

**TEXAS HEALTH AND HUMAN SERVICES
COORDINATING COUNCIL**

November 1990

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SUMMARY

Summary

The Texas Health and Human Services Coordinating Council is subject to the Texas Sunset Act and will be automatically abolished unless statutorily continued by the 72nd Legislature in 1991. The review of the council included an assessment of the need for the functions of the agency and benefits that could be gained through transfer of the council's functions to other existing agencies. The results are summarized below:

Assessment of Need for Agency Functions

The review concluded that the function of coordinating health and human services should be continued due to the complex nature of Texas' health and human service delivery system.

Assessment of Organizational Alternatives

If the decision is made to continue the functions of the agency, the review concluded that the Texas Health and Human Services Coordinating Council (THHSCC) should be abolished and its general coordination and planning functions transferred to a newly created council within the governor's office. The review found that the current structure of the THHSCC, the broad reach of its mandates, and the diverse number of projects it has been assigned have not allowed it to serve as a definitive and practical forum for the coordination of health and human services. It was determined that a more focused council should be established within the governor's office. That council should be composed of the executive directors of the health and human service agencies, with a member of the governor's staff as chair. The new council would have a much narrower focus, with its primary function being to ensure the coordination of planning and budgeting efforts by agencies providing health and human services. However, if the THHSCC is abolished, the review determined that a number of its ongoing projects should be continued by assigning them to other appropriate state agencies. This would include the transfer of the State Legalization Impact Assistance Grants (SLIAG) project and the Client Omnibus Registry and Exchange (CORE) project. Transferring these projects would ensure that they are continued and the new executive director's council could serve as a forum for the resolution of any inter-agency problems that might arise from the transfer of these projects.

Fiscal Impact

Preliminary estimates indicate that the adoption of these recommendations will result in annual cost savings of approximately \$176,974 from transferring the general planning and coordination functions from the THHSCC to the executive director's council in the governor's office. The recommendations will not have any net impact on the federal SLIAG funds because the total funding will simply transfer from the THHSCC to the governor's office. The fiscal impact of transferring the CORE project will vary depending on the status of the project at the time of the transfer and upon the assessment of the Department of Information Resources of the steps necessary to complete the project.

BACKGROUND

Creation and Powers

The 68th Legislature created the Texas Health and Human Services Coordinating Council (THHSCC) in 1983 to coordinate the planning and implementation of health and human services and to foster the development of a more effective service delivery system. The legislature intended the council to serve as a forum in which policy-makers and the leaders of the various health and human service agencies could study and develop solutions to the problems brought about by Texas' complex health and human service delivery system. The council was to achieve these goals through activities such as collecting data, studying issues, evaluating current state and federal policies, and making recommendations for changes to the governor and the legislature. The council was not given any actual statutory authority over the health and human service agencies.

The legislature initially directed the council to focus until August 1985 on two concerns: services to children, and the issue of health care needs and costs in Texas. After 1985, the council's statute allowed it to address other issues and population groups. However, the council continued to focus primarily on services to children through the 1986-1987 biennium. The projects assigned to the council each biennium by the legislature and the governor have largely determined the actual direction of the council's work. For example, the 71st Legislature directed the council to pursue a number of data collection projects during the 1990-1991 biennium.

Policy-making Body

The Texas Health and Human Services Coordinating Council consists of 21 members. The governor is chair of the council, and the lieutenant governor is vice-chair. The speaker of the house of representatives also sits on the council. The lieutenant governor appoints two senators to the council, and the speaker appoints two members of the house of representatives. The governor, the lieutenant governor, and the speaker also appoint two public members each, for a total of six public members on the council. These public members serve two-year terms, and may serve a maximum of four terms, or eight years.

The remainder of the council consists of the chairs of the following eight boards and commissions: the Texas Board of Human Services, the Texas Board of Health, the Texas Board of Mental Health and Mental Retardation, the Texas Board on Aging, the Texas Commission on Alcohol and Drug Abuse, the Texas Commission for the Blind, the Texas Commission for the Deaf, and the Texas Rehabilitation Commission. Representation for the latter five agencies was added during the 71st Legislative Session in 1989. The original composition included the chair of the State Board of Education and the chairs of two other health and human service agencies appointed by the governor for two-year terms on the council, but those positions were removed in 1989. The duties of the council include:

- serving as the primary state resource for coordinating and planning health and human services;
- establishing a client registry and other comprehensive data bases;

- providing a central information and referral source for health and human services;
- conducting studies of significant health and human service issues;
- providing advice to agencies, organizations, and policy-makers concerning the analysis of needs, and the development, evaluation, and coordination of health and human services;
- reviewing existing and proposed federal policies to determine their impact on Texas;
- analyzing federal, state, county, municipal, agency, and private sector relationships; and
- conducting reviews of health and human service policy and making recommendations to the governor and the legislature.

The governor appoints the executive director of the council. The governor's appointee must meet certain education and experience requirements outlined in the statute. Those requirements include education or experience in health and human services, management, research and evaluation, and management information systems. The appointee must also have experience in working with the governor, the legislature, and other public and private entities. The council is responsible for developing and implementing a work plan for each biennium and for filing a biennial report on the activities of the council with the governor and legislature. The statute also requires the council to meet at least quarterly and at the call of the governor.

To complete its work, the council has established four standing committees, including a strategic policy committee, a client services committee, and a data and information committee. The fourth committee oversees the council's responsibilities in administering the federal State Legalization Impact Assistance Grants (SLIAG) program in Texas, which will be discussed below. Council members do not receive a per diem, but are reimbursed for expenses they incur while performing their duties on the council.

Funding and Organization

In fiscal year 1990, the Texas Health and Human Services Coordinating Council received total revenues of \$1,174,473. Exhibit A shows the council's sources of funding for fiscal year 1990. Almost 49 percent of the council's funding was through interagency contracts for the Client Omnibus Registry and Exchange (CORE) project, which will be discussed below. Almost \$500,000 of that funding was not expended by the council during fiscal year 1990, but was carried forward to fiscal year 1991. Almost 28 percent of the council's revenues was from interagency contracts to fund the council's general coordination and planning efforts. Exhibit B shows the interagency contract amounts received by the THHSC from 13 agencies for fiscal year 1990. A little over 22 percent of the council's funding was federal reimbursement for the council's expenses in administering the SLIAG program.

