Central and Shared Services

Joint Ways and Means Committee
Human Services Subcommittee

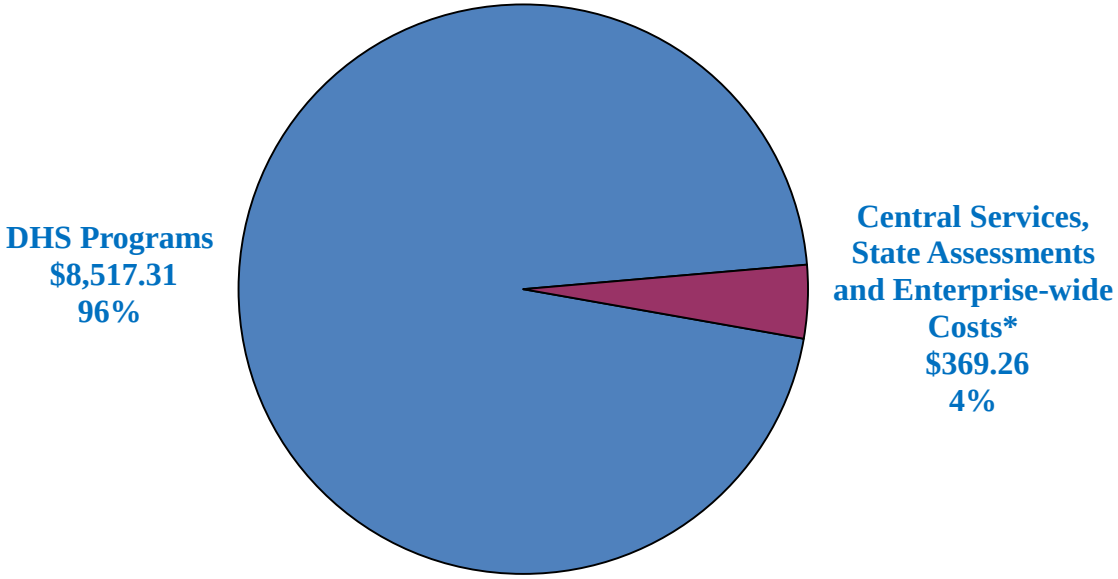
April 3, 2013

Jim Scherzinger, DHS Chief Operating Officer
Suzanne Hoffman, OHA Chief Operating Officer

DHS
Oregon Department of Human Services

Oregon Health Authority

Department of Human Services (DHS)
2013-15 Governor's Balanced Budget
Total Fund by Program Area
$8,886.57 million

