (1.4%) vacant positions compared to FY 1994. However, due to a budgeted 4.0% vacancy factor and anticipated intra-department hiring, DHS is allowed to submit 134 requests to the Department of Management to fill positions.

CONCLUSION

The DHS is making appropriate efforts to implement legislative intent in all of these areas. The LFB will continue to monitor implementation and will provide periodic updates as implementation progresses.

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