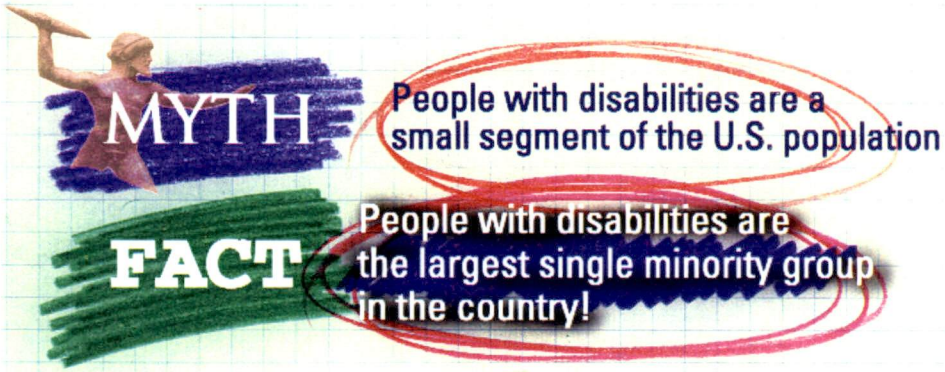


49 million Americans are disabled and they spend $2.4 trillion annually !

Abilities 2000

Addressing the practical needs of people with physical disabilities by creating greater awareness and sensitivity within the business/service community — emphasizing the values of tolerance, dignity, and respect, as well as an appreciation for everyone's differences and abilities.

Not only are Americans with disabilities a large and diverse population, the experience of disability is typical rather than rare. Nearly one-third of U.S. families have a member with a disability and most families experience disability at some time. "Disability" is a normal part of life.

Just ask! An Awareness and Sensitivity Training Program

The *Just Ask Awareness and Sensitivity Training Program* provided by *ABILITIES 2000* is designed in a TRAIN-THE-TRAINER FORMAT for corporations, government agencies and privately owned businesses. The purpose is to teach each trainer participant how to incorporate the Just Ask training into their own diversity training program with the idea of creating a greater understanding and social awareness about the special needs of physically disabled people.

For nearly a decade, since the signing of the American with Disabilities Act in 1990, businesses have been required to make their facilities, goods and services accessible to all people. They have been mandated to follow the LETTER OF THE LAW in removing physical barriers and changing discriminatory policies.

ABILITIES 2000 believes that as a new millennium approaches, it is time to focus on the SPIRIT OF THE LAW to remove the social barriers by eliminating the lack of understanding, awareness and sensitivity toward people with disabilities. When these elements are addressed, non-disabled people can begin to appreciate the uniqueness of each individual. We must learn to value each other's differences, as well as each other's abilities.

Society cannot change overnight, and it is important not to overlook positive developments, but it is imperative that the business community face their fears about people with disabilities — fears that stem from a lack of knowledge and experience. Encounters with people who need special assistance are awkward because the focus is on the disability rather than on the person. The lack of self confidence in the ability to reach out and properly assist someone who is disabled results in discrimination.

However, when the consumer serving public understands the needs of a person who is disabled and can confidently and effectively meet those needs, the result is good business and a positive step in breaking down discrimination barriers.

Goals of the JUST ASK Training

By focusing on the Spirit of the Law, ABILITIES 2000 strives to:

- Empower the community by teaching how to effectively respond to the needs of people who are physically disabled.
- Provide education and sensitivity training in order to create a better understanding and social awareness of disabilities.
- Change the current perception of looking at "disabilities" to looking at "abilities" and beginning to deal with individuals from a new perspective.

Description of the JUST ASK Training

Education & Awareness

- History of disabilities
- A closer look at our abilities
- Discussion of various disabilities
- How to enhance positive communication in the community
- Review Americans With Disabilities Act

Sensitivity

A training participant will participate in small and large group exercises that emphasize lessons in new ways to solve problems, new ways of seeing things and breaking down misconceptions about disability.

By experiencing firsthand what it is to loose the ability to walk, see or hear, people can begin to identify much more easily with a person who faces those challenges everyday.

To facilitate this, participants will be given the opportunity to manipulate the room blindfolded, using only a white cane, allow someone to push them around the room in a wheelchair, or maneuver a chair on their own and to use sign language to ask for directions.

Communication

Training participants will be instructed in the many different aspects of communicating with a person who is disabled. Learning to JUST ASK is the first step in properly assisting someone.

Video

Video tapes of people sharing their own personal experiences will be used in the training as another way of creating greater awareness.

Service Evaluation for Customers with Special Needs

The Service Evaluation for Customers with Special Needs offered by *ABILITIES 2000* is the first step in changing social barriers that face people with disabilities in the community setting. Every business knows the importance of providing the highest quality of service to each and every customer. The well informed business owner realizes that some of his customers will be disabled and may need special assistance.

Landmark civil rights legislation has brought about a far greater awareness of the problems faced by the 49 million Americans who have disabilities. Without question, progress has been made in addressing some of these needs. Social integration for people with disabilities is a major goal both of the disability movement and of national policy.

This group of citizens represents spending power in the amount of $2.4 trillion annually. It makes good business sense to tap into this large resource.

ABILITIES 2000 provides ghost services to any business that is concerned about social awareness, sensitivity, superior service, and making sure that every customer is a return customer. A person with a disability, either independently or with an assistant, can become "your secret customer" and as that customer, evaluate the service they receive. That evaluation is presented to the business in order to correct and improve service as indicated. Monitoring how the special needs of people with disabilities are being met is an imperative part in making sure that the business is properly training its staff in understanding how to be sensitive to those needs and how to properly assist that individual with dignity and respect.

Areas of evaluation may include but not be limited to access barriers, communication barriers, and attitudinal barriers. Business owners may deceive themselves with claims that their facilities are not used by people with disabilities, or that no complaints have been made against them. However, they must realize that a single bad experience can be a powerful deterrent. They must increase their awareness of the needs of actual and potential patrons who have disabilities, along with their willingness to accommodate those needs. Removing any barrier can bring in new customers which creates additional cash flow.

