

To: Iowa Council on Human Services

From: Charles Krogmeier, Director

Date: December 3, 2009

Re: DHS Restructuring

I am pleased to present to you my vision to restructure the Iowa Department of Human Services (IDHS) to better position the department to successfully deliver services to Iowans who need them. We will do this while we maintain our responsibility to the taxpayers to achieve our mission within the funds that are available. Enclosed is a new table of organization for DHS that I am recommending for adoption by you to be effective January 1, 2010. For comparison purposes I have also enclosed the current table of organization (TO) that has been used for approximately eight years.

A review of the DHS structural organization for optimization of efforts is critical at this time. The dramatic change in our economy and the subsequent and unavoidable negative impact on public funds has accelerated the urgency for this review and analysis. The recent 10% across-the-board budget reductions and the likely 2011 budget situation make these changes no longer a choice but an imperative to align ourselves in the best way to provide the services Iowans need from DHS.

Several months ago I asked Jan Clausen to lead an internal work group in reviewing the DHS organizational structure. My guiding principles for the work group were to focus resources on our primary work, maintain the integrity of our programs, assure timely and focused support for all operations, align key functions, strengthen the role of technology, strengthen accountability throughout the organization, focus internal and external communications, streamline our structure, and address span of control issues.

The work group solicited input from senior management including the service area managers, superintendents and the current division administrators. I met with the work group several times to discuss various options and issues identified in their work. The group looked at organizational structures from other state agencies both in Iowa and other states.

The new structure aligns DHS into programmatic and administrative support areas through two deputy directors and six divisions. I believe this new structure will better assist the department in meeting our corporate goals and provide the best services to our constituents within the resources available.

Some of the elements of the new structure below the deputy and division administrator levels may take a few months to finalize and implement. With your approval, the reorganization would commence

January 1 with the deputy and division administrator positions. The completion of the reorganization of our service areas will take a little more time and will be finalized around April 1, 2010.

Specifically, I am recommending the following for your consideration:

- **Two Deputy Directors**

The Deputy Director for Program Services will coordinate and direct all programmatic services to Iowans. This Deputy will have the responsibility for assuring that policy development is aligned with program implementation functions, maintaining focus on our core essential functions and accomplishing our departmental program goals.

The Deputy Director for Administrative Services will have primary responsibility to coordinate “internal” operations of DHS that support program development and service delivery. This Deputy will also assure accurate and timely research to allow for appropriate strategic and performance planning.

- **6 Divisions**

In the proposed reorganization we reduce the number of divisions from nine to six. The new table of organization reflects an alignment of programs within four divisions. Each program division consolidates service delivery within one of four areas:

- ***Iowa Medicaid Enterprise***: all health care related services including Medicaid, *hawk-i*, HIPP, and long-term care services.
- ***Mental Health & Disability Services***: all services to populations in the mental health, mental retardation, disability and brain injury populations including the planning and accreditation functions of community providers, the state ICF/MRs and MHIs, the juvenile facilities, CCUSO and targeted case management services.
- ***Adult, Children & Family Services***: consolidation of services regarding child welfare, juvenile justice community programs, child care licensing and regulation, child care subsidies, adult protective services, eligibility policies for financial assistance (FIP, Medicaid, food assistance, commodities) and work support programs (PROMISE JOBS, Food Assistance Employment & Training.)
- ***Field Operations***: oversight over child support recovery, all field operations for county offices, provision of field support and training functions as well as a new centralized service area where some current field functions will be streamlined and centralized.

The two remaining divisions (***Fiscal*** and ***Data Management***) provide support services to the department in the fiscal, budget, human resources, contracting and technology areas.

- **Field Operations**

We must strive to maintain front line staff. We must continue to make a difference in the lives of Iowans. I believe that this can be accomplished through five service areas versus the current eight. The criteria used in determining the new service area boundaries included an effort to balance the caseloads

and supervisory spans of control while recognizing existing relationships between counties for the delivery of human services.