Exhibit A
Revenues by Source
Fiscal Year 1990

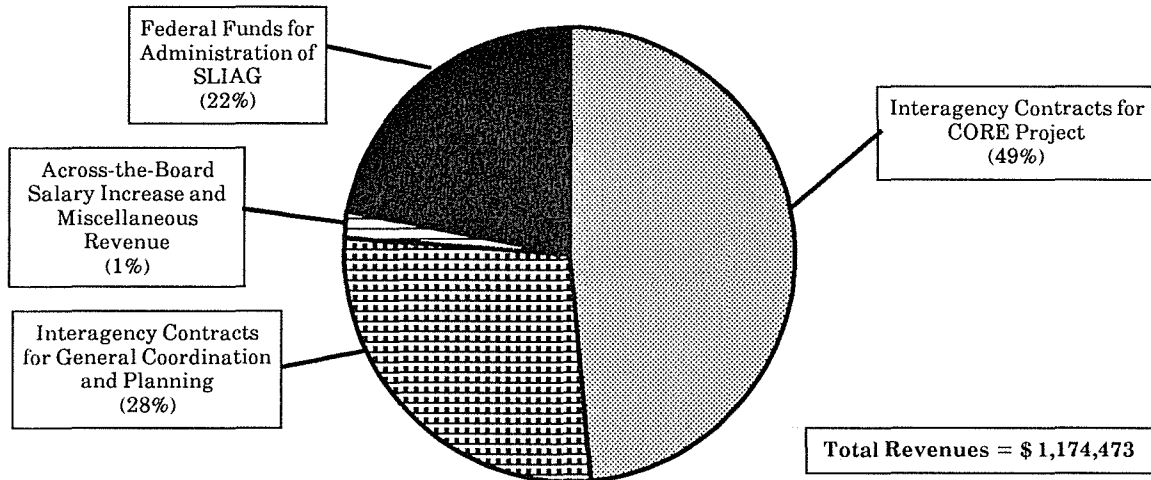


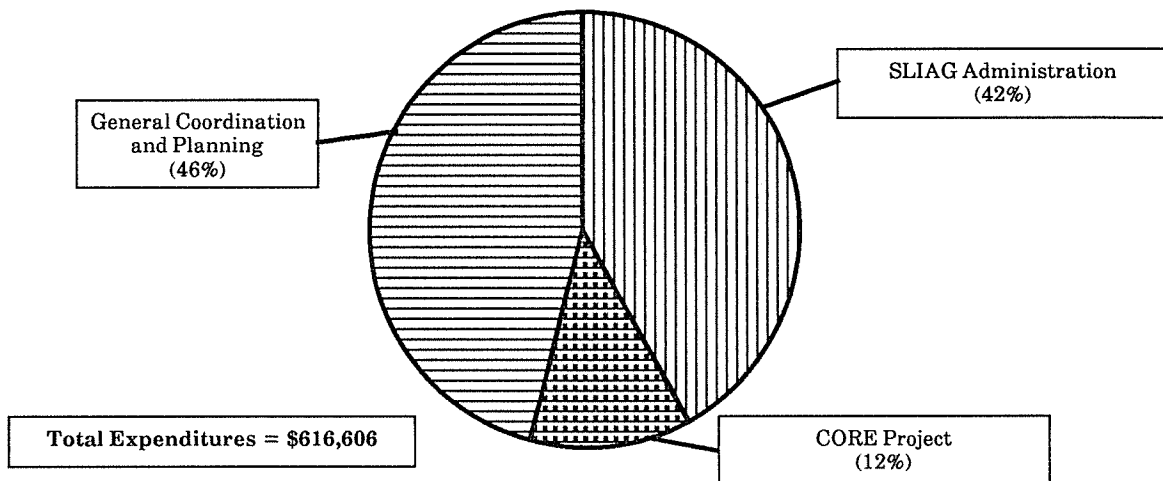
Exhibit B
Interagency Contract Amounts Received - Fiscal Year 1990

Agency	General Coordination and Planning	CORE Project
Texas Department on Aging	\$ 3,000	--
Texas Commission on Alcohol and Drug Abuse	\$ 25,000	\$ 3,513
Texas Commission for the Blind	\$ 3,000	--
Texas Commission for the Deaf	\$ 3,000	--
Office of the Attorney General	--	\$ 8,211
Texas Education Agency	\$ 56,000	--
Texas Employment Commission	--	\$ 18,225
Texas Department of Human Services	\$ 50,000	\$ 387,956
Texas Department of Health	\$ 50,000	\$ 41,444
Texas Department of Mental Health and Mental Retardation	\$ 50,000	\$ 88,897
Texas Juvenile Probation Commission	\$ 3,000	\$ 1,612
Texas Rehabilitation Commission	\$ 80,835*	\$ 18,080
Texas Youth Commission	\$ 3,000	\$ 6,844
Total	\$ 326,835	\$ 574,782

*Includes grant from Texas Planning Council for Developmental Disabilities

The council's expenditures can be broken into three activity categories: general coordination and planning, administration of the federal SLIAG program and development of the CORE project. Exhibit C shows the council's expenditures for fiscal year 1990. The general activity category of coordination and planning made up the largest category of expenditure for the council, with total expenditures of \$281,726, or 46 percent of the total. Expenditures for administration of the federal SLIAG grants program constituted 42 percent of the total, or \$260,000. Expenditures on the CORE project were \$74,880, or 12 percent of the total expenditures for the council in fiscal year 1990.