Abilities 2000

For additional information on *The Just Ask Awareness & Sensitivity Training* and the *Service Evaluation for Customers with Special Needs* contact:

Abilities 2000 505-438-3819 Fax 505-424-0801
e-mail: dewitty@concentric.net www.glcl.com/abilities2000

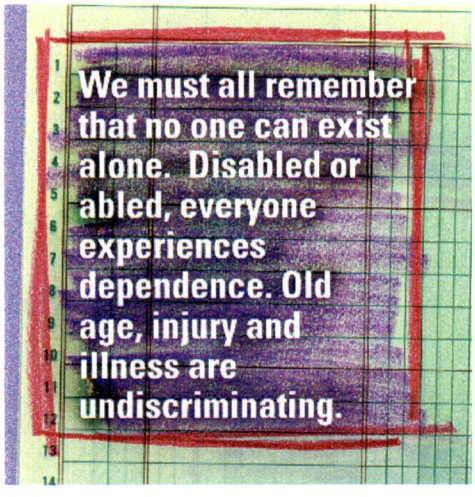
Gordon B. DeWitty

Founder of Abilities 2000, Gordon is sightless and through his own life experience of living with a physical disability, conceived this training program. He knows the great value that increased awareness and sensitivity will add to the lives of the consumer who is disabled as well as the non disabled service provider.

Gordon worked in the music business as a keyboard artist, producer and songwriter. He is no stranger to audiences and is the lead facilitator in *The Just Ask Awareness and Sensitivity Training Program.*

Sharon Cook

Co-founder of Abilities 2000, Sharon also brings a life of experience to Abilities 2000 as the mother and primary caregiver of a son who was born with mental retardation and cerebral palsy. She has a first hand understanding of what it is like to assist people who are disabled. Sharon's life work has been with organizations that provide services to people with disabilities.



"Working together as Abilities 2000, we believe that it is only a lack of understanding, awareness and sensitivity among the *non*disabled public that creates discrimination toward those with disabilities. Once these elements are addressed, people can begin to appreciate each other's differences as human beings — as well as each other's abilities."

SUNSET ADVISORY COMMISSION

P.O. Box 13066 ❖ Austin, Texas 78711-3066

November 23, 1998

Mr. Lex Frieden, Senior Vice President
Institute for Rehabilitation and
Research Foundation
1333 Moursund
Houston, TX 77030

Dear Mr. Frieden:

The Sunset staff has completed the Staff Report on the Health and Human Services Commission and the Organization and Delivery of Health and Human Services. Enclosed is the Report Summary. If you would like a copy of the full report, please contact our office at the address or phone number below. The staff report is also available on our Internet web site at: http://www.sunset.state.tx.us.

The Commission has tentatively scheduled a public hearing on this report for December 15th and 16th. You are welcome to provide testimony at that meeting. Any comments on the recommendations in this report will need to be received by Friday December 11th, in order to include them in the material prepared for our Commission members. Thank you for your interest in the Sunset process.

Sincerely,

Joey Longley
Director

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Enclosure: Report Summary of the Sunset Staff Report on the Health and Human Services Commission and the Organization and Delivery of Health and Human Services

HEALTH AND HUMAN SERVICES COMMISSION AND THE ORGANIZATION AND DELIVERY OF HEALTH AND HUMAN SERVICES

REPORT SUMMARY

Report Summary

Health and human services programs in Texas represent the second largest function of state government, behind education, with appropriations for the 1998-99 biennium totaling more than $26 billion, or 30 percent of all state appropriations. A majority of these appropriations are associated with federal entitlement programs under Medicaid, Temporary Assistance to Needy Families, and Food Stamps. The total number of staff dedicated to administering the health and human services (HHS) function is approximately 55,000. Fourteen state agencies have a primary responsibility for delivering health and human services, with as many as 10 other agencies involved in delivering some type of health and human services to their clients. This complex network of state agencies must then work in partnership with local government, federal agencies, contractors, volunteers, and private advocate and consumer organizations to deliver services statewide.

Health and Human Services Programs in Texas represent the second largest function of state government.

Given that expenditures for these services represent such a significant portion of the State's budget, and that these services are often critical to the people who receive them, continual efforts have been made by the Legislature to evaluate and improve service delivery. Since the mid 1970's, significant efforts have been directed around better coordination of health and human services delivery in the State. These efforts all focused primarily on coordination and shared planning within the existing agency organizational structures. The most significant effort involved the Texas Health and Human Services Coordinating Council. The Council, composed of a mix of state agency board chairpersons and legislative leaders, was expected to cooperatively plan and coordinate health and human services across agency boundaries. However, the Council could not obtain meaningful coordination or reduce the fragmentation and duplication across agencies, and the Legislature abolished the Council in 1991.

Continual efforts have been made to evaluate and improve Health and Human Services delivery.

In 1991, in response to continuing increases in the cost of health and human services, the Texas Performance Review's (TPR) report, *Breaking the Mold*, proposed a complete reorganization of the entire health and human services system. The report proposed consolidation of multiple agencies into a single agency directed by one governing board to deliver health and human services in Texas. The proposed Board was to contain six public members and deliver services through an agency organized into six functional divisions. The report determined that a single unified system could improve health and

human services through achievement of several statewide service delivery goals:

- comprehensive statewide planning and development,
- a continuum of care for families and individuals,
- integration of services to improve client access,
- effective use of management information systems,
- incentives to maximize existing resources,
- systemwide accountability,
- an environment that promotes teamwork and creativity, and
- mechanisms that foster innovation at the agency and local levels.

House Bill 7 placed the existing HHS agencies under the authority of the newly-created Health and Human Services Commission.

The 1991 TPR report also recommended that the state be divided into geographic regions, with a planning board in each region responsible for local public input, community-based budget development, and strategic health and human services planning.

To accomplish the TPR recommendations, the 72nd Legislature enacted House Bill 7 which, rather than merging the existing independent agencies, maintained the existing agencies but placed them under the authority of a newly-created umbrella oversight agency, the Health and Human Services Commission (HHSC). The HHSC Commissioner was given broad oversight responsibilities for all the programs and activities of the State's health and human services agencies. HHSC was also charged with developing a six-year plan to achieve the objectives of House Bill 7 including:

- coordinated and consolidated strategic planning and budgeting;
- funds management and maximization;
- service integration;
- statewide needs assessment and forecasting; and
- local and regional planning and coordination.

Notwithstanding progress made since the creation of HHSC in 1991, questions remain about the State's progress toward fully realizing the goals of House Bill 7. When the Legislature created HHSC, it gave the agency significant authority to plan and direct the activities of health and human services agencies. HHSC's enabling legislation calls for the agency to redirect the activities of state agencies to "enforce the coordinated delivery of services." House Bill 7 empowered the HHSC Commissioner, on an ongoing

basis, to take the lead in reorganizing and streamlining health and human services agencies. The first and only plan submitted to the Legislature and the Governor in 1993 did not call for consolidation, reorganization, or streamlining of any state agency programs. Since 1993, no HHSC Commissioner has formally proposed a subsequent plan. Additionally, the only accomplishments HHSC has made in addressing duplication have been specifically mandated by the Legislature, not through any plan or proposal by the Commission.

