

F I N A L R E P O R T

EMPLOYEE ASSISTANCE PROGRAM STUDY COMMITTEE

May, 1988

AUTHORIZATION AND MEMBERSHIP

The Employee Assistance Program Study Committee was established by the Legislative Council to study and make recommendations relating to employee assistance programs designed to help state employees deal with personal problems such as substance abuse, family and marital problems, and medical, emotional, and stress-related problems, in an attempt to lower accident rates, reduce the amount of sick leave used, lower employee turnover, lessen the number of grievances, and increase employee productivity. Six members were appointed to serve on the Committee.

Members of the Study Committee were:

Senator William W. Dieleman, Co-chairperson
Representative Gene Blanshan, Co-chairperson
Senator John W. Jensen
Senator Charles P. Miller
Representative John H. Connors
Representative Kyle Hummel

SUMMARY OF MEETINGS

The Committee was granted two meeting days. Meetings were held on October 6 and November 13, 1987.

The October 6 meeting included presentations from Mr. Thomas Donahue, Director, Iowa Department of Personnel; Ms. Diana Rock, Director, Community Action Program for the American Federation of State, County and Municipal Employees, AFL-CIO (AFSCME); Mr. Max Johnson, Director of Employment and EEO Programs, The Principal Financial Group; Mr. Sanford Weinberg, Executive Director, Ohio Employee Assistance Program; Ms. Monica Eischen, Bureau of Health Promotion, Iowa Department of Public Health; and Mr. John Tapscott, Executive Director, Employee Assistance Program, a private nonprofit program based in Des Moines.

Mr. Donahue provided information about the nature and purpose of an employee assistance program (EAP), the development of employee assistance programs for state employees in Iowa, a pilot program being developed for the six-month period from January through June 1988, and the anticipated need for appropriated funds for fiscal year 1988-1989.

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Ms. Rock spoke on the value of employee assistance programs, the structure of such programs, the need for confidentiality, and the involvement of union representatives in the administration of the program. She said that the establishment of an EAP may be an item addressed in collective bargaining negotiations, but it is not uncommon for the program to be established by the employer apart from negotiations, since it has been shown that there is a resulting improvement in productivity which is in the employer's interest.

Mr. Johnson presented information relating to the employee assistance program made available to employees of his company, The Principal Financial Group. He explained that the program is provided through a contract with a private nonprofit agency and said that the contracting arrangement has been successful in meeting employee needs. A high level of confidentiality is maintained and supervisors are able to concentrate on employee performance and need not attempt on their own to deal with employees' personal problems. The company believes the program more than pays for itself in increased productivity.

Mr. Weinberg described the Ohio Employee Assistance Program, stating that under the executive order creating the program the policy-making body is a joint labor-management committee including representatives of five public employee unions and five state government departments. The program is placed in the state health department rather than the personnel department. There are 29 community services centers which provide assessment, referral, and monitoring. All types of problems are addressed, including not only substance abuse but also emotional and family problems, financial problems, and legal problems. Family members as well as the employees may utilize the services. Mr. Weinberg discussed the availability of health insurance coverage when state employees are referred by the community services centers for treatment by health care providers.

Ms. Eischen presented information on wellness programs serving employees of the state. There was a comprehensive program of testing and education beginning in January 1982 using federal block grant funds. All departments and agencies were reached. The Bureau of Health Promotion has continued to provide wellness courses, workshops, and presentations for state employees as well as the general populace, but Ms. Eischen said that as departments and agencies are able to take more responsibility for their own wellness programs the Bureau will place greater emphasis on the private sector, working with communities and business and industry.

Mr. Tapscott described the particular employee assistance program operated by his organization, known as the "Employee Assistance Program". The program operates on a nonprofit basis and serves a number of clients in Iowa. In 1979 this organization

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began to serve state employees under an arrangement through the Governor's office. Mr. Tapscott said the understanding was that the state would pay its proportionate share of the cost, but the state did not ever make any payments even though many state employees were served between 1979 and 1985. In 1985 the organization decided it could not continue to provide free services for state employees, but even now state employees will not be turned away in crisis situations.

On November 13 the Committee heard from Mr. Doug Gross, Executive Assistant to Governor Branstad; Ms. Carol Swanson, Executive Assistant, Iowa Department of Personnel; Ms. Racquel Miller, Iowa Employee Assistance Program, Department of Personnel; Mr. Charles Wright, State Board of Regents; Mr. John Reno, The Prouty Company, and Mr. Bill Peterson, Iowa State Association of Counties (ISAC).