Exhibit C
Expenditures by Program
Fiscal Year 1990

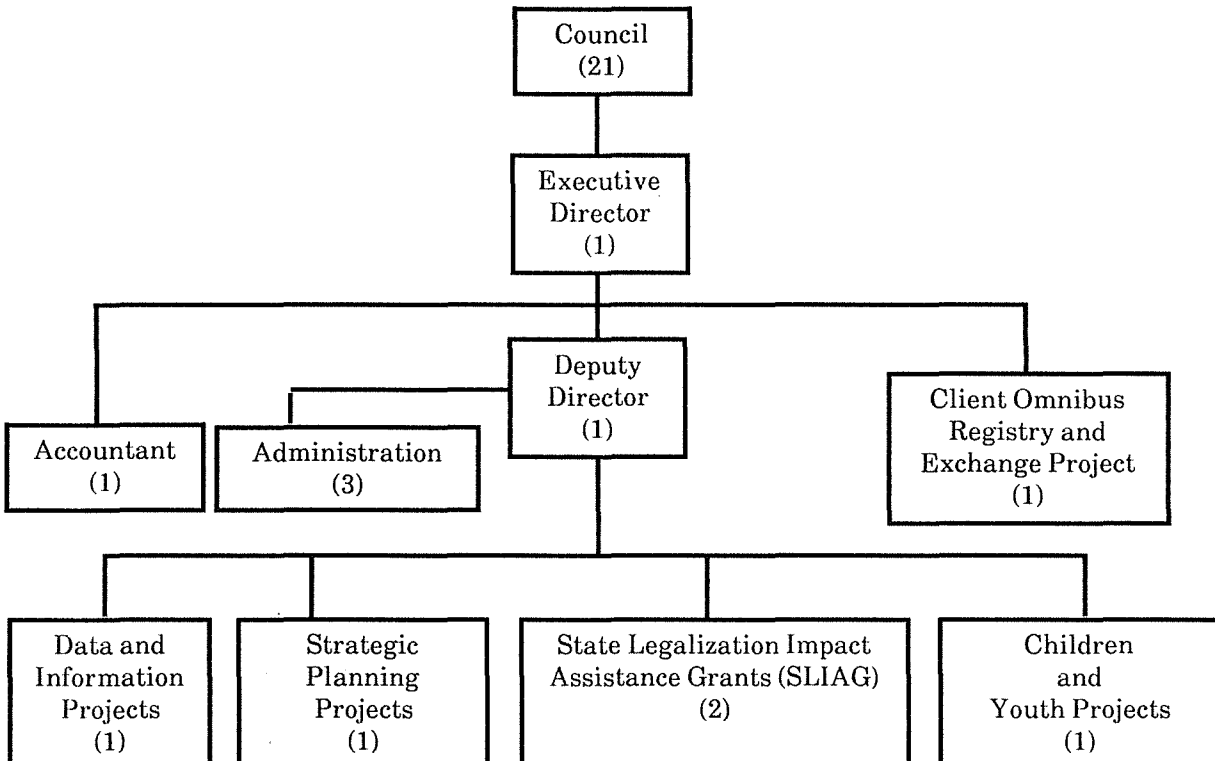


In fiscal year 1990, the council had 12 full-time employees, and two part-time student interns. The two exhibits that follow describe this work force and indicate its organization. The first of these exhibits, Exhibit D below, depicts how the agency's work force has changed over a four-year period in categories of employment. Since the state Appropriations Act establishes minority employment goals for these categories, the agency's minority employment is also depicted by category over this time period. The second exhibit, Exhibit E, shows the organizational pattern for the 12 employees. The agency maintains no field or regional offices.

**Exhibit D
Percentage of Minorities in Agency's Workforce**

Job Category	1986 Total Workforce 4		1990 Total Workforce 12		1990-1991 Appropriations Act Statewide Goal for Minority Workforce Representation
	Total Positions	% Minority	Total Positions	% Minority	
Professionals	3	33.3%	8	13%	18%
Administrative Support	1	100%	4	50%	25%

**Exhibit E
Texas Health and Human Services Coordinating Council
Organization Chart
Fiscal Year 1990**



Total Full-time Equivalent Positions = 12

Programs and Functions

The Texas Health and Human Services Coordinating Council's primary function is to coordinate and plan health and human services. The statute authorizes the council to fulfill several specific functions, all of which serve to enhance coordination. The council currently has a number of projects designed to address those functions.

Coordination Among Health and Human Service Agencies

The council has addressed the need for better coordination between agencies through several projects. For example, the council is currently in the last stages of a long-term project to coordinate between several agencies in the area of residential contract care for children and youth. First, the council conducted two studies on various aspects of the issue. Then, the 69th Legislature directed the council to identify appropriate levels of care based on the needs of children placed in residential care, develop a standard placement instrument to be used by all the agencies involved, and recommend standard rates to be paid by the agencies for these contract services. The council has assigned implementation of these recommendations to the Commission on Children, Youth, and Family Services, which will be discussed below.

On request of the Legislative Budget Board, the council took responsibility for another issue of coordination between agencies by making recommendations concerning a uniform set of population projections to be used by all the agencies in forecasting service needs. The council first made recommendations on this topic in 1984. When asked to look at the issue again in fiscal year 1990, the council referred it to an advisory committee composed of the executive directors of the health and human service agencies. That committee recommended to the council that the agencies use the current methods in developing the budget proposals for fiscal years 1992 and 1993, but then use projections developed by Texas A&M's rural sociology department in the future.

The council is also participating in a project to develop a plan for a statewide information and referral system. The Texas Planning Council for Developmental Disabilities provided a grant for this project and has convened a public/private task force with the Texas Interagency Council for Early Childhood Intervention and the Texas Health and Human Services Coordinating Council. This task force has done a survey of needs, is currently drafting the plan for a statewide information and referral system, and plans to develop a directory of local information and referral resources in Texas. The THHSCC has hired a consultant to facilitate the work of the task force.

Related Coordination Groups

In addition to these specific projects, the council serves to improve coordination simply by providing avenues for better communication between health and human service agencies. Besides the council itself, there are a number of advisory groups. The Human Services Interagency Committee, which consists of 14 health and human service agency directors, is advisory to the council and serves as one avenue for communication and coordination among the agencies. There is also an Advisory Committee on Immigration that advises and makes recommendations to the council regarding implementation of the SLIAG program.

