

**MINUTES OF THE
SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE**
Room 30 West House Building, State Capitol Complex
January 29, 2014 Morning

Members Present: Sen. Allen M. Christensen, Co-Chair
Rep. Ronda Rudd Menlove, Co-Chair
Rep. Daniel McCay, House Vice Chair
Sen. Deidre M. Henderson
President Wayne L. Niederhauser
Sen. Luz Robles
Sen. Evan J. Vickers
Sen. Todd Weiler
Rep. Rebecca Chavez-Houck
Rep. Tim M. Cosgrove
Rep. Brad L. Dee
Rep. Paul Ray
Rep. Edward H. Redd
Rep. Marc K. Roberts
Rep. Earl D. Tanner

Members Absent: Sen. Brian E. Shiozawa

Staff Present: Mr. Russell T. Frandsen, Fiscal Analyst
Mr. Stephen C. Jardine, Fiscal Analyst
Ms. Paula Winter, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.leg.utah.gov.

1. Call to Order/Approval of Minutes

Co-Chair Christensen called the meeting to order at 8:02 am.

MOTION: No minutes to approve

Sen. Christensen gave some instruction on the job to be done.

2. Department of Human Services Expenditure trends that may be of interest
<http://leg.utah.gov/interim/2014/pdf/00001106.pdf>

Stephen Jardine, Fiscal Analyst, reminded the Committee that there are three areas being addressed: 1) Disabilities, 2) Substance Abuse and Mental Health and 3) Aging and Adult Services. These 3 areas are in the Department of Human Services (DHS). He also reminded the

Committee that this is a review of the Base Budget Bill for the purpose of assisting the Committee in voting. He listed the motions and clarified what those motions covered. He emphasized that the Committee would be approving motions and looking at the Funding offset items that would be addressed today.

Mr. Jardine addressed the document titled DHS Funding Offsets Covered on Wed., Jan. 29, 2014 A.M.

Department-Wide Funding Offsets

Mr. Jardine directed the Committee to the areas indicated and clarified the 3 items under this heading:

- (1) Item #8 on Revenue Options and Funding Exchanges list
- (2) Item #1 on Consensus Funding Reduction Items
- (3) Item #11 on Funding Reduction Options

3. Services for People with Disabilities Base Budget

Mr. Jardine clarified what services the division provides. He directed the Committee to the Base Budget Bill. He looked at the funding and stated that this is a “Medicaid satellite Agency.” Funds are received from the Federal Government for operation. He clarified the Revenue Transfers for Rep. Redd. He also looked at trends in this area according to the table under <http://le.utah.gov/interim/2014/pdf/00001106.pdf>:

a. Funding reductions and revenue options

- (1) Item #2 on Consensus Funding Reduction Items

a. Consensus Funding Reduction Items – 2014
(<http://www.le.utah.gov/interim/2014/pdf/00000667.pdf>)

b. Funding Reduction Options – 2014
(<http://le.utah.gov/interim/2014/pdf/00000678.pdf>)

c. Revenue Options and Funding Exchanges – 2014
(<http://le.utah.gov/interim/2014/pdf/00000702.pdf>)

Mr. Jardine reviewed the purpose for the information presented today and answered a question about non-lapsing funds for Sen. Christensen. Mr. Jardine replied that non-lapsing is a year after year provision and so they are approved year to year.

Rep Menlove voiced concern about duplication of services even though services have been privatized. Paul Smith, Director, Division of Services for People with Disabilities (DSPD),

replied that in the service delivery component there is not duplication of administrative functions when the Department privatized a few years ago. He stated that because of the nature of the responsibility of DSPD there would probably always need to be a retention of some sort of service delivery aspect. He gave the example that if a private provider goes “belly up” the individuals being served still need the service and the State has the responsibility to provide for them. Mr. Smith said that there have been some unexpected issues come up with the privatization model.

Mr. Smith continued to explain that they are still looking at the possibility of services being duplicated by the State. Rep. Menlove emphasized that her concern is that the maximum amount of funding go directly to services for people with disabilities and encouraged Mr. Smith to continue looking at this issue.

Sen. Christensen asked whether there are any case managers that are not privatized and Mr. Smith replied that there are state case managers who are nurse coordinators that have been kept. He continued to explain the case manager situation. Sen. Christensen inquired about the Federal Medical Assistance Percentage (FMAP) change and the approximate realized savings. Clay Hiatt, Administrative Services, DSPD answered the question by giving specifics about the functions of the Department.