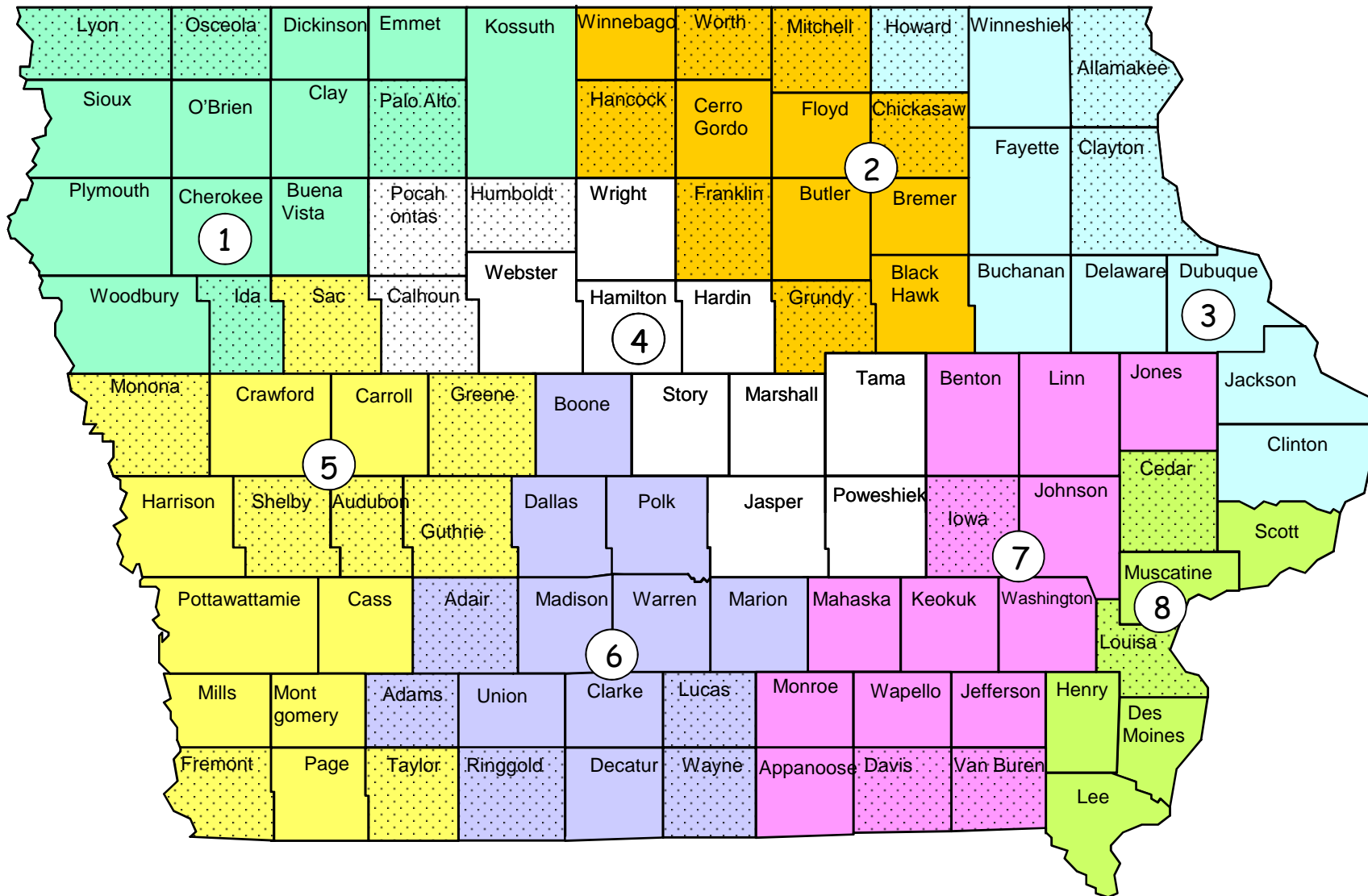
Today we have eight service areas and 34 less-than-fulltime offices. There were 2,017 positions for these operations in FY 09. Under our proposed realignment there will be five service areas and we expect there will be additional less-than-fulltime offices. We will also establish one "Centralized" service area where we will consolidate and relocate some of the functions supervised today by both Field and Central Office. Services likely to be centralized include child welfare intake; child care assistance eligibility and payment; the abuse registries and record check evaluations; eligibility for "medical only" cases; IV-E eligibility; child care licensing; and the Income Maintenance Customer Service Center. Refugee Services, which is currently a stand-alone unit, will be managed through the Des Moines Service Area. We will provide these realigned operations with 1,939 funded positions - a reduction of 78 positions which are all currently vacant positions.