In addition to its own advisory groups, the council is connected to various other health and human service coordinating entities. One such entity is the Commission on Children, Youth, and Family Services. Although this commission was created within the Health and Human Service Coordinating Council, and one of its functions is to act in an advisory capacity to the council, it reports on its efforts directly to the legislature. The council provides some staff support for the commission's activities. The commission is responsible for a number of projects to improve coordination between health and human service agencies in the area of services to children and youth. The commission has developed a model for coordinating services for children and youth at the local level, and has piloted that model in four areas statewide. The commission is responsible for the continuing efforts to implement the residential contract care efforts discussed earlier. The commission is also studying issues such as outcome evaluations for child abuse services, exemplary prevention and early intervention programs, and critical needs and current services to children.

The Task Force on Statewide Case Management for Long-Term Care is also established within the council, but reports directly to the legislature on its activities. This task force is responsible for developing a model system in which the agencies could work together to provide long-term care clients with individualized plans of care and regular monitoring to ensure that they are getting all needed services.

The Interagency Council for Services for the Homeless is established as a subcommittee to the council, but reports on its activities directly to the legislature and is staffed by the Texas Department of Community Affairs. This interagency council is responsible for doing an assessment of needs and making recommendations to the legislature to improve services to the homeless.

Planning

A report issued in December 1988 by a committee of the council recommended that the council proceed on its statutory authority to serve as the primary state resource in planning for health and human services by developing a five-year strategic plan. The committee recommended that the council's plan be based on a synthesis of the individual agency plans. The committee also recommended that the plan be based on services provided to specific clientele groups, such as children, rather than on programs provided by specific agencies. The council's standing committee on strategic planning is in the process of developing that five-year plan.

Collection of Data and Information

One of the functions outlined for the council in statute is the collection of data and information about health and human services, programs, and clients. The council has addressed this aspect of its mandate with a number of projects.

Since 1987 the council has published a reference guide to health and human services in Texas. The 1989 guide contains information on 190 public programs and 55 private programs. This information is updated biennially and includes services provided, eligibility requirements for those services, funding sources and amounts, and a phone number to contact for additional information. The reference guide also includes a listing of phone numbers for local information and referral services. Council staff also maintains a computer data base with the same information for use in answering inquiries.

In 1989, riders in the appropriations bill of the 71st Legislature directed the council to oversee two data collection efforts: a project to collect additional information from private contractors with state agencies concerning their funding and services, and another project to collect certain state agency information on a county-by-county basis for comparison across agencies. In both instances, the agencies themselves are responsible for collecting the information and forwarding it to the council for analysis. Council staff anticipates that reports on both projects will be available for the 72nd Legislature.

Another council project in the area of data collection is the Statewide Needs Appraisal project (SNAP). The purpose of this project is to determine what services exist statewide, who is receiving them, and what other needs for health and human services there are in the general population of the state. The council has recently contracted with the LBJ School of Public Affairs at the University of Texas to pilot a survey to obtain this data on the population of clients being served by the federal State Legalization Impact Assistance Grants (SLIAG) program. By trying the survey out on this smaller population, the council will be able to work the survey down to a manageable size, test its validity, and get some valuable information about the legalized alien population.

Finally, the 71st Legislature authorized the council to create a Client Omnibus Registry and Exchange (CORE) system. The purpose of this project is to link the computers of the health and human service agencies so that client information can be readily shared among the agencies' staff. Caseworkers will be able to use the system to get some basic client identifying data, such as name, age, sex, and address, from a central data base. The caseworkers will also get a list of other agencies from which the client has received services. Then, if their agency has developed an agreement with those other agencies to share client information, they will be able to request additional information about the client. The CORE project is intended to give policy-makers an unduplicated count of clients being served by health and human service agencies. The project is expected to cost \$5.6 million dollars through fiscal year 1995. This estimate does not include the costs to each agency of purchasing equipment or adapting current equipment to work with the CORE system. The 71st Legislature appropriated \$575,000 for fiscal year 1990 and \$2.99 million for fiscal year 1991 to the council for the CORE project through interagency transfers from nine agencies.

Study of Health and Human Services Issues

Since the council's creation, it has undertaken the study of several health and human service issues. For example, the council has studied the needs of the homeless, the availability of services for pregnant teenagers, and the feasibility of creating a single agency to provide services to children and youth. During fiscal years 1985 and 1986, the council analyzed the effects of the budget cuts proposed by the health and human service agencies in response to executive order MW-36. The council has also contracted with consultants to study certain issues, including the feasibility of a comprehensive case management system. During fiscal year 1989, the council's leadership asked for a review of the health and human service system to determine how services could be provided more effectively and efficiently. The review resulted in several recommendations, including the CORE project, the collection of county-level data, the development of a case management system, and the development of a strategic plan for health and human services.

Administration of a Federal Grants Program

In 1987, the 70th Legislature and the governor designated the council as the single state agency responsible for applying for and distributing the federal State Legalization Impact Assistance Grants (SLIAG) funds in Texas. This grants program reimburses states and local units of government for the cost of providing health, education and social services to eligible legalized aliens who are in the process of becoming legal permanent residents under the federal government's amnesty program.

The council's role is to coordinate statewide efforts to identify and track eligible reimbursements, develop the state's annual grant application, implement procedures for disbursement of funds, and serve as the liaison between state and local governments and federal officials. Six state agencies have contracted with the council to participate in the program: the Texas Department of Agriculture, the Texas Department of Human Services, the Texas Department of Health, the Texas Department of Mental Health and Mental Retardation, the Texas Education Agency, and the Texas Higher Education Coordinating Board. These agencies also serve as pass-through agencies for local units of government. Exhibit F shows the total SLIAG funding received by those agencies during the state's fiscal year 1990. The council also has the responsibility of providing outreach efforts to inform eligible legalized aliens of the steps they must take to become permanent residents within the allotted time, and to help them get necessary health, education, and social services. The state is authorized to use up to 1 percent of its allocation for this purpose. In 1990 the council hired an outreach coordinator to oversee these efforts. The state is also authorized to use up to 1 percent of its allocation for anti-discrimination efforts to inform workers of their rights and employers of their responsibility to avoid discriminatory hiring practices. The council has not yet chosen to budget funds for that purpose.