The State's expectations for the increased effectiveness and efficiency of HHS programs are yet to be fully realized.

In 1997, the State Auditor concluded that the State's expectations for the increased effectiveness and efficiency of service delivery in health and human services programs and activities are yet to be fully realized. The Auditor questioned the performance of HHSC in several areas and concluded HHSC has not effectively carried out its health and human service oversight responsibilities.

The conclusions of the State Auditor are verified by the findings of recent Sunset reviews of health and human services agencies. Examples of problems identified include:

- continued fragmentation of services,
- services delivered categorically developed around funding streams or eligibility requirements rather than actual client needs,
- limited administrative consolidation,
- information systems that are not integrated between agencies and running on disparate platforms,
- top-down decisionmaking emanating from Austin with no local input,
- continued problems related to purchasing client services,
- lack of a strategic vision for service delivery, and
- no service integration unless legislatively directed.

Recent Sunset reviews of all HHS agencies identified recurring problems.

In addition, the State's delivery structure for health and human services contains several inherent barriers to change. No other large state relies on so many agencies to deliver services. Voluntary coordination between state agencies is difficult and has been infrequent because there are no incentives to do so and cooperative projects are outside any one agency's span of control. Agencies have little motivation to coordinate their administrative functions for fear of a loss of control.

Each agency has its own governing structure, however, the part-time boards have difficulty keeping up with the technical expertise needed to manage agencies today. Many operational activities may not even come to the attention of the policymaking body. Individual agency boards develop independent appropriations requests that compete for limited funding. Each agency participates individually in the appropriations process, with their separate constituencies advocating for services and funding to maintain the status quo.

Federal categorical funding and associated rules and reporting requirements also make service integration difficult and encourage services to be delivered in "silos." Many agency middle managers are near retirement which encourages a "wait it out" mentality when faced with change. In addition, the expertise of agency staff has not kept up with the shift from actual service delivery to managing services provided by independent contractors. All of these factors result in a fragmented and unnecessarily confusing system of service delivery.

The State's inability to improve the organization and management of HHS has risks.

The State's inability to fundamentally improve the organization and management of health and human service delivery has several risks. With the fragmented service delivery structures that exist, the State cannot deliver a complete continuum of services to key sectors of the population with rapidly growing needs, such as the aging. The lack of a strategic vision for service delivery creates fragmentation, which undermines safety-net services such as public and mental health and substance abuse services. Separation of program administration among many agencies limits the ability of the State to implement and take full advantage of changes in federal program administration, such as block grants, and limits the ability of the State to quickly modify service delivery structures to match private sector trends, such as managed care and real-time access to databases. Finally, inefficiencies in the health and human services delivery system limit the ability of the system, and the individual agencies, to effectively interface with complementary programs in other sectors of government, such as workforce development.

During this Sunset review period, the Sunset Commission has had most of the State's health and human services under review. This has provided an unprecedented opportunity to look at how each of these agencies operates individually and then how this area of government functions as a whole. The Sunset staff, once it completed its work on each individual agency, took that knowledge and assessed the possibilities for improving the overall HHS system. This included a scheduled review the Health and Human Services Commission, the lead state HHS agency. This effort focused on HHSC's

ability to fulfill its role to oversee and coordinate the delivery of health and human services in the state.

This report presents the conclusions of the 14 months of work by the Sunset staff. The recommendations are intended to provide the Sunset Commission, the Legislature, the HHS agencies, clients, advocacy groups, and the public with a proposal to change the organization and delivery of health and human services. The proposal includes numerous changes that are designed to be considered and implemented incrementally to allow the policy direction set by the Legislature in 1991, through House Bill 7, to be more fully and realistically accomplished.

In presenting this report, Sunset staff acknowledges that much public deliberation by the Sunset Commission and the Legislature is needed to refine and improve the recommendations proposed. Regardless of the final form, if a change process is adopted, Sunset staff believes that it will result in an improved HHS system that will benefit the citizens of this state.

Recommendations

Reshape the Health and Human Services Commission as the Authority over the HHS System

1. Continue the Health and Human Services Commission as the Agency Responsible for Overseeing the Operations of the State's Health and Human Services Agencies.

- The Legislature created the Health and Human Services Commission to enforce the coordinated delivery of the State's health and human services agencies. Since the creation of HHSC, the Legislature has consistently sought ways to improve and expand health and human services, and has added numerous responsibilities to HHSC's role.
- HHSC has not accomplished many of its goals set by the Legislature, as noted by State Auditor's reports and recent Sunset reviews. HHSC has not had a significant impact on the operations or decision making of the 11 health and human services agencies under its umbrella. In addition, each health and human services agency has its own governing structure, and agency coordination generally does not occur.
- The Sunset review concluded that, working within the current organizational and policymaking framework of health and human services, HHSC is unlikely to effectively fulfill its role as the leader of this area of government. However, transferring HHSC's functions to another agency would not provide an adequate solution.

Recommendation

- **Continue the Health and Human Services Commission only if it is given authority over the operations of the State's health and human services agencies.**

- **If continued, set the Commission's next Sunset review in 2007.**

2. Strengthen the Health and Human Services Commission's Operational Control Over Health and Human Services Programs.

- The authority to direct health and human services remains divided among multiple HHS boards, agency executive directors, and the Health and Human Services Commission. HHSC's focus is on improving the overall operation of the HHS system, while the strategic direction of HHS agencies comes from the policies of each agency's board and the management decisions and operational direction provided by agency executive management.

- HHSC lacks the authority to require HHS agencies to integrate their operations. The Commission is dependent on agency executive directors to achieve its legislative objectives. The 11 HHS agencies have not proved very willing to voluntarily change their operations to achieve cross-agency efficiencies.

- In addition, HHSC has not had the staff necessary to meet all of its responsibilities. Without access to resources necessary to plan and implement change, HHSC cannot be held accountable for achieving the legislative objectives outlined in its enabling statute.