The service area consolidation will result in some positions being eliminated. The reduction in fulltime offices will not result in fewer staff but will allow for much more efficient use and better supervision of the staff we have available. Service area changes would likely occur between January and April, 2010.

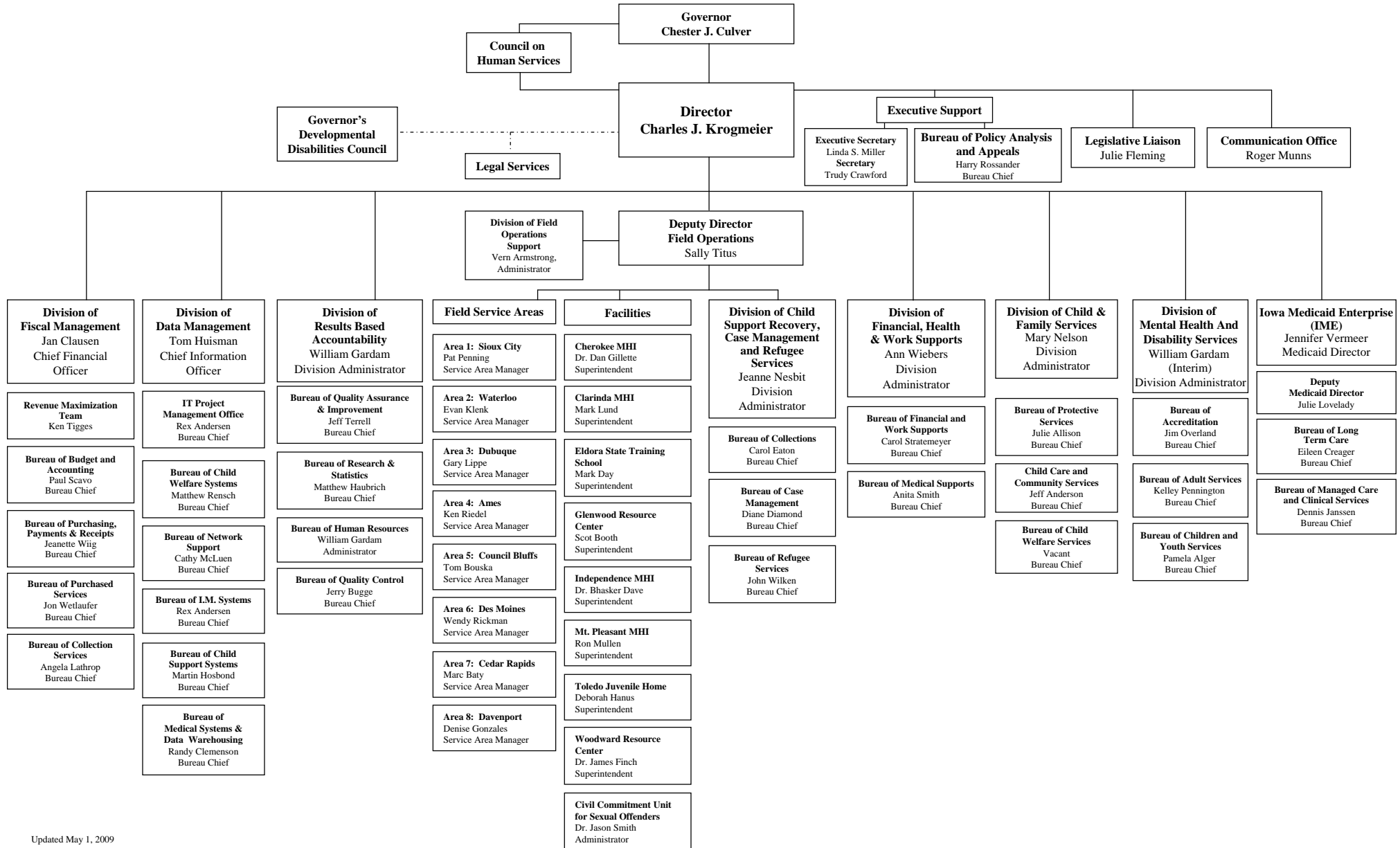
DHS provides some of the core and essential services of state government to Iowa's most vulnerable citizens. For many people, DHS is the difference between life and death as we work to protect the lives of abused and neglected children and dependent adults, those with mental illness, mental retardation, developmental disabilities, the financially-needy, the elderly, and pregnant women. The amount of dollars we spend on these efforts makes our accountability to the public critical. We need to make sure that taxpayers are able to understand the connection between the essential services and the costs associated with providing them. DHS is the difference in many Iowans' lives. The responsibility to succeed is very real.

