

**FINAL REPORT**

**DHS RESTRUCTURING TASK FORCE**

Presented to the Legislative Council  
and the Iowa General Assembly  
February 1997

Prepared by the Legislative Service Bureau



Legislative  
Service  
Bureau

# FINAL REPORT

## DHS Restructuring Task Force

February 1997

### MEMBERS

Senator Johnie Hammond,  
Co-chairperson  
Senator Nancy Boettger  
Senator Michael Connolly  
Senator Elaine Szymoniak  
Senator Maggie Tinsman

Representative Hubert Houser,  
Co-chairperson  
Representative Dan Boddicker  
Representative William Brand  
Representative Danny Carroll  
Representative Ed Fallon  
  
Mr. Dennis Killion  
Ms. Arlene Dayhoff

## Contents

Committee Proceedings ..... p. 2  
Monday, October 21, 1996..... p. 2  
Monday, November 25, 1996..... p. 3  
Task Force Recommendation ..... p. 4  
Written Materials on File with the  
Legislative Service Bureau..... p. 4

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## Staff Contacts

Patty Funaro, Senior Legal Counsel,  
(515) 281-3040

John Pollak, Committee Services Administrator,  
(515) 281-3818

### AUTHORIZATION AND APPOINTMENT

A directive to create the DHS Restructuring Task Force was enacted in 1996 Iowa Acts, Chapter 1213 (SF 2446), section 25. The Legislative Council established the Task Force with the following charge:

"Review the structure and function of the Department of Human Services (DHS) with the goal of improving services to Iowans. The Task Force should review and seek public input on the four "vision" documents developed by the DHS; consult with providers and consumers who receive and use human services; and make proposals which address the departmental mission, organization, and services delivery."



## **DHS Restructuring Task Force**

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### **1. Committee Proceedings.**

The Legislative Council authorized two meeting days for the Task Force. Meetings were held on Monday, October 21, 1996, and Monday, November 25, 1996.

### **2. Monday, October 21, 1996.**

The following is a summary of the proceedings of the Monday, October 21, 1996, meeting of the Task Force:

**a. Co-chair Election.** The Task Force elected Temporary Co-chairpersons Senator Johnie Hammond and Representative Hubert Houser as Permanent Co-chairpersons.

**b. Federal Welfare Reform.** Mr. Doug Howard, Department of Human Services, provided an update and overview of recently enacted federal welfare reform legislation, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Mr. Howard discussed the work of the welfare reform advisory group which was established by DHS to assist in implementation of the federal Act. Mr. Howard addressed implementation timelines, the fiscal impact, and policy concerns relative to the federal legislation, and discussed state efforts in improving service delivery.

**c. Council on Human Investment - Innovation Zones.** Mr. Marv Weidner, Department of Management, discussed the activities of the Council on Human Investment. Mr. Weidner indicated that the Council was formed to develop a human service agenda for the state through establishment of goals and benchmarks. The benchmarks reflect the results of public opinion polls designed to elicit responses from Iowans in identifying public policy priorities. Based upon the outcome of the polling, results-oriented program performance measures have been developed for use in implementation of a "Budgeting for Results" process in which the state budgeting process is linked with demonstrated success in achieving identified results. Mr. Weidner also discussed the Innovation Zones Program which was created through legislation enacted by the 1996 General Assembly to facilitate community collaboration and flexibility in planning and providing for children and family services. The objective is to designate, through an application process, at least three innovation zones by March 1, 1997, to be operational by July 1, 1997.

**d. Funding Decategorization.** Representatives of decategorization programs from four DHS clusters including Jasper, Linn, Scott, and Pottawattamie counties provided overviews of their respective programs. Decategorization provisions are codified in section 232.188 of the Iowa Code and provide for redirecting of child welfare funding at the local level to services which are more preventive, family-centered, and community-based. Each local entity submits a plan, annually, to DHS which includes a proposal for funding, governance, budgeting, board structure, and dispute resolution.

## DHS Restructuring Task Force



e. **Task Force Discussion.** The members of the Task Force discussed a variety of approaches to address restructuring, including all of the following, but did not reach consensus regarding a unified approach:

(1) Reviewing specific issues or areas of concern including the mental health system, legal settlement, child support, and child welfare.

(2) Receiving input from other states, notably Nebraska, regarding their restructuring efforts.

(3) Establishing work groups to gather input through the use of public hearings held throughout the state regarding the role, structure, and function of DHS and then developing a work plan.

(4) Reviewing DHS on a service-by-service, function-by-function basis and determining if the current process of delivery of services is the most effective and efficient.

(5) Scheduling presentations by representatives of the various DHS divisions to explain the function of a particular division and to develop a vision for the future.

(6) Using a problem-based approach by identifying problems in the structure of the delivery of services by DHS.

(7) Making additional inquiry into concerns expressed by listening post respondents (individuals who expressed concerns during Appropriations Subcommittee meetings).