Recommendation

- **Provide the HHSC Commissioner with clear authority to manage the operations of the State's health and human services agencies.**

- **Specify that the Commissioner has direct authority to hire the HHS agency executive directors.**

- **Clarify the respective authority of the HHSC Commissioner and the HHS policy boards.**

- **Direct the HHSC Commissioner to pursue improvements in specific operational areas as outlined in Issues 3-8 of this report.**

Direct HHSC to Improve Specific HHS Operational Areas

3. Strengthen the Health and Human Services Commission's Role in Managing Federal Funds.

- In 1991, House Bill 7 charged the Commission with establishing a federal health and human services funds management system and maximizing the availability of federal funds. In fiscal year 1998, 58.7 percent of the funds received by the health and human services agencies, or $7.4 billion, came from federal sources.
- The State must often make decisions about complex federal funding issues that involve multiple agencies and needs a single entity to ensure that the overall system makes the best use of federal funds. Individual agencies may be unaware of the effect on the overall health and human services system when making funding decisions, and changes in an agency's funding policies can impact other agencies' resources.
- The Commission has not effectively managed the use of federal funds across the health and human services system. HHSC has no overall strategy or objectives that shape the use of federal funds, and no guarantee that the State receives all of the federal funds to which it is entitled.
- All of Texas' 254 counties are eligible to receive federal funds for some of the health and human services the counties provide. However, many local entities are not aware of the opportunities to access federal funds or do not have the technical expertise to claim the funds.

Recommendation

- **Clearly designate HHSC as the state agency with authority over all federal funds received by health and human services agencies and responsible for ensuring the most effective use of those funds.**
- **Require HHSC to submit an annual report to the Legislature and the Governor on federal funding issues, ways to maximize the use of federal funds, and strategies to improve federal funds management.**
- **HHSC should build the expertise to respond to federal initiatives and maximize opportunities for the use of federal funds.**

4. Strengthen the Oversight of Purchasing and Contracting by Health and Human Services Agencies.

- Health and human services agencies spend approximately $10 billion each year to buy services for clients. Over the past few years, significant and widespread problems with the purchasing and contracting practices of HHS agencies have been identified.
- Despite the recent focus on contracting problems, HHS agencies continue to experience significant problems in procuring and administering contracts for services, including the lack of performance measures and the failure to use competitive or best value procurement practices. In addition, few of the recommendations made to improve contracting practices have been implemented.
- Without a single oversight agency authorized to require changes in purchasing and contracting practices across agencies, system-wide improvement is limited.

Recommendation

- **Require the Health and Human Services Commission, with the assistance of the HHS agencies, to improve HHS agency purchasing and contracting by consolidating contracting activities into a single, statewide system.**
- **Require HHSC to review and approve the procurement and rate-setting processes of all HHS agencies to ensure the rates are consistent and represent the best value for the State.**
- **Require HHSC to develop and implement a statewide plan to ensure that contractors and subcontractors are in compliance with the accessibility requirements of the Americans With Disabilities Act.**
- **Require HHSC to prepare a biennial report that assesses the performance of each HHS agency's compliance with purchasing and contracting requirements and identifies any material risk resulting from agencies' contracting practices.**

5. Improve Information Systems Planning and Management Across Health and Human Services Agencies.

- Health and human services agencies currently plan and manage information resources projects in a decentralized environment where each agency pursues projects that meet individual program needs. The lack of a single point of

accountability for system-wide information systems and technologies contributes to duplication of computer systems, data exchange problems, and systems that are not fully functional.

- The Texas Integrated Enrollment and Services (TIES) program development has experienced numerous problems, ranging from a lack of clear accountability for the success of the project, to unverified projected cost savings. Expectations that TIES will be a "silver-bullet" solution to the State's information resources needs has resulted in the development of computer systems that are under-used.
- The Legislature has expressed an interest in greater oversight of information systems projects, and HHS agencies need a system-wide approach to information systems with a single point of accountability.

Recommendation

- **Designate the Health and Human Services Commission as the authority responsible for strategic planning and oversight of information resources projects of all HHS agencies.**
- **Require HHSC to assume responsibility for the planning, development, and implementation of the Texas Integrated Enrollment and Services project.**

6. Strengthen HHSC's Operational Control Over Medicaid Managed Care and Require the Health Care Information Council to Assess the System's Performance.

- The Medicaid program in Texas serves nearly two million low-income residents. Since 1993, the State has provided Medicaid managed care in addition to the traditional fee-for-service method of health care delivery.
- The implementation of Medicaid managed care presents challenges for clients, providers, and state agencies. In addition, the State has created a complex system of operating agencies and contractors to administer the program. However, HHSC has not developed adequate information to assess the program's effectiveness in terms of quality of care and whether it meets legislative objectives.
- The Health Care Information Council, created by the Legislature in 1995, has collected and reported information about the performance of managed care programs. Expanding the Council's role to include the evaluation of Medicaid managed care would be consistent with the agency's current mandate, and would provide HHSC and the State with an independent, objective source of information regarding the overall performance of the Medicaid managed care system.

Recommendation

- **Strengthen HHSC's authority over the Medicaid activities of all HHS agencies, including related contracts.**
- **Require the Health Care Information Council, with the advice of HHSC, to examine the success of Medicaid managed care based on the criteria established by the Legislature.**
- **Require the Council to develop a plan to accomplish the recommended tasks in conjunction with HHSC, the presiding officer of each standing committee of the Senate and House of Representatives having primary jurisdiction over HHSC, and the Medicaid operating agencies.**
- **Require the Council to periodically report to HHSC and the Legislature on the continuing progress of the Medicaid managed care program.**
- **Transfer the responsibility for providing administrative support to the Council from the Texas Department of Health to HHSC.**

7. Improve the Regional Management of Health and Human Services Agencies.

- Most health and human services agencies have a central headquarters in Austin and a series of field offices throughout the state, often organized into regional systems. While the central offices generally perform administrative and oversight functions, the majority of service delivery takes place in the regions.
- Co-location of state agency offices is one mechanism to enhance the delivery of health and human services and to create management efficiencies. However, integrating agency operations through co-location has been only moderately successful. Agencies are able to avoid co-location through the use of emergency leases and no requirements exist for agencies to share space, equipment, or services once they are co-located.
- Additional opportunities exist for HHSC to improve regional management. Agencies have identified ways to improve and integrate regional support functions, but an entity is needed to plan and direct cooperative efforts. Regional business planning could organize and track agency initiatives to reduce the costs of HHS regional support functions.

Recommendation

- **Specify that HHSC has clear authority to require HHS agencies to co-locate and consolidate support services.**

- **Require HHSC to assess the potential benefits and costs of consolidating support services across HHS agencies in both regional offices and in Austin, and develop a plan and schedule for co-locating offices and consolidating support services where clear benefits have been identified.**

- **Charge HHSC with the development and implementation of an annual business services plan for each HHS region.**

- **HHSC, with the advice of the General Services Commission, should establish criteria for granting emergency leases and guidelines concerning shared space and facility management in co-located spaces.**

8. Improve Access to Information about Health and Human Services in Texas.

- Gaining access to information about community services is often difficult and confusing. Health and human services clients often rely on local telephone directories, which do not contain a systematic description of services or service providers.