Sen Weiler asked about the high turn-over rate in regard to the direct care staff and the low pay rate. Mr. Smith responded that the pay rate is low. There continued to be a conversation between Mr. Smith, Sen Weiler, Rep. Menlove and Rep. Redd about the issue of pay and turnover.

Sen. Christensen recognized the presence and expressed appreciation for Senate Leadership, President Niederhauser and Sen. Knudson.

b. Performance Measure Trends (<http://le.utah.gov/interim/2014/pdf/00001124.pdf>)

Mr. Jardine referred to the Services for People with Disabilities Performance Measures – Issue Brief and the section titled Analysis of Division of Services for People with Disabilities Performance Measures.

c. Three proposed Performance Measures to include in Appropriations Acts via Intent Language – item #9L on the motion sheet.

Ann Silverburg Williamson, Executive Director, Department of Human Services (DHS) introduced Paul Smith, Director, Division of Services for People with Disabilities. Ms. Williamson responded to the request to address the 3 proposed performance measures. Mr. Smith addressed the four previously mentioned categories used to monitor the performance

measures. Mr. Smith said that because there are so many areas measured and information is so voluminous, but also important, they have tried to boil the information down to illustrate the overall picture of how things are working. Mr. Smith indicated that the data from these measures

would be available on their website. He continued to give examples.

Mr. Jardine requested that Mr. Smith share the performance measures being considered: Mr. Jardine shared those: 1) Community supports, brain injury, physical disability waiver, non-waiver services -100% target, (2) Percent of providers meeting non-fiscal requirements of contracts, and 3) People receive supports in employment settings rather than day programs.

Mr. Jardine requested that Mr. Smith describe what the requirements for providers are that are non-fiscal requirements. Mr. Smith explained their Person Centered Plan and how it works in authorizing services needed and the fiscal amount or cost and what providers are authorized to bill DHS for. He also addressed the employment area.

d. Agency requests for non-lapsing authority
<http://le.utah.gov/interim/2014/pdf/00001159.pdf>

Mr. Jardine guided Mr. Smith through their intent to use the non-lapsing authority with a reminder that the amount is about \$2.1 million in non-lapsing carry forward funds as well as \$600,000 into the next year.

e. Follow-up on SB 259
<http://le.utah.gov/interim/2014/pdf/00001225.pdf>

Mr. Smith referred to SB 259 which was passed last year. He informed the Committee that as a result of the changes in SB 259, 85 percent of the new dollars that went to the waiting list addressed 67 of those with the most critical needs and 15 percent of the new dollars took 32 off the waiting list. The bill also allowed for money received from those who might leave the State or from those who might not need the money anymore to be used for those with critical needs on the waiting list. Mr. Smith talked about the non-lapsing carry forward money which addresses the Department's intent language. This change allowed them to provide limited one-time services for those still on the waiting list. He gave examples of those services and then addressed the ongoing \$600,000 cut upcoming and the concerns of the long waiting list.

Sen Christensen addressed the question of respite care being an exception to the fact that once they are receiving services they should be able to stay. Mr. Smith replied that if someone is enrolled in the Medicaid Waiver they are receiving Federal match and if there are additional needs the Department is mandated to provide services for them.

The carry forward money is needed to meet additional needs as well as the intent language that

allows them to use the carry forward money to meet the additional needs until an appropriation can come from the Legislature. He emphasized that the carry forward money is necessary since the needs are under the Federal guidelines and they must be met.

Sen Niederhauser referred to the performance measures and the non-fiscal areas and wondered how services were measured. He asked if that measurement was taken after services and whether there were improvement expectations or just maintenance. Mr. Smith replied in the affirmative that those expectations are in the Personal Plan. Mr. Smith and Sen. Niederhauser continued to converse about how the measures were made and about the baseline versus outcome. Sen. Niederhauser also questioned the Analyst about the three areas selected for measurement and whether these are the 3 most important areas.

Mr. Jardine replied and referred to the Issue Brief and stated that these were the measures that the Agency wanted to put forward. He replied in the affirmative that these are good measures.

Rep. Redd indicated the third measure of support in employment settings vs. day program and asked how the program in Cache County where people work all day is classified. Mr. Smith replied that there needs to continue to be an evaluation of exactly what meaningful employment is. He attempted to distinguish between the two saying that there is a difference between the sheltered workshop and a meaningful work situation. Mr. Redd continued to converse with Mr. Smith about the nature of the employment and distinguishing what employment is.

Rep. Chavez-Houck queried whether there were tracking and retention issues being dealt with and how conducive the employment experience is for the employees and also if specific employers were being worked with to obtain certain types of work that may be favorable to the employees and their challenges.