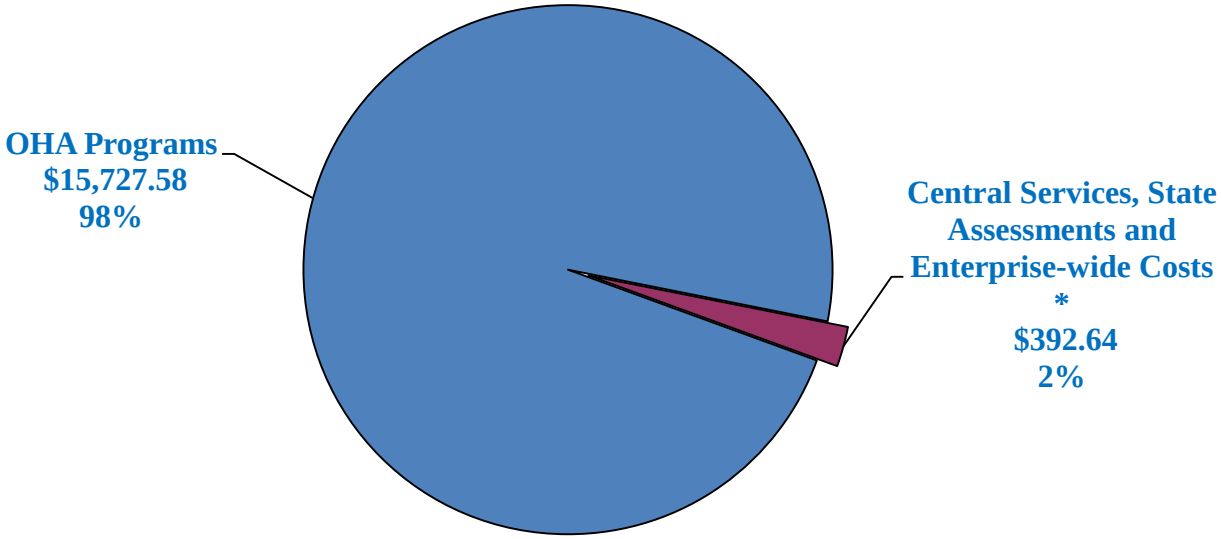


*Excludes $107.6 million double counted OF for shared service office

DHS Oregon Department of Human Services

Oregon Health Authority

Oregon Health Authority (OHA)
2013-15 Governor's Balanced Budget
Total Fund by Program Area
$16,120.22 million



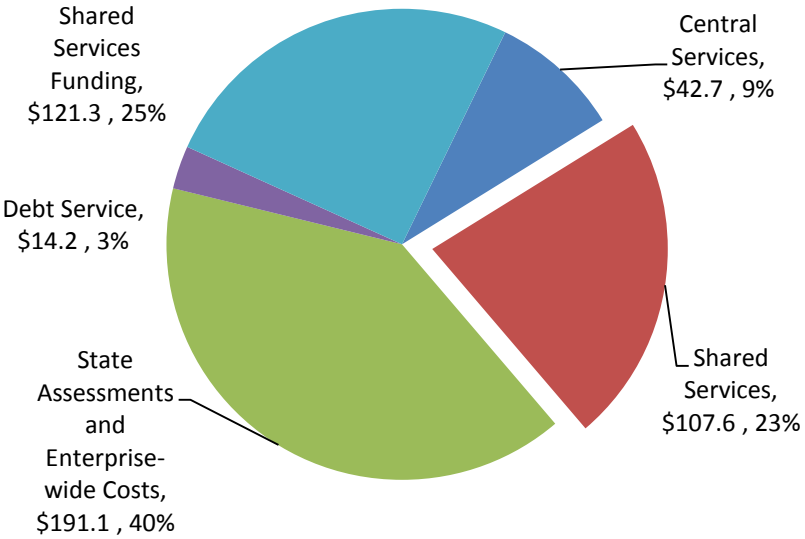
*Excludes $123.7 million double counted OF for shared service office

DHS Oregon Department of Human Services

Oregon Health Authority

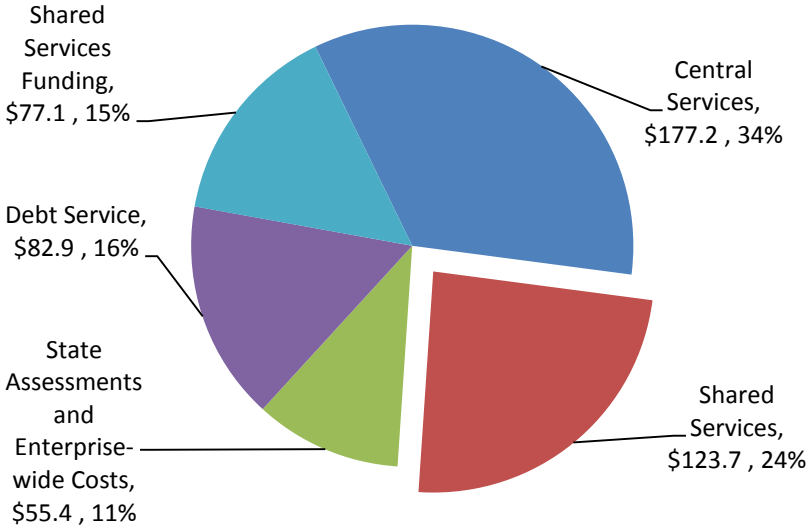
Central, Assessments and Shared Services Total Funds