- In 1997, the Legislature created two entities to improve consumer access to information and services — the Texas Information and Referral Network (I&R Network) at HHSC, and the Records Management Interagency Coordinating Council. These entities have not coordinated their efforts, resulting in inconsistent methods of defining and organizing health and human services, and increased consumer confusion.

- Although transportation is often a barrier to service delivery for health and human services clients, information regarding transportation services may not be available through the I&R Network.

Recommendation

- **Require the Texas Information and Referral Network and the Records Management Interagency Coordinating Council to establish a single, consistent method of defining and organizing information about health and human services for public access, including presenting the information in telephone directories.**

- **Require the Texas Information and Referral Network to include information regarding transportation services.**

Transfer Functions from HHSC that are Inconsistent With Its Mission.

9. Promote the Development of a Statewide Guardianship System by Integrating Guardianship Services and Strengthening the Role of the Guardianship Advisory Board.

- Guardianship is a protective service that attempts to ensure the well-being of individuals who are alone and cannot manage their personal or business affairs. Based on the growing need for guardianship services, the Legislature directed the Health and Human Services Commission, with the advice of the Guardianship Advisory Board, to adopt guardianship standards, develop and implement a statewide guardianship plan, and establish local volunteer guardianship programs. Because of limited resources, HHSC and the Guardianship Advisory Board are unable to fully develop a statewide guardianship system.
- The Department of Protective and Regulatory Services (PRS) is the primary state agency provider of guardianship services. Therefore, the Guardianship Advisory Board has little influence over the majority of guardianship services provided by the State. The Guardianship Advisory Board and PRS have not developed a joint effort to achieve a clear, statewide approach to guardianship.
- Allowing the Guardianship Advisory Board to advise PRS in the development and implementation of a statewide guardianship plan would provide a single, clear approach to guardianship in Texas. The Guardianship Advisory Board could also provide local expertise and input regarding guardianship services.

Recommendation

- **Transfer certain guardianship responsibilities from the Health and Human Services Commission to the Department of Protective and Regulatory Services.**
- **Expand the Guardianship Advisory Board by allowing the Department of Protective and Regulatory Services Board to appoint three consumer or advocate members and a representative of PRS.**
- **Strengthen the role of the Guardianship Advisory Board by adding responsibilities such as advising and assisting PRS in the development of a statewide guardianship program, reviewing and commenting on all State guardianship policies, and recommending an approach**

to a statewide guardianship system to the Governor and the Legislature.

10. Improve the State's Management of Empowerment Zone/ Enterprise Community Funds.

- Texas has received approximately $55 million in federal funds to administer the Empowerment Zone/Enterprise Community (EZ/EC) program. This program helps revitalize economically distressed communities through tax breaks, block grants, funding preferences, and waivers and exemptions from federal barriers.
- The administration of EZ/EC funds is outside the scope of HHSC's mission. HHSC focuses its limited resources on developing and administering the State's health and human services delivery system, and increasing its authority over the HHS agencies will further detract from its ability to devote time and effort to EZ/EC administration.
- As the State's designated agency for community development, the Texas Department of Economic Development has the necessary resources and expertise to effectively manage the EZ/EC program. The Department operates a similar state program, and currently participates in the administration of the federal program.

Recommendation

■ **Transfer the administration of the Empowerment Zones and Enterprise Communities program to the Department of Economic Development.**

Improve the Organization of HHS Through Service Integration and Program Consolidation

11. Improve the Delivery of Long-Term Care Services Through Creation of a Separate Agency.

- Five different state agencies are currently involved in delivering long-term care services to clients. As clients age, their service needs may change. Under the current system, these changing needs may require the individual to go through a new eligibility determination process to seek services from a different agency. The lack of a seamless continuum of care results in a discontinuation of services for some individuals while multiple administrative hurdles are crossed.
- Program fragmentation at the state level has led to a lack of clear accountability and limited strategic planning and has resulted in confusion and multiple intake and assessment processes for clients at the local level. Fragmentation often

results in more dollars spent on administration that otherwise might be available for direct services. Many agencies offer similar services such as assessment and casework for clients.

- Numerous reports have cited problems with the long-term care service delivery structure including a lack of accountability for effective service delivery, fragmentation of services, and consumer confusion about how to access services. Most have considered the creation of a single agency responsible for the delivery of long-term care services as a solution to the fragmentation.

Recommendation

- **Create a long-term care agency through a phased-in consolidation of related long-term care programs in the Department of Human Services, Texas Department of Aging, Texas Department of Health, Texas Rehabilitation Commission, and Texas Department of Mental Health and Mental Retardation.**

- **Study the feasibility of a subacute care pilot project.**

12. Improve the Delivery of Comprehensive Family Support Services to the State's Neediest Families.

- The State is under increasing pressure to meet welfare work participation rates and deal with the impact of families losing Temporary Assistance for Needy Families (TANF) benefits. Welfare reform coupled with a strong economy has contributed to a steady decline in the number of families on welfare. As most eligible TANF recipients with work participation requirements continue to seek work or job training, the remaining caseload will be exempted recipients that may not be job ready or clients losing their time-limited benefits. As a result, Texas will face increased difficulty in meeting federal work participation rates.

- Even with multiple screening and assessments, the State is failing to identify and address the basic needs of families facing difficulties in becoming independent. TANF recipients undergo three different "assessments," that do not identify many related family problems or conditions that inhibit becoming self-sufficient such as physical or mental illness, substance abuse, or domestic violence. Caseworkers must focus on obtaining information for program requirements, leaving little time to assess families for a broader range of support services.

Recommendation

- **Continue the Department of Human Services (DHS) with responsibility for family assistance programs for low-income families for eight years, until 2007.**

- **Require DHS to create a single comprehensive family assessment and case management function for all families eligible for DHS services, separate from the eligibility determination function.**

- **Require HHSC to evaluate whether other eligibility-based family assistance programs should be transferred to DHS.**

13. Improve the Delivery of Protective Services Through Consolidation of Protective Programs.

- In 1991, the Legislature created the Department of Protective and Regulatory Services (PRS) by transferring the State's protective services out of DHS to raise the visibility of these critical state services and address concerns that the State's protective services were overshadowed by the larger public assistance programs administered by DHS. When PRS was created, the Family Violence program was left at DHS to allow PRS to focus on improving the State's ability to deliver child and adult protective services. While family violence services are voluntary and the protective services delivered through PRS are not, the programs share one important characteristic. All seek to get individuals out of violent situations and ensure that they are able to remain in a safe environment.