Mr. Gross reviewed the background of executive branch activities with respect to employee assistance programs, including collective bargaining negotiations and the decision to proceed with plans for the January 1, 1988 start-up of a six-month program in which departments in the executive branch could voluntarily participate. He reported that the Governor had not yet decided whether to approve the \$336,150 budget request from the Department of Personnel for implementation of an employee assistance program in fiscal year 1988-1989 or to defer and allow consideration of the matter in next year's collective bargaining process.

Ms. Swanson said the Department of Personnel budget hearing is scheduled for early December. The Department has designated the EAP appropriation as one of its high priority items. Ms. Swanson and Ms. Miller answered questions concerning both the proposal for fiscal year 1988-1989 and the six-month program scheduled to begin January 1. They explained that under the six-month program, the departments choosing to participate would share in the cost. A participating department would make payments either based on a per capita amount per employee or based on an hourly fee of \$55 for services actually used. They distributed information concerning bids received by the Department of Personnel for the provision of EAP services on a contract basis for the six-month program. The bids were reviewed by an interdepartmental committee and the final decision will be made by Mr. Donahue.

Mr. Wright presented a request from the Board of Regents for a supplemental appropriation for fiscal year 1987-1988. In addition, the Board requested funds to cover the cost of including Regents employees working at the Iowa School for the Deaf, the Iowa Braille and Sight Saving School, and the Board's central office as participants in the six-month pilot program of the Department of Personnel. The requested supplemental appropriation would cover employee assistance programs at the three state universities, separate from any Department of Personnel program. The program at Iowa State University has been in operation for several years, but formal programs at the other two universities

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have not previously been established. The University of Northern Iowa program would be implemented with the assistance of the local United Way and would utilize volunteer services, and estimated costs for this program are comparatively lower than for the other institutions.

Mr. Reno described an employee assistance program which is conducted primarily by telephone. The program, known as Employee Advisory Resource (EAR), is provided by Control Data in Minneapolis. Mr. Reno's company is the insurance administrator for the Iowa League of Municipalities and the Iowa State Association of Counties, and has arranged for this program to be provided for city and county employees. Mr. Reno stated that in addition to the telephone service, face-to-face interviews might be available in some cases. Services to family members are included. Mr. Peterson said that the EAR program was added by ISAC as part of its risk management program with the belief that insurance claims would be reduced over the long term as a result of the employee assistance services.

After the completion of testimony, the Committee made its recommendations. The Committee's recommendations deal with funding and with the elements of employee assistance programs serving employees of the state. There are no recommendations for the enactment of legislation apart from the appropriation process.

RECOMMENDATIONS

1. Funding for Department of Personnel Employee Assistance Program. The Committee recommends to the Governor and the Joint Appropriations Subcommittee on Administration that approval be given to the Department of Personnel request for an appropriation (estimated at \$336,150) to conduct the employee assistance program during fiscal year 1988-1989 on the condition that the Department of Personnel report to the General Assembly by the middle of February 1989, concerning its experience with the six-month pilot program operated during fiscal year 1987-1988 and the first six months of the full-fledged program operating during fiscal year 1988-1989.

2. Funding for Employee Assistance Programs at the State Universities. The Committee recommends that with respect to funding for an employee assistance program at each of the three state universities, the Board of Regents be required to present solid figures based on experience or on a pilot program before appropriations for that program are considered.

3. Minimum Requirements for Employee Assistance Programs Serving Employees of the State. The Committee recommends that all employee assistance programs serving employees of the state, including programs serving employees of the Board of Regents, provide at least the following as minimum requirements for a basic program:

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- a. Identification and assessment of problems.
- b. Referral to appropriate necessary service providers (personal, family, marital, medical, psychiatric counseling, substance abuse treatment, financial services).
- c. Short-term counseling (one to three visits).
- d. Client follow-up.
- e. Utilization statistics, monthly reports, and program evaluation.
- f. Outreach activities.
- g. Program orientation.
- h. Management/supervisory training and consultation regarding employee problems.

These elements include the premise that counseling, including counseling for assessment and referral, will be conducted in direct face-to-face interviews.

The Committee's position is that a minimum standard of quality should be maintained by all state EAP programs. This does not preclude the provision of services which exceed the minimum standard.

The Department of Personnel has stated a willingness to work with the Board of Regents and employee representatives in an effort to coordinate the programs for a uniform minimum standard.

4. Inclusion of Family Members. The Committee recommends that state EAP programs include services not only for the employee but also for family members residing with the employee.

The Department of Personnel's Request for Proposals (including the addendum) asked bidders to submit two cost figures -- one for serving employees only and one for serving employees and families.