

| <b>Division &amp; Subject</b>                           | <b>Overview</b>  | <b>Concerns/Comments</b>   | <b>Suggested Amendment</b>  |
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| Division I<br><br>Govt. Information Technology Services | <p>Establishes CIO position within DAS with authority and responsibility to do comprehensive planning and decision making regarding IT consolidation including but not limited to data centers, servers, and telecommunication carriers, purchasing, etc. Allows for state agency waivers that meet required conditions; however the CIO has ultimate authority to grant these waivers and there is no appeal process. CIO creates rates for services. In addition, the current Technology Governance Board is eliminated and replaced by Technology Advisory Group whose recommendations merely advisory.</p> | <p>DHS is designated Iowa's "single state agency" as required by federal law for the Medicaid, Child Support Recovery, TANF, Food Stamp Program and Child Care Program. The FY 11 budget for these programs alone is \$4.6 B and will serve over 800,000 Iowans. This designation means that DHS is held directly accountable to comply with federal requirements pertaining to financial, programmatic and performance standards. Because IT is integral to the delivery, monitoring and oversight of these programs, it is essential that the authority of the CIO not create an unnecessary barrier to DHS compliance. The Waiver authority requires a duplication of explanation and approval; is unwarranted when there is no accountability by the CIO for compliance to federal requirements; and creates unnecessary time and energy to go through an additional approval process. In short, if DHS no longer has administrative authority of all aspects of these programs, we risk the federal funding.</p> <p>In addition to the above, the focus of the primary consideration is to standardize technology across agencies and reduce costs for the state. This ignores the key issue of the business of various state agencies and what accountabilities the CIO has to address these performance requirements. DHS is a key agency in the protection of children and vulnerable adults as well as the sole safety net for vulnerable populations served in nine facilities and the financial safety net provided by fundamental financial and health support programs. As drafted there is no expectation that IT decisions will support or enhance these critical services.</p> <p>The recipients of IT services or the "customer" of these services have no control over decisions made. The elimination of the Governance Board and substitute of an Advisory Board does not provide the necessary check and balance for these critical services.</p> | <p>1. Amend page 5 after Line 3 inserting the following:</p> <p>"b. This chapter shall not impede the authority of the single state agency to exercise administrative discretion in the administration or supervision of federal programs and public assistance cost allocation plans, including but not limited to Medicaid, Child Support Recover, and Food Assistance pursuant to federal law.</p> <p>c. A waiver shall be approved when a participating agency demonstrates that a waiver is necessary to comply with any published policy, standard, or requirement established by a governing body other than the department.</p> <p>2. Amend Page 5 after line 23 insert:</p> <p>" Enter into contracts. with each agency that specify performance standards and financial penalties for non-performance for each service delivered to the agency. The contracts shall be negotiated and signed no less than bi-annually by state agency and the Department of Administrative Services."</p> |

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|  |   | <p>If performance is unacceptable or costs excessive, the customer has no recourse.</p> <p>The ability for DHS to control its IT budget is significantly more limited. While the goal is to save the state money, it is very possible that in doing so DHS and other large State Agencies will see cost increases. Today all agencies, including DHS, must live within a budget and prioritize expenditures accordingly. Under the proposed legislation, rates are established that require no approval or recognition of budgetary limitations and are not required to be market based. Past practice has demonstrated that IT costs by DAS have been more expensive than the market place. In addition, it is critical to assure that DHS not pay for services that cannot be justified in the expenditure of state and federal funds.</p>  | <p>3. Amend Page 2 line 18: Strike item 1.</p>   |
| <p>Division VI<br/>Span of<br/>Control</p> | <p>This section establishes a target aggregate ratio of supervisory employees</p> | <p>In DHS frontline, supervisors (in addition to supervising), are doing actual work that must be done. The definition of supervisor and hence all of the expectations for spans of control and layoffs will create serious inability for DHS and agencies to other agencies to get work done.</p> <p>The bill does not provide an exception to the span of control for those agencies like DHS who provide services in 24/7 facilities that must meet state/federal licensure standards, accreditation standards and standards of practice. Such standards directly relate to the expectation for effective oversight in the delivery of a range of health, safety, treatment and other services but often do not include a specific ratio for supervisors. The bill needs to be adjusted so this can be taken into account.</p> <p>The bill does not recognize efforts that DHS and perhaps other state agencies have made in SFY 2010 to reduce supervisory staff as reductions have been made. Therefore the bill needs to be amended to assure that agencies who have made adjustments in spans of control are not further penalized in FY 2011.</p> | <p>1. Amend page 37 Line 17 by adding the following:<br/>"The policy shall allow for exceptions when an agency must meet state or federal licensure standards or national accreditation as well as recognized standards of practice in the provision of care."</p> <p>2. Amend Page 37 Line 21 by adding the following:<br/>"The period used for purposes of calculating the proportion of middle management to direct service layoffs will be the full fiscal year in which the layoffs occur."</p> |