- Now that PRS is fully operational, the State's protective services are fragmented with separate grants to local agencies, contractor selection, administration, and monitoring processes. Communities seeking to obtain funding for protective services programs must now make application to two separate agencies. Each grant program has different contracting and monitoring requirements.

- Referrals between local Family Violence programs and prevention programs are limited. At the local level, referrals from Family Violence shelters to PRS prevention programs are not common. Children who enter the Family Violence program have a wide range of needs and may be victims of abuse and neglect. In these cases, the Family Violence program will refer the case to Child Protective Services at PRS and the court system is responsible for resolving the situation.

Recommendation

- **Transfer the Family Violence Program to the Department of Protective and Regulatory Services.**

- **Allow funding of nonresidential family violence centers and require competitive bidding of contracts for training and technical assistance.**

- **Require all agencies conducting self-investigation of abuse and neglect complaints in residential or institutional facilities to develop common definitions and report to PRS and HHSC.**

14. Improve the Delivery of Mental Health and Substance Abuse Services Through Improved Planning, Service Integration, and Possible Consolidation.

- The State does not have a comprehensive approach for the delivery of mental health and substance abuse services. Planning for mental health and substance abuse services is fragmented. The Texas Department of Mental Health and Mental Retardation (TDMHMR) conducts planning and identifies local needs and priorities for mental health services, but only for a subset of the population with mental illness. The Texas Commission on Alcohol and Drug Abuse (TCADA) is federally required to determine the incidence of and assess the need for state alcohol and drug abuse services, but also focuses its efforts on those populations and geographic areas with the greatest need. Other agencies that provide mental health or substance abuse services conduct planning only for the services provided by their agency. Very little formalized or coordinated planning exists for mental health or substance abuse services.

- The current fragmentation in the delivery of mental health services leads to gaps in services and inconsistencies in the quality and types of services delivered. TDMHMR, despite its role as the State's mental health authority, does not have authority for setting standards and rules relating to the purchase, provision, and delivery of mental health services provided by other state agencies. TCADA has no authority role.

- Parallel and separate systems of care for the delivery of substance abuse and mental health services that can lead to gaps in services. No single system exists to treat the significant number of individuals who need treatment for both mental health and substance abuse disorders and consumers have to access two separate systems for treatment of interrelated problems.

- Several initiatives are currently underway to determine the best structure for overseeing the purchase of mental health and substance abuse services in Texas. TDMHMR currently has pilot sites exploring the role of the local mental health authority in the delivery of services. In addition, TCADA has proposed a new model of managing access to and delivery of substance abuse services by phasing-in service networks across the state incorporating tools of managed care and

bringing decision-making down to the local level. Both agencies are investing in the development of local administrative functions and the State needs to evaluate the best integrated service delivery structures.

Recommendation

- **Continue TDMHMR for eight years, until 2007.**
- **Require TDMHMR, TCADA, and any other state agency that provides mental health and substance abuse services to work with the Health and Human Services Commission to develop a comprehensive service delivery report.**
- **Strengthen the authority of TDMHMR and TCADA to set standards and expectations in mental health and substance abuse matters affecting other agencies.**
- **Integrate the service delivery structure for mental health and substance abuse services by combining administrative functions at the local level.**
- **Based on the success of service integration, create a single behavioral health care agency by consolidating TCADA and the mental health programs currently at TDMHMR.**

15. Improve Delivery of Rehabilitation Services to People with Disabilities Through Coordination, Integration, and Possible Consolidation.

- The Texas Rehabilitation Commission (TRC) and the Department of Mental Health and Mental Retardation provide employment services to overlapping client populations. Agreements defining each agency's roles and responsibilities for shared consumer populations have not been fully implemented. In addition, although TRC and TDMHMR have made some progress to reduce the number of TRC clients who are in TDMHMR's priority population, TRC still serves potential TDMHMR consumers while maintaining a waiting list for the program.
- Service and administrative duplication exists between the Texas Rehabilitation Commission and the Texas Commission for the Blind (TCB). TRC is the State's authority on the rehabilitation of persons with disabilities, except for persons with visual impairments who are served by TCB. Both agencies provide

vocational rehabilitation services with similar administrative structures for intake and service provision despite of both programs operating under the same federal law with the same guidelines.

- Currently, limited coordination exists between employment services for people with disabilities and a separate workforce development system, leading to duplication and fostering segregation of people with disabilities. TRC does not formally refer VR clients into the State's workforce development system and TWC does not track and report the number of people with disabilities that the agency serves. Many TRC clients could benefit from TWC's job training and job search services resulting in the availability of more services for VR clients.
- The Interagency Council on Early Childhood Intervention (ECI) could benefit from administratively integrating certain business functions with TRC. TRC currently provides many administrative functions such as for health and human service agencies co-located both in Austin and regionally. TRC has also developed an automated Rehabilitation Services System that integrates client case records management, client services purchasing, and financial systems. ECI providers could use TRC's client services system to authorize, track, and pay for client services.

Recommendation

- **Continue TRC, TCB, TCDHH, and ECI for eight years, until 2007.**
- **Require TRC and TDMHMR to reduce duplication and fragmentation of employment services by defining each agency's roles and responsibilities for shared client populations, and requiring TRC to target people who are not currently served by TDMHMR or another agency.**
- **Require TRC and TCB to develop a methodology, approved by the Legislative Budget Board and the State Auditor's Office, to split federal VR funds.**
- **Require TRC to refer appropriate VR clients to Local Workforce Centers, and require TWC to track and report services provided to people with disabilities.**
- **Require TCB and ECI to administratively integrate business functions with TRC, including purchasing of services, where appropriate.**

- **Require HHSC to make recommendations on the appropriateness and feasibility of transferring the Vocational Rehabilitation program from TRC to the Texas Workforce Commission.**

- **Depending on the success of coordination and integration, consolidate the Texas Rehabilitation Commission and the Texas Commission for the Blind into a single Rehabilitation Agency.**

16. Continue the Current System for Public Health Services.

- Most state-sponsored public health services are currently delivered through a single agency, the Texas Department of Health. Other state agencies have individual programs that closely relate to the public health programs administered by TDH, however, these programs are limited in scope and directly relate to the other operations of those agencies.

- Issue 11 of this report proposes transfer of non-public health related services from TDH to a long-term care agency. These services include the Medically Dependent Children's Program and Home and Community Support Service Agencies regulation.

- Significant problems identified in public health service delivery have been previously addressed in the Sunset staff report on TDH. The Sunset Commission recommended that the Board of Health develop and implement a comprehensive blueprint for services and that TDH integrate health care delivery programs, including Medicaid and non-Medicaid programs, to increase program coordination and eliminate administrative duplication.