Mr. Smith recognized the comments from Rep. Redd and Rep. Chavez-Houck and acknowledged the importance of the work experience and discussed a new pilot that involves local small business owners that mentor and sponsor those with disabilities involved in the work experience to place them in a meaningful area for them that matches their skills.

Rep. Chavez-Houck asked how this differs from Utah State Office of Rehabilitation (USOR) and their job placement and Mr. Smith stated that they are working hand in hand with them. He continued to explain the collaboration.

Sen. Niederhauser stated that performance measures are a priority and wondered if there was someone from the Governor's Office of Management and Budget (OMB) that could respond to what they are seeing as the priority measures in this area.

Nate Talley, Budget Revenue and Policy Economist, Governor's Office of Management and Budget (GOMB) indicated that he is not the expert from GOMB in operational excellence but

that there is a tremendous amount of progress being made in this area for a number of agencies but he doesn't have the information and will collect the information and reply later.

Stephen Jardine, Fiscal Analyst, informed President Niederhauser that the issues of performance

measures will be addressed in an upcoming Committee meeting by reports from the agencies and what they are focusing on.

President Neiderhauser questioned that if we vote on them now can we make changes later.

Rep. Menlove stated that this is an ongoing measurement investigation which began this summer with the Division of Services for People with Disabilities (DSPD) as well as Kristen Cox from the Governor's Office and we will continue to refine the process.

Stephen Jardine reviewed each of the motions to be voted on for the Committee including: #1C, 3Z, 6G, and 9L.

MOTION: Rep. Menlove moved to approve for the Department of Human Services' Division of Services for People with Disabilities line items from the sheet entitled "Social Services Subcommittee – Motions for Subcommittee Consideration" dated 1/24/2014 12:47 PM: 1C, 3Z 6G and 9L.

Motion passed unanimously with Rep. Dee excused for the vote and Sen. Robles, Sen. Shiozawa, Sen. Vickers and Rep. Redd absent for the vote.

4. Department of Human Services' Substance Abuse and Mental Health Base Budget
Mr. Jardine referred to the above named heading. He showed trends then reviewed the following:

a. Funding reductions and revenue options

(<http://le.utah.gov/interim/2014/pdf/00001106.pdf>)

- i. Item, #7 on Revenue Options and Funding Exchanges list
- ii. Item #9 on Revenue Options and Funding Exchanges list
- iii. Item #18 on Revenue Options and Funding Exchanges list
- iv. Item #5 on Consensus Funding Reduction Items
- v. Item #5 on Funding Reduction Options
- vi. Item #7 on Funding Reduction Options
- vii. Item #8 on Funding Reduction Options
- viii. [Consensus Funding Reduction Items - 2014](#)

(<http://www.le.utah.gov/interim/2014/pdf/00000667.pdf>)

- ix. [Funding Reduction Options - 2014](#)
(<http://le.utah.gov/interim/2014/pdf/00000678.pdf>)
- x. [Revenue Options and Funding Exchanges - 2014](#)
(<http://le.utah.gov/interim/2014/pdf/00000702.pdf>)

b. Expenditure/Revenue trends that may be of interest
<http://le.utah.gov/interim/2014/pdf/00001106.pdf>
Mr. Jardine reviewed 3 areas:

- 1) Federal Medicaid Funds
- 2) Pass thru funds to Mental Health Centers
- 3) 'Current Expense', 'DP Current Expense' and 'DP Capital Outlay'

Mr. Jardine continued addressing Reserve Spending Authority and reviewed the items numbered i-vii above.

c. Federal funds in the Department of Human Services – Issue Brief

<http://le.utah.gov/interim/2014/pdf/00001176.pdf>

Mr. Jardine referred to some items and gave some explanation of the chart found on page 3 of the Brief and addressed performance measures the Agency has chosen to concentrate on. He pointed out a few of those and gave examples of measures that matter. For example:

<http://le.utah.gov/interim/2014/pdf/00001167.pdf>

- 1) #5 Community Mental Health Services
- 2) #16, 17 Number of children placed in the community from State Hospital
- 3) #34 State Substance Abuse Services -% of 12th graders needing treatment

d. Agency explanation of Federal reserves over three months, 3 performance measures, and requests to use non-lapsing authority

Doug Thomas, Director, Division of Substance Abuse and Mental Health (DSAMH), gave an explanation of why the funding is structured the way it is and why there is a lag in receiving funding and when the agency has authority to spend the money. He stated that the same principles apply to Substance Abuse and Mental Health. He made a request to not have the money taken from them but to be able to spend it as they have been. He also explained that if State funding is taken away the Federal Government looks at that and follows suit with their funding. He continued by naming the three performance measures:

1. Local substance abuse services – successful completion rate
2. Mental Health services adult outcome questionnaire
3. Mental Health services youth outcome questionnaire

Mr. Thomas shared the success story of a young man who had sought mental health assistance and because of care had been stabilized and was back out in the community doing well.

e. Agency requests for non-lapsing authority

<http://le.utah.gov/interim/2014/pdf/00001159.pdf>

Mr. Jardine described what could be done with the non-lapsing authority and Mr. Thomas stated that authority was passed through to drug courts and also for local substance abuse authorities where the funds are used for one-time expenses. He explained that there was another non-lapsing authority of \$50,000 which is used for purchasing computer equipment and software.

f. Drug Offender Reform Act, or DORA – Issue Brief
<http://le.utah.gov/interim/2014/pdf/00001170.pdf>

Mr. Jardine referred to the Drug Offender Reform Act (DORA) - Issue Brief. He reviewed the document. He read from a study done by the Utah Criminal Justice Center at the University of Utah on DORA which in summary advised that DORA has not been the game changer it was originally said to be. He also read the Analyst recommendation as to the intent language on DORA.

Craig Burr, Chair, Utah Substance Abuse and Anti-violence Committee (USAAV) DORA Oversight Committee, Director, Division of Programming, Utah Department of Corrections introduced a number of people representing DORA services and read a prepared statement provided as a response to the Issue Brief.

Richard Nance, Vice Chair, Utah Substance Abuse and Anti-violence Committee (USAAV) DORA Oversight Committee, Director, Utah County Department of Drug and Alcohol Prevention and Treatment presented specific responses to the recommendations in the Issue Brief. He recommended continued funding and stated that they would be implementing the Correctional Program Checklist (CPC) in order to have a more structured evidence-based outcome. They also requested approving \$70,000 of the DORA funding appropriated for FY 2014 for use in various areas that will assist the agency. He continued to share information about the effectiveness of the DORA program and to agree with the intent language presented previously.

Sen. Christensen attempted to summarize the information presented about the DORA group and the comparison group reported on and the similarity of results with both groups. He suggested putting everyone in the comparison group. He questioned the idea of using the \$70,000 to do more study. Mr. Nance responded that it was difficult to segregate the two populations when the service providers work in the same offices and with the same populations. He added that the CPC is not another study and is more like an accreditation in that it will look at the practices now and give recommendations from research to help them put those into practice to help improve the outcome for the DORA program.

Sen. Weiler asked the men to review what a typical person being transferred into DORA would portray, what issues would they be dealing with and what characteristics qualify someone to be in the DORA program.

Mr. Nance stated that the criteria is anyone who is convicted of a felony would be screened for DORA but because of lack of funds, judges recommend those that may be the worst but also try to eliminate those who may be more extremely criminally involved. Sen. Weiler commented that perhaps the study may have ignored the input of the types of people put into DORA.

Audrey Hickert, Research Assistant Professor, Utah Criminal Justice Center (UCJC), University of Utah, responded that the comparison group that was matched to the offenders were evaluated on archival

information of those that participated in DORA and a process of treatment.

Rep. Menlove commented that if treatment is working for offenders that is what would be used and queried if any in-depth interviews were done with treatment providers to see if they felt like the impact of DORA treatment was bleeding over. Ms. Hickert replied they were not able to address that in this study and continued to explain how those studies were done at the University of Utah. She added that the University has been trained by the University of Cincinnati in the CPC process and that it addresses 5 domains that could affect offender behavior.

Rep. Menlove spoke against the extra funding for studying DORA. She commented that if the DORA treatment is bleeding over into other areas that is a bonus. She stated that things have been learned from DORA that work and perhaps the best use of \$70,000 could go to another area where there are needs. Rep. Menlove and Mr. Nance continued to talk about the CPC project and how it would help to do a better job. Rep. Menlove suggested that the agency come ask for the money directly rather than try to redirect funds they already have.

Rep. Chavez-Houck echoed the feeling that the funds need to be used for outcome measures and what the offenders can take away from the program to help improve their lives.

Rep. McCay stated that this kind of study is healthy and is needed. The need to know how treatment drives performance and how that drives them to improve.

MOTION: Rep. Menlove moved for approval of the following items for the Department of Human Services' Division of Substance Abuse and Mental Health line item from the sheet entitled "Social Services Subcommittee – Motions for Subcommittee Consideration" dated 1/24/2014/ 12:47 PM: 1C, 3W, 3X, 3Y, 4B and 9K.