Exhibit F

**Total SLIAG "Pass-Thru" Funding
State Fiscal Year 1990**

Agency	Total Pass-Thru Dollar Amounts
Texas Education Agency	\$ 37.5 million
Texas Department of Health	\$ 24.9 million
Texas Department of Human Services	\$ 2.4 million
Texas Department of Mental Health and Mental Retardation	\$ 1.8 million
Total	\$ 66.6 million

For fiscal year 1989, the federal government allocated \$104.2 million in SLIAG funds to Texas. That allocation was based on the estimated number of eligible legalized aliens living in the state and the state's identifiable related costs. This program is scheduled to end in federal fiscal year 1994. The council is currently able to fund all identified eligible services.

RESULTS OF REVIEW

Overall Approach to the Review

Overall Approach to the Review

The Texas Sunset Act requires an assessment of several factors as part of the review of an agency. These factors include a determination of the continued need for the functions performed by the agency and of whether those functions could be better performed by another agency.

In accordance with the Sunset Act, the review of the Texas Health and Human Services Coordinating Council included an assessment of these factors. The assessment of the need for the council's functions focused on whether there was a continuing need for coordination among the health and human service agencies. The review then examined whether a separate state agency was needed for coordination and whether benefits would result from transferring the council's functions to other state agencies.

To make determinations in each of these areas the staff performed a number of activities: These included:

- personal and phone interviews with council staff;
- review of various agency documents and records, legislative and budget documents, and literature concerning the coordination of health and human services;
- personal and phone interviews with various state agency representatives involved with the activities of the council; and
- personal and phone interviews with various interest and advocacy groups involved with the activities of the council.

The results of the review are set out in the two following sections of this report: 1) Assessment of Need for Agency Functions; and 2) Assessment of Organizational Alternatives.

Assessment of Need for Agency Functions

ISSUE 1: The function of coordinating health and human services should be continued.

BACKGROUND

The Texas Health and Human Services Coordinating Council's function is to coordinate the efforts of twenty agencies involved in the delivery of health and human services. Eight of these agencies have representatives on the council. The council has statutory authority to pursue several different activities to improve coordination, including planning, improving data collection, and studying significant policy issues.

Evaluation of the need to continue the function of coordination determined that:

- ▶ **Texas has a very large number of agencies involved in the delivery of health and human services.**
 - There are thirteen agencies with primary functions that involve the delivery of health or human services: the Texas Department on Aging, the Texas Commission on Alcohol and Drug Abuse, the Texas Commission for the Blind, the Texas School for the Blind, the Texas Cancer Council, the Texas Commission for the Deaf, the Texas School for the Deaf, the Texas Department of Health, the Texas Department of Human Services, the Texas Juvenile Probation Commission, the Texas Department of Mental Health and Mental Retardation, the Texas Rehabilitation Commission, and the Texas Youth Commission.
 - There are an additional seven agencies that administer programs to deliver health or human services as an extension of their primary function: the Texas Department of Commerce, the Texas Department of Community Affairs, the Texas Department of Criminal Justice, the Texas Attorney General's Office, the Texas Education Agency, the Texas Employment Commission, and the Texas Higher Education Coordinating Board.
- ▶ **Many health and human service agencies provide similar services. For example:**
 - Persons with visual and auditory impairments may live in residential group homes run by the Texas School for the Blind or may participate in residential programs run by the Texas Rehabilitation Commission, depending on the age of the client.
 - Women of childbearing age may receive family planning services from either the Texas Department of Human Services or the Texas Department of Health, depending on their income and eligibility for Medicaid.

- Low-income children may receive dental services from the Texas Department of Human Services if they are eligible for Medicaid, or through the Texas Department of Health if they are not.
- Five different state agencies are involved in contracting for residential care for children. The Texas Department of Human Services serves abused or neglected children, the Texas Department of Mental Health and Mental Retardation serves mentally ill or retarded children, the Texas Juvenile Probation Commission serves youth on probation, the Texas Youth Commission serves youth who have been committed for more serious offenses, and the Texas Education Agency contracts for the care of certain special education students. Many local residential care providers are therefore providing care to children from five separate state agencies.
- ▶ **Many clients may require services provided by different agencies. For example:**
 - Clients who receive food stamps through the Texas Department of Human Services may also require services from the Texas Employment Commission's food stamp recipient employment program.
 - Troubled adolescents at risk of dropping out of school who participate in the Higher Education Coordinating Board's Youth Opportunities Unlimited program may also require treatment and rehabilitation for substance abuse from the Texas Commission on Alcohol and Drug Abuse.
- ▶ **A lack of coordination within the complex system of health and human services delivery can result in inefficiencies and gaps or duplications in service.**

Based on these factors, the review concluded that there is a continuing need for the function of coordination to continue.

RECOMMENDATION

- **The function of coordinating health and human services should be continued.**

Continuing the function of coordinating health and human services would help to ensure that clients are receiving all necessary services, and would help prevent any duplication of services across agencies.

FISCAL IMPACT

If the functions of the council are continued using the existing council structure, the annual costs of approximately \$616,606 for the council's activities would

continue. The estimated cost of \$3.5 million over fiscal years 1991-1993 for the Client Omnibus Registry and Exchange would also continue.

If the functions are continued but transferred to another entity, the fiscal impact would depend upon the costs to the new entity of performing these additional duties.

Assessment of Organizational Alternatives

ISSUE 2: The Texas Health and Human Services Coordinating Council should be abolished and its general coordination and planning functions transferred to the Office of the Governor.