- Concerns still exist over administration of TDH's regulatory programs. The Sunset Commission has recommended that TDH conduct a comprehensive evaluation of its regulatory functions with the assistance of the State Auditor's Office. In addition, since the regulatory programs at TDH are functionally distinct from other TDH public health programs, other organizational options may be viable.

<u>Recommendation</u>

- **Continue the Department of Health as the State's public health agency for eight years, until 2007.**

- **Require HHSC to consider consolidation and/or organizational alternatives for TDH's regulatory programs.**

- **Require HHSC to monitor implementation of Sunset recommendations related to TDH.**

17. Provide a Framework for the Development of More Comprehensive, Community-Based Health and Human Services.

- Multiple federal funding streams and narrowly targeted categorical programs fail to give communities the ability to broadly address health and human service needs. These multiple funding streams generally contain strict eligibilty requirements with little flexibility. While block grants are often touted as the answer for greater flexibility, the vast majority of federal funds that Texas' health and human services agencies receive continue to have strict categorical requirements on how the money can be spent.

- The structure for the delivery of services varies considerably from one state agency to another. Some agencies deliver services through a regional structure. Others use systems that divide the state into smaller service areas or they contract directly with service providers. Agencies have also developed a number of mechanisms for local input, coordination, and/or support. While well-intentioned, the proliferation of these local initiatives, with no consideration from the state level of the combined impact on local community's resources, may simply become yet another barrier at the local level to a more comprehensive approach.

- Communities face a variety of barriers to improving the delivery of services at the local level including issues related to funding, resources, paperwork, and communication across different service delivery systems. Communities also need a single, more clearly identified state entity to go to for help in their efforts to improve services locally.

- Efforts to improve Texas' local service delivery have been implemented statewide in the past but address specific problems rather than the broader need for comprehensive local planning. In addition, pilots to develop more comprehensive local service delivery systems have shown success, but no plan exists to ensure cooperation across state agencies in support of implementing and sustaining changes on a broader, statewide basis.

Recommendation

- **Designate HHSC as the lead agency responsible for developing more comprehensive, community-based support systems for health and human services.**

- **Require health and human services agencies to work with HHSC in supporting the development of more comprehensive local services; and to submit any proposals for new community initiates to HHSC for review and approval to ensure consistency and guard against duplication.**

- **Require HHSC to be a single point of contact for communities to work with to overcome institutional barriers to more comprehensive community support systems, particularly barriers tied to state agency policies and procedures.**

- **Require HHSC to develop a system of blended funds from state health and human services agencies to allow local communities to customize services to fit the individual community's needs.**

Overseeing the Change Process

18. Implementing the Agenda Proposed in This Report to Change the Texas Health and Human Services System Will Require Transitional Legislative Oversight.

- The approaches for change proposed in this report represent significant departures from the status quo in the area of health and human services. These changes will require a transition process that needs legislative oversight. Direct legislative involvement allows for early detection and appropriate action to deal with emerging problems and changes before hardships occur.

- Because the proposed changes deal with multiple agencies and HHSC does not have a board, the Legislature is the appropriate entity to hear public concerns that can help shape change. In addition, most health and human services are provided locally, so public input from citizens, service providers, and advocacy groups is critical for legislators to obtain insight on local issues and service delivery aspects.

- In this proposal, the HHSC Commissioner will have considerably more authority over HHS agency directors. During the transition, legislative oversight is needed to promote, set the tone for, and facilitate these critical relationships.

Recommendation

- **Create a Legislative Oversight Committee on Health and Human Services to monitor the integration and consolidation efforts of health and human services agency programs, recommend legislation, collect and report information about the HHS system, and ensure public input in the change process.**

- **Specify the duties of the Health and Human Services Commission in support of the Legislative Oversight Committee.**

- **Specify the duties of the health and human services agencies in support of the Legislative Oversight Committee.**

- **Authorize the Legislative Oversight Committee for six years, with an expiration date of September 1, 2005.**

Agenda for Change

The table, *Agenda for Change*, outlines the timing of the various changes proposed throughout this report. Three phases of implementation are contemplated with each phase representing a 2-year period. This will allow the Legislative Oversight Committee to monitor changes in each phase and recommend any adjustments needed to be made in subsequent sessions of the Legislature. For example, if certain recommended service integrations occur, the need for the program consolidations in Phase III may no longer be deemed necessary and could be rescinded.

HHS Organization after Transition

The chart, *Organization of Health and Human Services After Transition*, shows what HHS would look like once the changes proposed by this report are completed. This chart assumes all potential integration and consolidations are accomplished. If adjustments are made in the phases outlined above, the HHS organization would also change.

Fiscal Impact Summary

These recommendations, particularly those strengthening HHSC's operational control over HHS agencies, improving access to information about health and human services, promoting the development of a statewide guardianship program, and strengthening the role of the Guardianship Advisory Board, are intended to enable the HHSC and the HHS agencies to better serve their functions within existing resources. The recommendations to strengthen HHSC's operational control over Medicaid managed care, require the Health Care Information Council to assess the system's performance, and create a Legislative Oversight Committee may have a fiscal impact, but the exact amount cannot be estimated. Administering the EZ/EC program may result in a small fiscal impact to the Department of Economic Development, but the Department should be able to operate the program with existing resources. Finally, improving federal funds management, purchasing and contract administration, information systems planning and management, and regional management of HHS agencies should result in significant savings to the State. However, these potential savings cannot be estimated for this report. The fiscal impact of the organization and service delivery issues has not been estimated recognizing that additional information will need to be gathered during the transition oversight process.