DHS



GF	OF	FF	TF
$178.1	$126.2	$172.5	$476.8

OHA



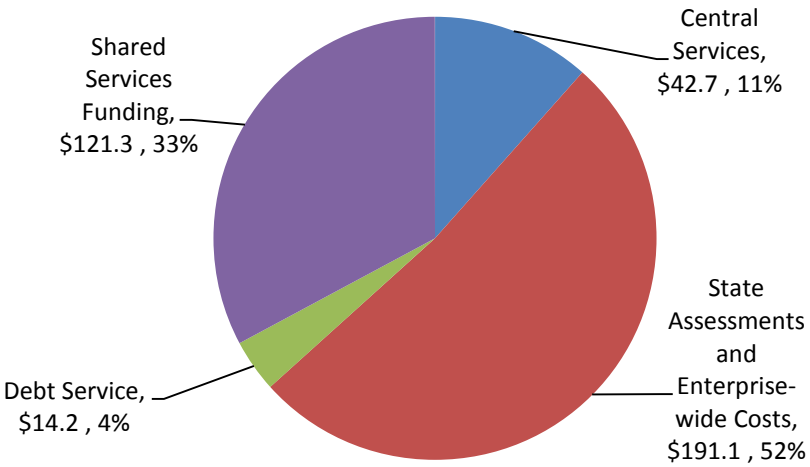
GF	OF	FF	TF
$159.2	$154.7	$202.4	$516.3

DHS Oregon Department of Human Services

Oregon Health Authority

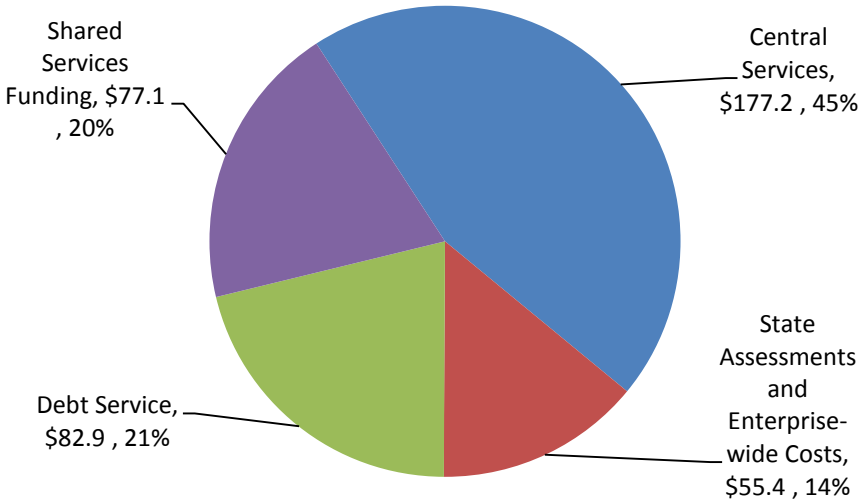
Central, Assessments and Shared Services by Type

DHS



Excludes $107.6 double counted OF for shared service offices

OHA



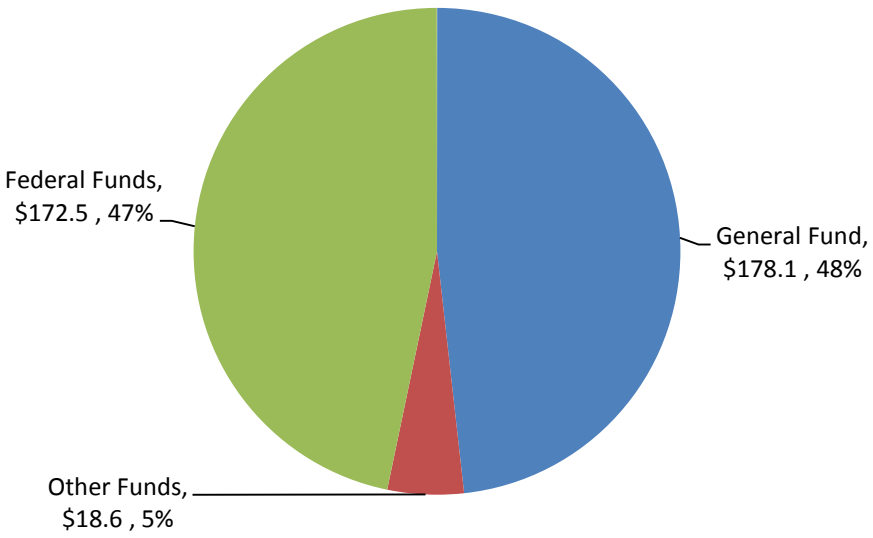
Excludes $123.7 double counted OF for shared service offices