BACKGROUND

The Texas Health and Human Services Coordinating Council currently consists of 21 members, and is presided over by the governor as chair, the lieutenant governor as vice-chair, and the speaker of the house of representatives. Two senators, two members of the house of representatives, the chairs of eight health and human service agency boards, and six public members make up the rest of the council. The council operates as an independent state agency, and is intended to advise the governor, the legislature, and the health and human service agencies.

The purpose of the council is to coordinate the planning and implementation of health and human services and thereby foster the development of a more effective service delivery system. The statute authorizes the council to perform a broad range of functions in the health and human service area in addition to serving as the primary state resource for planning and coordination. The council's functions include: conducting studies of health and human service issues; establishing comprehensive data bases; providing a central information and referral source; analyzing federal state, county, municipal, agency and public/private sector relationships to coordinate their health and human service efforts; reviewing policies of federal agencies to determine their impact on Texas; and advising agencies, organizations, and governmental entities concerning health and human services. In addition, the council has been assigned a number of additional activities by the governor and the legislature. For example, in 1987 the council was assigned the responsibility for administrating the federal State Legalization Impact Assistance Grants (SLIAG) program in Texas. In 1989, the council was directed through legislation to develop a computerized client registry and exchange system (CORE) to link the computers of the health and human service agencies to share client information.

The basic structure of the council, as well as its many activities, was reviewed to determine whether the structure has enabled the expected planning and coordination functions of the council to be accomplished. The review determined that:

- ▶ **Although the planning and coordination concept behind the council's creation was reasonable, the structure of the council makes achievement of the overall goals impractical to implement.**
- Requiring the state's three top officials and selected members of the legislature to "govern" the work of the council is not realistic. Time demands on these officials preclude their being able to devote full attention to pulling together the many disparate components of the state's health and human service programs.

- Placing the chairs of the major agency boards on the council provides broad perspectives on health and human service issues but does not provide the detailed program knowledge needed to resolve mechanical difficulties that impede the smooth operation of service delivery systems.
- ▶ **The wide-ranging spectrum of the council's statutory authority has allowed it to take on many diverse projects. The diversity of these projects has not helped the council focus on fulfilling a definite, workable role in ensuring that health and human service programs operate cooperatively and with minimal duplication.**
 - Development of the CORE project has forced the council to develop expertise in sophisticated computer systems. That expertise, while valuable, does not assist the council in addressing its basic role of improving coordination and planning.
 - Administration of the SLIAG program has forced the council to develop expertise in the complex area of federal immigration law. That expertise, while also valuable, contributes little to the council's basic role.
- ▶ **Due to the inability of the council to coordinate program efforts, many projects in need of a cooperative implementation process continue to be accomplished outside the council.**
 - A significant number of problems that arise due to the lack of coordination among agencies continue to be resolved through the use of memoranda of understanding, or MOUs, without any involvement by the council. Generally, the agencies involved are required to jointly work out an agreement on how to address the problem and adopt an MOU to clarify each of the agencies' respective responsibilities. Most of the major health and human service agencies are regularly involved in developing MOUs to resolve issues where they are serving similar populations or providing similar services.
 - In addition, the legislature has continued to assign responsibility for major coordination efforts directly to the agencies involved, without utilizing the council as a forum for resolving such issues. For example:

A major coordination effort aimed at maximizing federal Medicaid funds was initiated and conducted completely outside of the council. In a rider to the 1987 appropriations bill, the 70th Legislature directed the Texas Department of Human Services (TDHS) to coordinate with other health and human service agencies to maximize federal Medicaid funds received by the state. TDHS, which is designated as the state's single Medicaid agency, is working with five other agencies to identify areas where increased state funding would be matched by an increase in Medicaid funds. TDHS certifies to the federal government that the additional state

funding is available, and then channels the federal matching funds back to the agency that provided the service. All of this coordination has been done outside of the council.

Coordination of the expenditure of federal funds for nursing home reforms was also done completely outside the auspices of the council. In the 1987 appropriations bill, the 70th Legislature placed all of the federal funding for certain aspects of nursing home reform in the appropriation for the Texas Department of Human Services (TDHS). As directed by a rider to that appropriations bill, TDHS has developed contractual agreements with the Texas Department of Mental Health and Mental Retardation, the Texas Department of Health and the Texas Department on Aging to pay for the services those agencies provide under the reforms. TDHS must coordinate with those agencies to file implementation plans for transferred funds with the Legislative Budget Office and the Governor's Budget and Planning Office. All of this coordination has been done outside of the council.

▶ **Agencies continue to develop their own individual plans for health and human services outside any statewide comprehensive planning process.**

- No ongoing coordinated planning process for health and human services has been developed. Individual agencies continue to use their own separate planning processes to develop their plans for services.
- Although the council is now in the process of developing a strategic plan, no comprehensive statewide plan for health and human services has been developed in the seven years since the council's creation. Plans for health and human services continue to exist only on an agency-by-agency basis.

▶ **The general coordination and planning functions that are assigned to the council are traditionally executive functions and can be done in a focused and streamlined fashion by the Office of the Governor.**

- Article 4413(32a) V.T.C.S. designates the governor as the chief planning officer of the state and authorizes the appointment of interagency planning councils within the governor's office to coordinate "in the various functional areas of government".
- Using this statute, the appointment of a council made up of executive heads of major health and human service agencies can ensure that specific, cross-agency problems are addressed.
- The knowledge base of such a group will provide a practical source of information needed to deal with problems as they arise. Such a group can also develop plans to deal with shifting resource needs and future cooperative demands.

PROBLEM

While the council is designated as the primary state resource for the planning and coordination of health and human services, the structure of the council and the broad reach of its mandates have not allowed it to serve as a distinct and practical forum for addressing immediate and future cross-agency problems.

