



NOV 28 2016

TEXAS HEALTH AND HUMAN SERVICES COMMISSION

CHARLES SMITH
EXECUTIVE COMMISSIONER

November 28, 2016

Mr. Ken Levine, Director
Texas Sunset Advisory Commission
1501 North Congress Avenue, 6th Floor
Austin, Texas 78701

Dear Mr. Levine:

On behalf of the health and human services (HHS) system, we welcome the opportunity to respond to the Sunset staff report on the Health Licensing Consolidation Project as it relates to the Department of State Health Services (DSHS) occupational licensing programs. We appreciate Sunset staff's hard work and recommendations to make government more effective and streamlined.

The Sunset staff report on the Health Licensing Consolidation Project captures challenges DSHS faces in overseeing and regulating important occupational practices. As the Executive Commissioner of the HHS system and Commissioner of DSHS, we support the intent and direction of the recommendations laid out in the report and believe the recommendations are in line with the 84th Texas Legislature's direction to focus DSHS solely on its core public health mission. Similar to the response we provided for the recently submitted Sunset report on DSHS behavioral health licensing boards, we request you consider the following actions as the Legislature finalizes recommendations for the Licensing Consolidation Project.

Coordinate Timing of Transfers with the HHS Transformation Schedule

As a result of Sunset legislation passed by the 84th Legislature, all DSHS occupational licensing activities, including the four licensing programs identified in Sunset's most recent report, will move to the new Regulatory Services Division within the Health and Human Services Commission (HHSC), effective September 1, 2017. Under the Sunset staff recommendations, these programs would move again to the Texas Department of Licensing and Regulation (TDLR) by August 31, 2018. We request that HHSC and DSHS be given flexibility to work with TDLR to align when these programs transfer to TDLR with when all other regulatory programs transfer to HHSC. Aligning timeframes would reduce possible confusion from the public and the people these programs regulate, as well as minimize costs associated with moving programs and staff multiple times.

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Other Regulatory Transfers Considerations

If the four regulatory programs identified in the Sunset report transfer to TDLR, only one occupational licensing program will transfer from DSHS to HHSC – the Council on Sex Offender Treatment program. Other occupational and facilities-based regulatory programs transferring from the Department of Aging and Disability Services and DSHS relate to programs operated by the system, or the system serves as a payor to the regulated entity, such as acute care facilities or nursing facility administrators. We suggest the Sunset Commission and staff consider whether this DSHS occupational licensing program is more appropriately placed within the HHSC Regulatory Services Division or TDLR.

Budget and Staffing Considerations

Based on experience with previous program transfers, and to ensure the agency has access to funds to operate the program, we request that the budget allocation for the occupational licensing programs remain at DSHS until the programs transfer to TDLR. We similarly request that program staff are protected and move with the programs they support to TDLR. These staff possess the necessary subject matter expertise to perform these program duties at TDLR and will ease the transition of the programs to the new agency.

Thank you for your consideration in these matters. We look forward to discussing these recommendations with the Sunset Commission during the December 8 and 9, 2016, hearing and to work with the Legislature as the Sunset process continues. If you have any questions or need additional information, please contact Stephanie Muth, Deputy Executive Commissioner for Transformation, by telephone at (512) 424-6767, or Carol Miller, DSHS Regulatory Services Operations Manager, by telephone at (512) 834-4532.

Sincerely,



Charles Smith
Executive Commissioner



John Hellerstedt, M.D., Commissioner
Department of State Health Services