DHS Oregon Department of Human Services

Oregon Health Authority

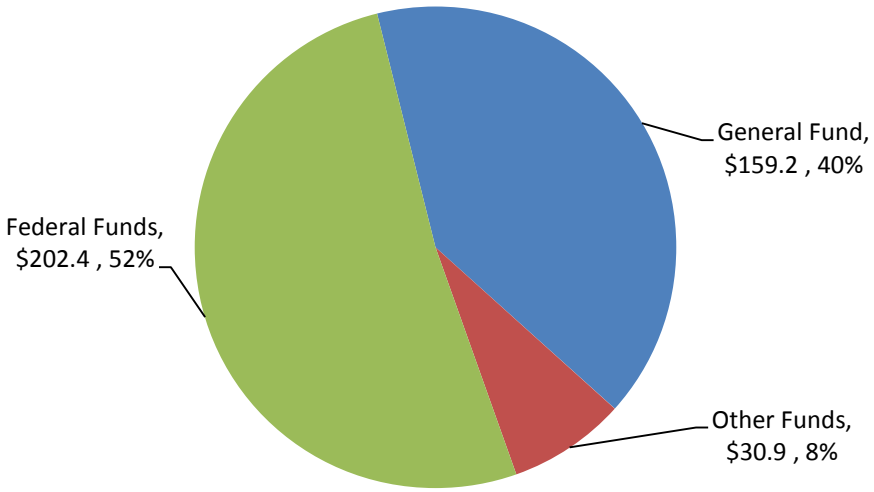
Central, Assessments and Shared Services by Fund