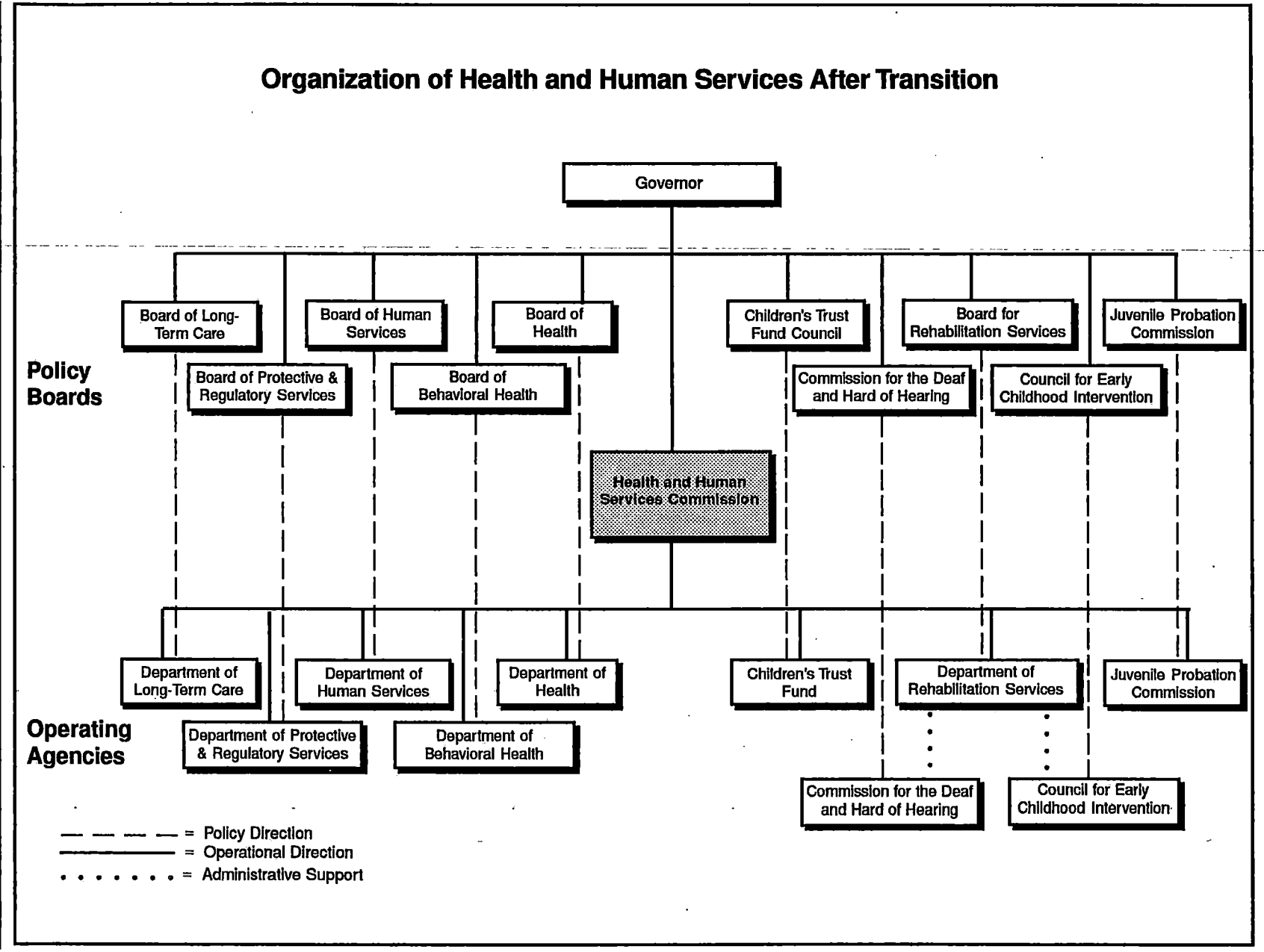
Health and Human Services
Agenda for Change

Subject	Issue #	Phase I	Issue #	Phase II	Issue #	Phase III
HHSC	1	Continue HHSC on the condition that it receives authority over HHS agency operations.				
	10	Transfer the administration of the Empowerment Zones and Enterprise Communities Program from HHSC to the Department of Economic Development.				
Long-Term Care	11	Create a long-term care agency through a phased-in consolidation of related programs at DHS, TDoA, TDH, and TRC.	11	Transfer TDH long-term care programs to long-term care agency.	11	Transfer mental retardation programs to long-term care agency.
	11	Require the long-term care agency to study the feasibility of designing and implementing a subacute care pilot project.				
Family Services	12	Continue DHS with responsibility for family assistance programs.	12	Require HHSC to evaluate whether other eligibility-based family assistance programs should be transferred to DHS.		
	12	Require DHS to create a single comprehensive family assessment and case management function for all families eligible for DHS services.				
Protective Services	9	Transfer certain guardianship responsibilities from HHSC to PRS.				
	13	Transfer the Family Violence program to PRS.				
	13	Expand the definition of family violence service providers to allow State funding of nonresidential family violence centers.				
	13	Require competitive bidding of contracts for family violence training and technical assistance services.				
	13	Require all agencies conducting self-investigations of abuse and neglect complaints in residential or institutional facilities to develop common definitions and report to PRS and HHSC.				

Health and Human Services Agenda for Change

Subject	Issue #	Phase I	Issue #	Phase II	Issue #	Phase III
Mental Health/ Substance Abuse	14	Continue TDMHMR.	14	Integrate the service delivery structure for mental health and substance abuse services by combining administrative structures at the local level.	14	Depending on the success of service integration, create a single behavioral health agency by consolidating TCADA and the mental health programs currently at TDMHMR.
	14	Require TDMHMR, TCADA, and other agencies that provide mental health and substance abuse services to develop a comprehensive service delivery report.				
	14	Strengthen the authority of TDMHMR and TCADA to set standards and expectations in mental health and substance abuse matters affecting other agencies.				
Rehabilitation Services	15	Continue TRC, TCB, TCDHH, and ECI.	15	Require HHSC to make recommendations on transferring the Vocational Rehabilitation program to TWC.	15	Depending on the success of coordination and integration efforts, consolidate TRC and TCB into a single vocational agency.
	15	Require TRC and TDMHMR to reduce duplication and fragmentation of employment services.				
	15	Require TRC and TCB to develop a methodology to split federal Vocational Rehabilitation (VR) funds.				
	15	Require TRC to refer appropriate VR clients to Local Workforce Centers and require TWC to track and report disability services provided.				
	15	Require TCB and ECI to administratively integrate business functions with TRC.				
Public Health	16	Continue TDH.				
	16	Require HHSC to monitor the implementation of TDH Sunset recommendations.				
	16	Require HHSC to consider consolidation and/or organizational alternatives for TDH's regulatory program.				
	6	Transfer the responsibility for providing administrative support to the Health Care Information Council from TDH to HHSC.				
LOC	18	Create a Legislative Oversight Committee on health and human services to oversee the change process.				

Organization of Health and Human Services After Transition



Helping Employers Comply with the ADA

Lee- You rec'd these 2 books — want me to send them to Wendy? or do you want them here?

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An Assessment of How the United States Equal Employment Opportunity Commission Is Enforcing Title I of the Americans with Disabilities Act

A Report of the United States Commission on Civil Rights

September 1998

Helping State and Local Governments Comply with the ADA

An Assessment of How the United States Department of Justice Is Enforcing Title II, Subpart A, of the Americans with Disabilities Act

A Report of the United States Commission on Civil Rights
September 1998