Field Operations
Current

Less than fulltime offices

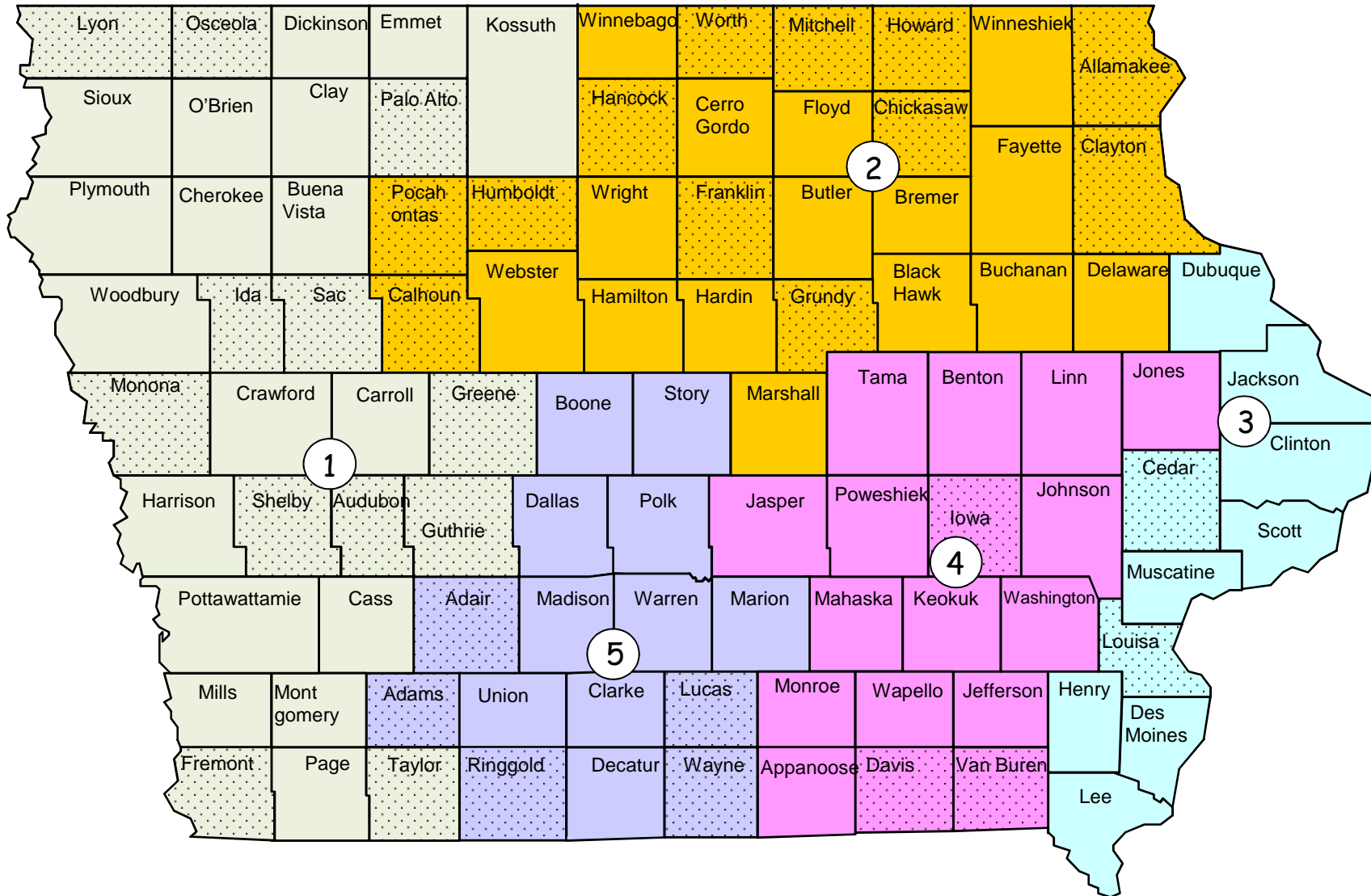


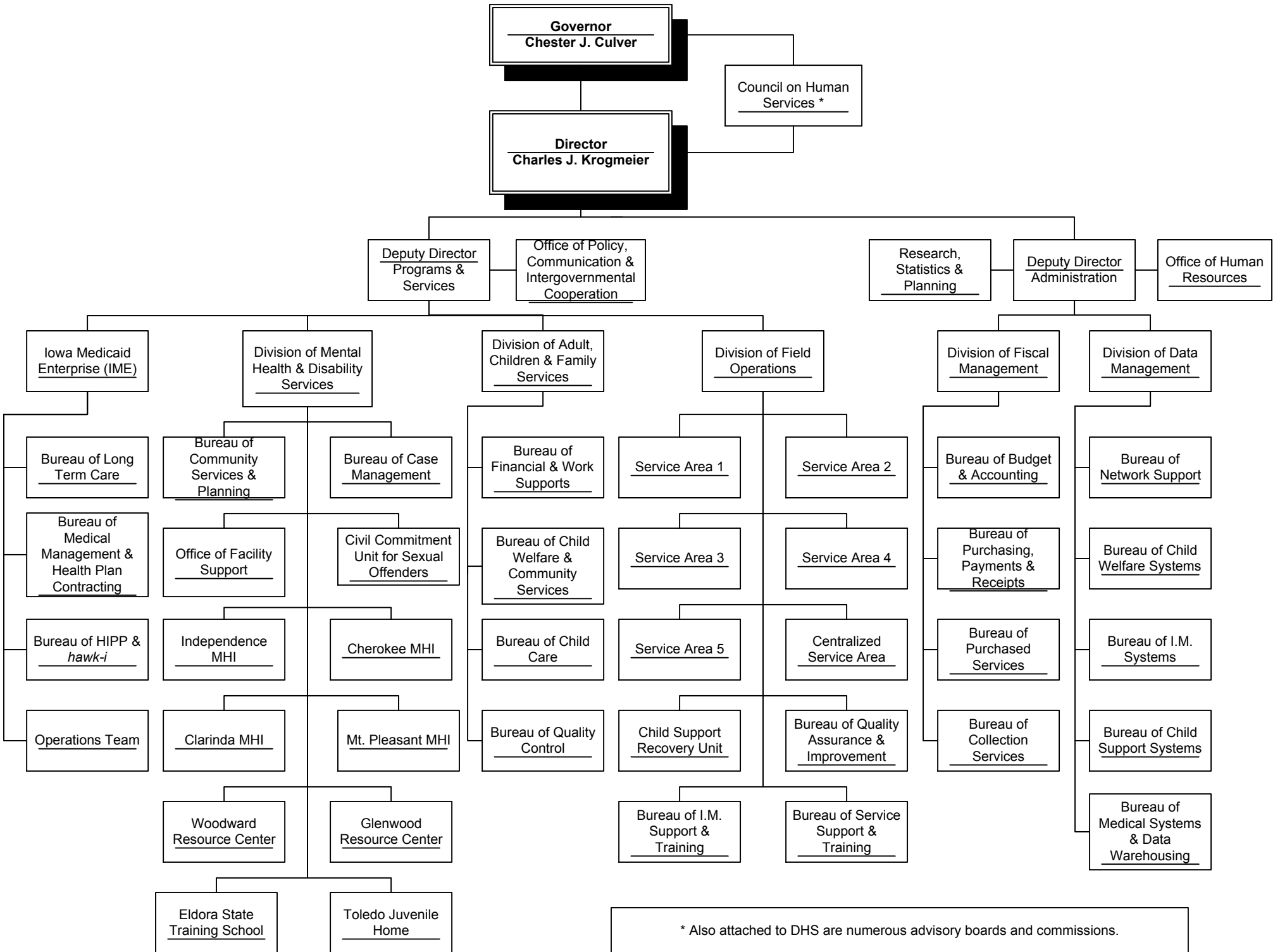
State of Iowa Department of Human Services



Field Operations New

Less than fulltime offices





* Also attached to DHS are numerous advisory boards and commissions.