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| Division XXIX<br>Medicaid<br>Prescription<br>Drugs | Directs Medicaid to restrict prescriptions and to cover certain mental health prescriptions under the Preferred Drug List | DHS supports the amendments, however offered a technical correction related to including of mental health prescription drugs.   | Amend 249A.20A subparagraph 4 as follows:<br><br>4. With the exception of drugs prescribed for the treatment of human immunodeficiency virus or acquired immune deficiency syndrome, transplantation, or cancer <del>and drugs prescribed for mental illness</del> with the exception of drugs and drug compounds that do not have a significant variation in a therapeutic profile or side effect profile within a therapeutic class, prescribing and dispensing of prescription drugs not included on the preferred drug list shall be subject to prior authorization. |
| Division XXIX, XXX, XXXI                           | Medicaid Activities   | DHS supports however wants to assure that the necessary dollars to implement the cost saving strategies are obtained. Therefore the amendment nets out the administrative costs from the program savings. | Amend Page 179 after line 34 inserting the following.<br><br>To create Medicaid efficiencies as specified in the Executive Order #20 and in this Act, funding in the Medical Assistance appropriation where savings will accrue may be transferred to the appropriation for Medical Contracts.   |
| Division XXXIV                                     | Calls for the full closure of the Mount Pleasant Mental Health  | This bill calls for the <i>complete closure</i> of the Mount Pleasant MHI in SFY 2010.  | 1. Amend Page 187 line 6 by striking " 2009" and inserting in lieu thereof "2010".   |

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| <p>State Mental Health Institutes</p> | <p>Institute in SFY 2010 with no transfer of beds or programs to another MHI or the community. Funds only the costs associated with the transfer of authority to DOC. Requires the DHS to transition administration of the facility to the DOC. Requires the DHS to transfer Mount Pleasant MHI patients to "suitable alternative placements". Requires the DHS to revise catchment areas. Requires the DHS and the DOC Director to notify the Legislative Services Agency when transfer is completed.</p> | <p>There is no expressed legislative intent regarding where the programs are to be relocated. It appears that the provision of dual diagnosis program is permissive. The programs are to be relocated no later than June 30, 2010.</p> <p>Assuming the intent is to move all 3 programs to IMHI, in order to implement this, DHS requires authority to begin in FY 2010 and conclude the transition in FY 2011. DHS is unable to relocate the 3 programs by June 30, 2010. The earliest to relocate the programs to IMHI is November 1, 2010 based on a May 1<sup>st</sup> appropriation and authority to implement.</p> <p>The actual fiscal impact in FY 2010 is impacted 1. ) the renovation costs and 2.) the decision regarding relocation of Mount Pleasant staff and the number who chose to relocate. (As drafted the Bill would mean that DHS <i>would not</i> provide relocation expenses to current Mount Pleasant staff per the Collective Bargaining Agreement because this is being defined as closure and not a consolidation of programs. If the intent is to consolidate DHS is required to pay for relocation costs per the Collective Bargaining Agreement.</p> <p>In addition to the timing issues, DHS is unable to lay staff off with the current State's agreement with AFSCME prohibiting layoffs in FY 2010.</p> <p>The FY 2011 budgets for Mount Pleasant and IMHI will need to be adjusted based on the implementation timeline. DHS will require emergency rule making authority.</p> <p>State savings will be impacted based on what is included in the transition costs related to transfer of authority related to DOC.</p> | <ol style="list-style-type: none"> <li>2. Amend Page 187 line 6 by striking " June 30, 2010 and inserting in lieu thereof "June 30, 2011".</li> <li>3. Amend Page 189 line 23 by striking " July 1, 2009" and inserting in lieu thereof "July 1, 2010".</li> <li>4. Amend Page 189 Line 34 by striking " July 1, 2009" and inserting in lieu thereof "July1, 2010."</li> <li>5. Amend Page 189 Line 35 by striking " 2010" and inserting in lieu thereof 2011."</li> <li>6. Amend Page 190 by striking lines 15-17 and inserting the following.<br/><br/>"Sec. 402 EFFECTIVE DATE. All sections of this Division take effect on or before July 1, 2011. DHS shall have emergency rule making authority to implement the necessary changes. "</li> </ol> |
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| Division XXXV Consolidation of Advisory Bodies Council on Human Services | Requires the DHS Council to establish and utilize the bodies currently established as Child Abuse Prevention Program Advisory Council, Child Support Advisory Committee and Child Welfare Advisory Committees | <p>DHS currently has numerous Boards/Advisory Groups which require staff support.</p> <p>As drafted the Bill, the Department staff will still be required to provide this level of support. The 3 groups that are retained still have their same duties and memberships. Therefore there is no relief to staff.</p> <p>DHS supports the inclusion of consumer, stakeholder and expert input to program planning and evaluation, however we propose that there may be a more streamlined process to do so. As the policy making body for the Department, the DHS Council should be directed to establish Advisory groups or task forces for the purposes of seeking input for program design and effectiveness and be given the authority to determine how best to gather this input. .</p> | <p>Amend Division XXXV by striking page 190 line 21 through page 193 Line 15 and inserting the following:</p> <p>The Council on Human Services shall seek routine input and recommendations for program improvements from consumers, knowledgeable persons and stakeholders in the fields of child abuse prevention, child welfare and child support recovery. The Council shall establish appropriate Advisory Committees or Task Forces to achieve this purpose and assure that representiveness is achieved. The Council shall report on these activities annually.</p> |
| OTHER:   | Amendment to add the DHS pre-filed bill regarding Reorganization Authority.   | Current law sets the DHS service areas as they were in 2002. DHS Director seeks the authority to realign the service areas based on caseload and budget concerns.  | SUPPORT  |
| OTHER:   | Amendment to add the DHS pre-file bill regarding the MH/MI/DD/BI Commission Duties Realignment.   | Requested by the Commission to realign their duties with their purpose and the resources available to support its activities. Will allow the Commission to streamline and coordinate duties.   | SUPPORT and have a letter of support from the Commission Chairperson.  |

