

WEST VIRGINIA LEGISLATURE

LEGISLATIVE OVERSIGHT COMMISSION ON HEALTH AND HUMAN RESOURCES ACCOUNTABILITY

2013- 2014 Interims

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Senator Laird, Vice Chair
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Senator Hall
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Senator Unger
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Final Report of

LEGISLATIVE OVERSIGHT COMMISSION ON HEALTH AND HUMAN RESOURCES ACCOUNTABILITY

The Legislative Oversight Commission on Health and Human Resources Accountability was appointed pursuant to the provisions of West Virginia Code §16-29E-1, *et seq.* following the 2013 Regular Session of the 80th Legislature.

During the 2013-2014 interim period the Legislative Oversight Commission on Health and Human Resources Accountability met and received information on various topics of study and other important healthcare and human services issues from state agencies, political subdivisions, advocacy groups and other pertinent sources. The Commission was assigned four study topics during the 2013-2014 interim period. These topics were:

HCR 114 -Requesting the Joint Committee on Government and Finance to study the authority of structure of DHHR.

Updating and Modernizing Department of Health and Human Resources statutes.

Review of the Public Works Audit of the Department of Health and Human Resources.

Implementing the expansion of Medicaid in West Virginia.

Since all of these topics were interrelated, the Commission treated them as a single mandate to gain a better understanding of the Department of Health and Human Resources as a whole. To fully study these topics and to achieve a complete review of the workings of the Department of Health and Human Resources (hereinafter the Department), the Commission invited each of the five (5) bureaus of the Department to present an in-depth overview of their inner workings and their interactions with one another. One month prior to each interim meeting the Commission forwarded a list of questions to the Bureau requesting information to be provided to Commission members. The questions were identical for each Bureau. The questions which were asked were as follows:

- (1) Identify and describe each office within the Bureau. Include organizational structure;
- (2) The number of employees of the Bureau and each office within the Bureau for the past five (5) years. Include the number of vacancies;
- (3) The budget of the Bureau and each office for the immediate past five (5) years;
- (4) Discuss how each agency is carrying its statutory duties and the statutory citation and legal authority from where the Bureau derives its authority;
- (5) Provide a statement as to whether the activities of each office duplicate or overlap with other bureaus or offices and, if so, how these activities may be consolidated;
- (6) An assessment of the utilization of information technology systems within each office and Bureau, including interagency and intra-agency communication;
- (7) Any recommendations as to whether each office within the Bureau should be continued, consolidated or terminated;
- (8) A listing of any current contracts with private sector entities providing services for the Bureau;
- (9) A listing of any current Memorandums of Understanding with other bureaus within the Department;

- (10) A list of services which are provided to the Bureau by the Office of the Secretary; and
- (11) A list of services which the Bureau is federally required to provide.

Each of the five (5) Bureaus provided a comprehensive binder of information. These are available from Commission staff. The Commission reviewed these and heard an oral presentation by the Commissioner of each Bureau. At the conclusion of the interim period the Commission had a much better understanding of the budget and staffing levels of the Department, their current contracts and memorandum of understandings, interagency workings and state and federal authority.

Based upon this year long process, the Commission **RECOMMENDS** that they continue to study the Department but that no Legislation is needed regarding the structure of the Department.

As it relates to the statutory authority of the Department, the Commission **RECOMMENDS** that two pieces of legislation be proposed. The first is a bill to recodify Chapter Nine of the Code West Virginia regarding Human Services. This would streamline and reorganize the Chapter for readability and update terminology throughout the Chapter. The second is a bill to recodify Chapter Forty-Nine of the Code of West Virginia regarding Child Welfare. This would to streamline and reorganize the Chapter for readability and update terminology throughout the Chapter. Copies of this proposed legislation are attached to this report. The Commission further **RECOMMENDS** that Chapter Sixteen be recodified over the course of the next interim period.

With respect to the Public Works audit. The Commission heard from Eric B. Schnurer, President of Public Works. He reported on the audit which they prepared at the request of the Executive. Their audit recommended 78 modifications which they estimated would result in a cost savings of \$56.7 million. A copy of a Summary of Recommendations and Estimated Savings is attached to this report.

In December, Department Secretary Karen Bowling offered her response to the audit. Many of the suggested changes were embraced by the Department. These include a strategic approach to improving the health care system by utilizing stakeholders, recognizing the value of past efforts and creating a new Office of Health Improvement. The Secretary also agreed with the approach suggested by Public Works regarding reorganization of the Department, but that it remain unified. Additionally, the Secretary agreed with the suggestion that the Department work toward greater penetration to revitalize IV-E (foster care and adoption) revenue. The audit further suggested stepping up grant management efforts and the Secretary agreed with this recommendation. The Secretary also agreed with findings in the audit with respect to personnel issues, but did take issue with the suggestion that Child Protective Services staff and managers be reduced. The Secretary did feel that the audit was not comprehensive, that the estimated savings were “unconfirmed” and that many of the recommendations were beyond the purview of the Department.

Based upon this information the Commission **RECOMMENDS** that no action be taken at this time regarding the findings of the audit, but will continue to monitor the actions of the Department and the Secretary to see that progress on made to implement many of the suggestions from the audit.

Independent of the year-long review of the Department, the Commission did receive an update on Medicaid expansion from Nancy Atkins, Commissioner of the Bureau of Medical Services. Ms. Atkins provided the Commission with a status of the state plan amendments that were required to achieve the expansion of Medicaid authorized by the Executive pursuant to the Affordable Care Act.

The Commission **RECOMMENDS** that no action be taken on this at the current time, but that the Commission continue to monitor progress on Medicaid expansion and continue to receive periodic updates on Medicaid in general and the expansion in particular.

Respectfully submitted:

Senator Ron Stollings
Co-Chair

Delegate Don Perdue
Co-Chair