Rep. Redd suggested voting individually on each motion and Sen. Christensen asked the Committee if any were going to vote against any of the motions. Since no one was voting against the proposed motions, he continued to ask for a vote on the motion made by Rep. Menlove.

Motion passed unanimously with President Niederhauser and Rep. Dee excused for the vote and Sen. Shiozawa and Rep. Ray absent for the vote.

g. Federal funds in the Department of Human Services – Issue Brief

<http://le.utah.gov/interim/2014/pdf/00001176.pdf>

1. Aging and Adult Services- Stephen Jardine, Fiscal Analyst, gave a description of the agency services and gave a quick overview of the trends, the agency explanations of Federal reserves and the Performance measure trends including: 1) #5 Non-formula Grants, 2) #8 Non-formula Grants, 3) #4 Local Government Grants with the comment that the agency will cover each of these areas with more explanation.

a. Performance Measures

Nels Holmgren, Director, Division of Aging and Adult Services (DAAS), Department of Human Services, pointed out that the majority of services provided through Aging Services are actually conducted at the local county level. He indicated that one of the initiatives they have been working on is performance measures. He talked about how serving the frail, 75+ population that they do

makes it difficult to measure outcomes. He commented that they are working closely with the 12 area agencies to find data that would give them outcome measures. He spoke to the Medicaid Aging Waiver Program and the cost of serving individuals at home rather than in a facility-based setting. He also referenced the Adult Protective Services Program which deals with resolving protective needs having to do with allegations of abuse, neglect and exploitation.

b. Agency requests for non-lapsing authority
<http://le.utah.gov/interim/2014/pdf/00001159.pdf>

Mr. Holmgren explained the distinction of Adult Protective Services (APS) with other programs. He reminded the Committee that APS is one of two programs that is totally State funded and therefore the ability to carry over money is not an option. He explained the desire to solve some of the technology needs and staffing ups-and-downs by having the funds available. The second area is the Medicaid Aging Waiver. He presented the fact that once a person is receiving services on that program they can continue to remain on it and some issues can cause problems.

Sen. Christensen asked Mr. Holmgren to comment on the decrease of the number of clients diverted from nursing home placement and Mr. Holmgren replied that this requires two criteria which are: 1) they must be Medicaid eligible and 2) they must need nursing home care.

Mr. Holmgren replied that is a measure of output.

Rep. Menlove referred to the Meals on Wheels program and conversed with Mr. Holmgren about the importance of the program in getting the meal there and that could be an outcome measure rather than an output. She stated that it is important to her constituents for the human interaction with those who are delivering the meals.

Rep. Chavez Houck followed up with the thought that this is an opportunity for monitoring and cross-referral. Mr. Holmgren agreed that this is a mechanism for reporting back issues and that similarly meals served in centers provide opportunity for assessment of needs.

Sen. Knudson spoke on behalf of one having delivered the meals how the constituents appreciate the conversation and look forward to it. Mr. Holmgren acknowledged that in many areas the meals are delivered by volunteers who listen to their comments and stories.

Rep. Redd requested data on those who were not diverted from nursing home placement. Mr. Holmgren replied that the information could be obtained but some who are holding on waiting for a slot to open are being served by family, neighbors and churches.

Rep. Roberts asked for more information on the delivery staff of Meals on Wheels and if they were

mostly volunteer or contracted staff. Holmgren stated it is a mix of paid and volunteer. They continued to converse about how to become a volunteer for meals on wheels.

MOTION: Rep. Menlove moved to approve the following motions for the Department of Human Services' Division of Aging and Adult Services line item from the sheet entitled "Social Services Subcommittee – Motions for Subcommittee Consideration" dated 1/24/2014/ 12:47 PM: #1C, 3AB, 3AC, and 9O.

Motion passed unanimously with President Niederhauser and Rep. Dee excused for the vote and Sen. Shiozawa, Sen. Vickers and Rep. Ray absent for the vote.

Eric Stoker, Vice Chair, Utah Developmental Disability Council; Andrew Riggle, Policy Analyst for the Disability Law Center; and Charlie Luke, Executive Director, Utah Association of Community Services, spoke in support of DSPD.

MOTION: Rep. McCay moved to adjourn the meeting.

Co-Chair Christensen stated that the next meeting would be held on January 29, 2014 at 2:00 p.m.

Co-Chair Christensen adjourned the meeting at 10:50 a.m.

Sen. Allen M. Christensen, Co-Chair

Rep. Ronda Rudd Menlove, Co-Chair