### 3. Monday, November 25, 1996.

The following is a summary of the proceedings of the meeting of the Task Force held on Monday, November 25, 1996:

a. **National Conference of State Legislatures.** Ms. Shelley Smith, National Conference of State Legislatures (NCSL) discussed the efforts of other states in restructuring human services programs. Ms. Smith noted that Iowa is viewed as a model for other states in its restructuring efforts, including juvenile justice funding decategorization, family preservation, family investment, and others. Ms. Smith noted that many states are involved in restructuring human services and that overall, the concern is not in moving the services to a new agency, but in the policy objective of delivering the services in a manner which is satisfactory to recipients of the services. Currently, no fully-implemented model exists for the restructuring of services including the devolving of service delivery to the local level, and efforts range from consolidating state functions under an umbrella to reduce redundancy, to grouping programs with a similar focus, to empowering local communities to provide services. Ms. Smith noted the examples of Illinois, Nebraska, Colorado, Hawaii, Utah, Wisconsin, Michigan, and Oregon.

b. **Administrative Rules.** Mr. Joe Royce, Legal Counsel, Administrative Rules Review Committee, and Ms. Mary Ann Walker, Department of Human Services,



## **DHS Restructuring Task Force**

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presented an overview of the administrative rules process. The presenters discussed the need for rules in providing for consistent interpretation of agency policy and a formalized mechanism for change while recognizing that rules impose rigid requirements with the force of law on individuals and agencies, thereby reducing the ability to accord flexibility to individual situations.

**c. Task Force Discussion.** Discussion included the following:

◇ The Task Force noted that there is support for local involvement in program administration and delivery which allows for more effective outcomes, but that a need for accountability to a more centralized entity remains.

◇ Although no consensus was reached on an approach, the Task Force members determined that a need exists for additional public input in improving human services delivery in the state. Various approaches were suggested including a targeted listening post approach, a surveying of decategorization board leaders, and a client survey.

#### **4. Task Force Recommendation.**

The Task Force lacked a quorum of Senate members to adopt formal recommendations under the Task Force Rules. The Task Force members present recommended that the chairpersons and ranking members of the Joint Appropriations Subcommittee on Human Services meet early in the 1997 Legislative Session to develop a workplan for consideration by the full Task Force.

#### **5. Written Materials Filed with the Legislative Service Bureau.**

- a. User-friendly ideas for DHS, submitted by Co-chairperson Hammond.
- b. Personal Responsibility and Work Opportunity Reconciliation Act of 1996 – Work Group Structure, Federal Welfare Reform – Timing, Fiscal Impact, and Policy Issues, Iowa's Welfare Reform, List of Contacts, submitted by Mr. Doug Howard, DHS.
- c. Federal Welfare Reform Summary, submitted by Mr. Larry Sigel, Legislative Fiscal Bureau.
- d. Council on Human Investment Briefing, submitted by Mr. Marv Weidner.
- e. Outcome Measure Evaluation for Safe Children, submitted by Mr. Marc Baty and Mr. John Brandt of Linn County.
- f. The Pottawattamie County Decategorization Project, submitted by Mr. Tom Bouska and Mr. Ron Diimig.
- g. Jasper/Marion – Warren/Madison Decategorization Projects and Programs, submitted by Mr. Jerry Sawin and Ms. Jackie Sparks.
- h. Vision documents, submitted by DHS.

## DHS Restructuring Task Force



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- i. Tools to Change Agency Policies through the Rulemaking Process, submitted by Mr. Joe Royce.
  - j. House Bill 2004, Oregon Legislative Assembly, submitted by Co-chairperson Hammond.
  - k. Values for Reformed Services, submitted by Ms. Shelley Smith.
  - l. Background materials distributed by the Legislative Service Bureau:
    - ◇ Overview memorandum by Ms. Patty Funaro, Legislative Service Bureau.
    - ◇ An article from the December 1994 issue of Governing Magazine entitled "The Human Services Nightmare."
    - ◇ Documents relating to the Nebraska Partnership for Health and Human Services describing that state's restructuring efforts.
    - ◇ A summary of the Innovation Zone Legislation (1996 Iowa Acts, Chapter 1219 (SF 2470), sec. 61; codified in 1997 Iowa Code section 8A.2).
  - m. Additional materials distributed by the Legislative Service Bureau:
    - ◇ A paper prepared by the Center for the Study of Social Policy entitled "A Legislative Strategy to Support Local Governance."
    - ◇ A listing of state licensing restrictions and revocations prepared by the federal Office of Child Support Enforcement.
    - ◇ An account of the transfer of the Texas child support enforcement program from their Department of Public Welfare to the Attorney General's Office.
    - ◇ A description of the transfer of the Florida child support program to the Florida Department of Revenue.
    - ◇ Materials concerning the Oregon child support program.
  - n. Materials distributed by the Legislative Fiscal Bureau:
    - ◇ A description of the relationship between Iowa's Child Support Recovery Unit and other DHS programs.
    - ◇ An analysis of Iowa's child support recovery performance compared with other states.