RECOMMENDATION

- **The Texas Health and Human Services Coordinating Council should be abolished and its general coordination and planning functions transferred to a council on health and human services created within the Office of the Governor.**
- **The new council should be composed of a staff member of the Office of the Governor as chair and the executive directors of fourteen state agencies that provide health and human services. The council should be required to:**
 - **coordinate resource and service needs between agencies providing health and human services;**
 - **ensure that individual agency planning efforts are jointly developed and that individual planning documents do not conflict;**
 - **develop a coordinated budget proposal for the health and human services provided by these agencies each biennium;**
 - **oversee all memorandums of understanding between agencies providing health and human services;**
 - **submit a work plan at the beginning of each biennium for the approval of the governor; and**
 - **report to the governor and legislature an assessment of the accomplishments of the council during the preceding biennium.**

Abolishment of the Texas Health and Human Services Coordinating Council would eliminate the need for funding the administrative costs of a separate agency to coordinate health and human services among existing agencies. Creating an executive directors' council on health and human services within the governor's office will provide a forum for communication between the agencies. It will also provide a mechanism for the governor to direct the agencies to coordinate, plan, and resolve health and human service issues placed on its agenda by the governor or the legislature.

This executive directors' council would differ significantly from the Texas Health and Human Services Coordinating Council. The executive director's council would be composed of the executive directors of the agencies, rather than the board chairs, offering additional expertise about the details of agencies' programs and

activities. The executive directors would not be authorized to designate substitutes for themselves on the council.

The new council would have no staff of its own, but would be staffed by the Office of the Governor and draw from the expertise of the staff of the participating agencies as needed. The new council would have a much narrower focus, with its primary function being to cooperatively tackle coordination of the planning and budgeting efforts of the health and human service agencies. The council would be responsible for reviewing individual agency planning documents to ensure that they are jointly developed and do not conflict. The council would also need to work closely with the Legislative Budget Board (LBB) in developing a consolidated budget proposal to ensure that it is in a format that conforms with the LBB's requirements.

The executive directors of the following fourteen state agencies would be included on the council:

- the Texas Department of Human Services,
- the Texas Department of Health,
- the Texas Department of Mental Health and Mental Retardation,
- the Texas Department on Aging,
- the Texas Commission on Alcohol and Drug Abuse,
- the Texas Commission for the Blind,
- the Texas Commission for the Deaf,
- the Texas Rehabilitation Commission,
- the Texas Education Agency,
- the Texas Juvenile Probation Commission,
- the Texas Youth Commission,
- the Texas Employment Commission,
- the Texas Job-Training Partnership Council, and
- the Texas Housing Agency.

The first eight of these agencies include the agencies currently represented on the Texas Health and Human Services Coordinating Council. The budgets of these eight agencies represented 96.4 percent of health and human services appropriations for the 1990-1991 biennium. The addition of the Texas Education Agency, the Texas Juvenile Probation Commission and the Texas Youth Commission ensures involvement of all agencies serving children. The addition of the Texas Employment Commission, the Texas Job-Training Partnership Council and the Texas Housing Agency ensures representation on the council from agencies providing the employment, job-training, and housing services necessary for effectively meeting the overall needs of many health and human service clients.

FISCAL IMPACT

If the THHSCC is abolished, it will result in annual cost savings of approximately \$281,726 to the participating health and human service agencies that currently fund the activities of the council through interagency contracts. This amount represents the council's expenditures during fiscal year 1990 for general coordination and planning.

If the functions involved in developing the CORE project are not transferred as recommended in Issue 3, there would be cost savings from the elimination of this project. In fiscal year 1990, the council expended \$74,880 on the CORE project. This amount was funded through interagency contracts from the participating agencies. The council also projects expending \$1.4 million on CORE in fiscal year 1991. Projected costs for the project of \$2.1 million over fiscal years 1992 to 1993 would be eliminated.

The new executive director's council will require staff support from the governor's office and the participating agencies to successfully carry out its functions. It is estimated that one additional staff person at the governor's office would be needed to support the council's activities, at an estimated cost of \$28,836. Staff support from the participating agencies would result in some increased workload, but should not require any additional staff.

The federal funding that the council receives as reimbursement for its expenses in administering the SLIAG program is not included because there would be no fiscal impact, assuming that the administration of these funds would be handled through other means.

ISSUE 3: If the Texas Health and Human Services Coordinating Council is abolished, its current activities should be transferred to other state entities.

BACKGROUND

Since its creation in 1983, the council has been assigned a number of duties that have reflected particular interagency concerns. These duties were developed through the original enabling statute, amendments to the statute and riders to appropriation bills. Each of the duties touched on certain specific aspects of coordination.

Between 1983 and 1985 the council maintained the SIMS data base of state health and human service program information. During this time, the council also developed recommendations for uniform population projections to be used by all the health and human service agencies.

In 1987, the council began publishing Health and Human Services in Texas: A Reference Guide with information about public and private health and human service programs. Also in 1987, the 70th Legislature assigned administration of the federal SLIAG grants program to the council. During 1986 and 1987, many of the council's duties involved issues of services to children and youth. The council undertook two studies and then, based on the results of those studies, began a series of efforts to improve coordination in the area of residential contract care for children. The council's work in this area continues through the Commission on Children, Youth, and Family Services, as they identify appropriate levels of care, refine service standards, and develop a standard placement instrument for use by all of the agencies that provide residential contract care for children.

In 1989, the council completed a study of Texas' health and human service system and made recommendations to improve services. A second study examined the feasibility of combining services to children and youth in a single agency and found that services could be improved by enhancing coordination rather than reorganizing services. Also in 1989, the council took on a number of data collection projects. These projects included smaller efforts, such as collecting county-level data for all the health and human service agencies, and the larger effort of developing the Client Omnibus Registry and Exchange (CORE) project to link the computers of the agencies so that they may share client information.

Many of these projects are still ongoing, including development of the CORE project and administration of the SLIAG program. An examination of the projects was made to determine whether, if the THHSCC is abolished, they could be assigned to agencies proposed for membership on the executive directors' council. The results indicated the following:

- ▶ **Responsibility for the application and distribution of State Legalization Impact Assistance Grants (SLIAG) funds in Texas could be transferred to the Office of the Governor.**

- Transferring responsibility for the application and distribution of federal SLIAG funds to the governor's office would provide the advantage of that office's experience in administering federal grants such as the criminal justice funds.
- ▶ **The Texas Department of Health (TDH) could be designated as the lead agency in periodically revising and distributing Health and Human Services in Texas: A Reference Guide.**
 - TDH has the computer and printing facilities necessary to revise and distribute the reference guide biennially. In addition, TDH has been involved in assisting the THHSCC over the years in developing the computer software to compile this information and in printing the guide itself.
- ▶ **The Texas Department of Human Services (TDHS) could be designated as the lead agency in implementing the Statewide Needs Appraisal Project.**
 - TDHS has the expertise and experience to oversee the implementation of the Statewide Needs Assessment Project. In 1979 and 1981, TDHS did a large-scale needs assessment. In 1985 and 1989, the agency administered its Special Texas Census mailout survey.
- ▶ **The Commission on Children, Youth, and Family Services could be continued as an advisory group to the executive directors' council on health and human services in the governor's office.**
 - The executive directors of the agencies currently represented on the commission will be on the council, and will be able to provide the necessary oversight of the commission's activities.
- ▶ **While the authority to establish and maintain the CORE project does not properly belong with any of the agencies represented on the executive directors' council, the authority could be transferred to the Department of Information Resources (DIR).**
 - DIR can provide the resources and computer expertise necessary to complete the CORE project. DIR has a general mandate to provide leadership and coordination of information resources within state government. The CORE project fits within that mandate and the department will be able to provide the independent perspective needed to carry out the project.

PROBLEM

Upon discontinuation of the Texas Health and Human Services Coordinating Council, the council's current activities will need to be assigned to other state agencies.

RECOMMENDATION

- **If the Texas Health and Human Services Coordinating Council (THHSCC) is abolished and an executive directors' council on health and human services is created in the governor's office, THHSCC's current activities should be transferred as follows:**
 - **Administration of the federal State Legalization Impact Assistance Grants program - Office of the Governor;**
 - **Publication of Health and Human Services: A Reference Guide - Texas Department of Health;**
 - **Implementation of the Statewide Needs Appraisal Project - Texas Department of Human Services;**
 - **Oversight of the Commission on Children, Youth, and Family Services - executive directors' council on health and human services; and**
 - **Development of the Client Omnibus Registry and Exchange project - Department of Information Resources.**

Transfer of the current activities of the THHSCC as outlined above will ensure that these activities continue. Through the executive directors' council, the executive directors of the agencies that have been assigned these projects will have a forum to discuss any interagency concerns that might arise as the projects are being developed. The Department of Information Resources, while not represented on the council, would also be able to use the council as a forum for resolving any interagency problems that develop on the CORE project.

The Advisory Committee on Immigration would be transferred to the Office of the Governor along with the responsibility to administer the federal SLIAG grants program. The Texas Department of Health and the Texas Department of Human Services would be authorized to develop memoranda of understanding with other state agencies as needed to implement the projects assigned to them.

The statute of the Commission on Children, Youth, and Family Services would be amended to make the commission advisory to the executive directors' council and require the commission to report on all of its activities to the executive directors' council, rather than directly to the legislature as it currently does. The commission's statute would be changed to provide that public members currently appointed by the Council would be appointed by the governor and that the chairman of the commission would be designated by the governor. Since the commission is currently staffed by the THHSCC, under the proposed approach the commission would require some staffing effort by the governor's office and the participating agencies.

As part of DIR's oversight role, the department is currently reviewing the status of the CORE project. This review is in response to the council's request for approval to develop an "Invitation for Bid" to be used to contract for further development and implementation of the project. DIR, therefore, will be able to

work with the council through the current fiscal year and will be fully apprised of its progress when the project is transferred. Statutory authority would be developed to transfer the project to DIR and the department would be directed to carry out any further planning, study, design or implementation work left undone at the end of fiscal year 1991.

The Human Services Interagency Committee and the Dental Care Advisory Committee would be abolished along with the council. The Dental Care Advisory Committee has not met since it was transferred to the council from the Texas Department of Health in 1985. The members of the Human Services Interagency Committee would be members of the executive directors' council on health and human services in the governor's office.

Riders to the appropriations bill of the 71st Legislature assigned two data collection efforts, the contractor reporting project and the uniform data reporting project, to the council. If the legislature determines through the appropriations process that these data collection efforts need to continue, the projects could be assigned to the Texas Department of Health, which has the computer capacity and staff necessary to complete the projects.

Other entities associated with the council would be unaffected by the council's abolishment. The Interagency Council for Services for the Homeless has a sunset date of September 1, 2001 and would continue until that time. The Maternal and Child Health Advisory Committee is administratively attached to the Texas Department of Health and would continue. The statute authorizing the Statewide Case Management for Long-Term Care Task Force automatically expires on September 1, 1991. The ad hoc State Information and Referral Task Force will complete its work by March, 1991 and disband at that time.

FISCAL IMPACT

The costs needed to continue the CORE project through DIR would vary depending on the status of the project at the end of fiscal year 1991 and upon an assessment by DIR of the steps needed to complete the project. If the project is implemented according to the council's current time table, the costs are estimated at \$1.4 million for fiscal year 1991 and a potential cost of \$2.1 million for the 1992-1993 biennium.

The federal funding that the council receives for administration of the SLIAG grants program would go to the Office of the Governor. That amounted to \$260,000 in fiscal year 1990.

The council has never received funding for implementation of the SNAP project, so only the authorization to complete that project would be transferred to the Texas Department of Human Services, resulting in no fiscal impact.

The Texas Department of Health estimates that it could revise and print Health and Human Services in Texas: A Reference Guide for \$23,380 the first time, and \$20,380 every two years thereafter.

The THHSCC currently devotes the time of approximately two and a half full-time employees to the functions of the Commission on Children, Youth, and

Families. If the commission is continued, approximately \$52,536 will need to be appropriated to the governor's office to ensure this staff effort is continued.

**Texas Health and Human Services
Coordinating Council**

Report prepared by:

Carrie Luttbeg

Ginny McKay

Tim Graves

**Sunset Advisory Commission
P. O. Box 13066, Capitol Station, Austin, Texas 78711**

(512) 463-1300