DHS



Excludes $107.6 double counted OF for shared service offices

OHA



Excludes $123.7 double counted OF for shared service offices

DHS Oregon Department of Human Services

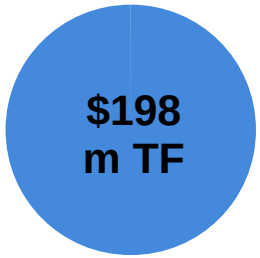
Oregon Health Authority

OHA and DHS Payments for Shared Services

DHS/OHA Program Funding

+

DHS/OHA Shared Service Funding



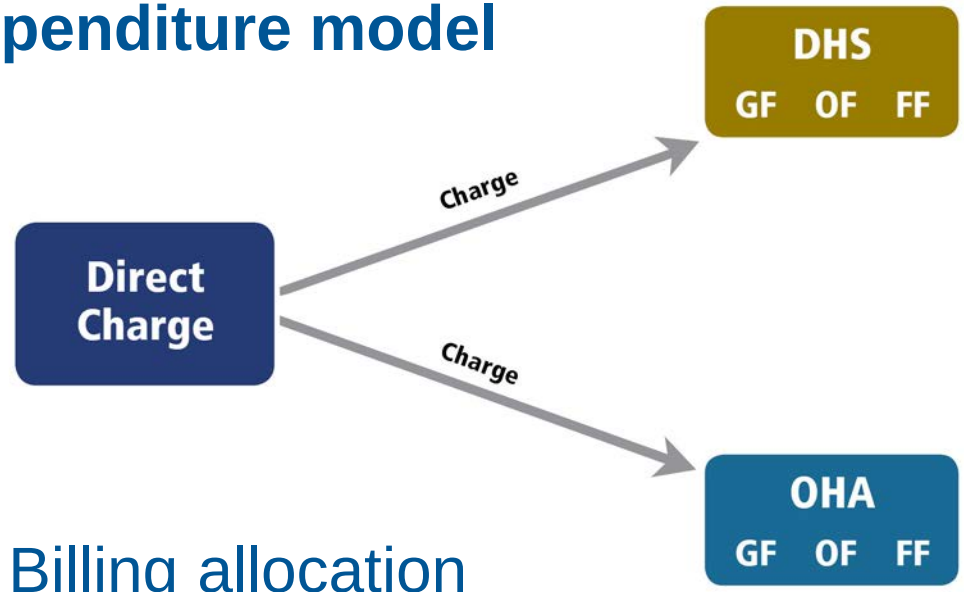
=

OHA and DHS Shared Services

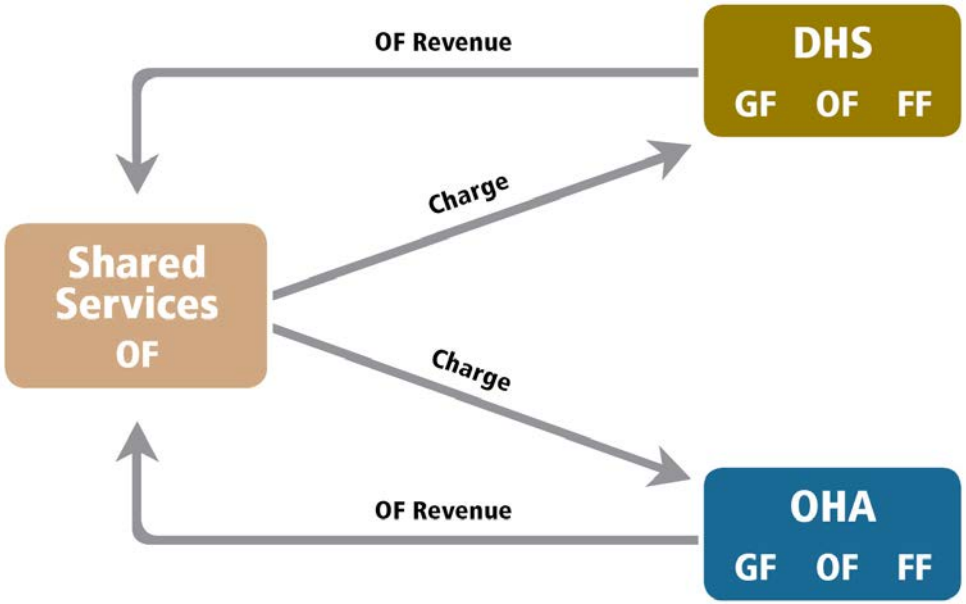
DHS Oregon Department of Human Services

Oregon Health Authority

Revenue / Expenditure model



Billing allocation



Process now completely automated

DHS Oregon Department of Human Services

Oregon Health Authority

State Assessments and Enterprise-wide Costs

Internal Charges	DHS	OHA	Total DHS & OHA	%
Facilities (includes rent, maintenance & utilities)	$ 115,613,445	$ 18,474,447	$ 134,087,893	39.0%
Debt Service	$ 14,167,748	$ 82,872,561	$ 97,040,310	28.2%
IT Expendable/Break Fix	$ 4,056,553	$ 2,034,232	$ 6,090,785	1.8%
State's Charges:				
State Data Center	$ 25,998,982	$ 14,096,174	$ 40,095,156	11.7%
Risk Assessment	$ 17,679,033	$ 6,183,132	$ 23,862,165	6.9%
Secretary of State, Audits Division	$ 3,995,434	$ 4,354,407	$ 8,349,841	2.4%
Telecommunications	$ 7,538,183	$ 1,922,601	$ 9,460,784	2.8%
DAS - Chief Financial Office (CFO)	$ 1,989,488	$ 2,351,996	$ 4,341,484	1.3%
DAS - E-Government Program	$ 148,392	$ 82,004	$ 230,396	0.1%
DAS - Enterprise Security Office	$ 418,470	$ 231,254	$ 649,724	0.2%
DAS - Chief Human Resources Office	$ 1,840,598	$ 1,017,153	$ 2,857,751	0.8%
Enterprise Goods & Services (EGS) - (EGS SFMA/Datamart)	$ 3,270,174	$ 41,752	$ 3,311,926	1.0%
Enterprise Goods & Services (EGS) - Procurement	$ 1,043,188	$ 997,529	$ 2,040,717	0.6%
Oregon State Library	$ 917,844	$ 604,638	$ 1,522,482	0.4%
DAS - Chief Operating Office	$ 1,639,320	$ 905,922	$ 2,545,242	0.7%
All Others	$ 4,953,453	$ 2,159,188	$ 7,112,641	2.1%
Total	**$ 205,270,305**	**$ 138,328,990**	**$ 343,599,297**	

DHS Oregon Department of Human Services

Oregon Health Authority

DHS and OHA Central and Shared Offices (TF in millions)

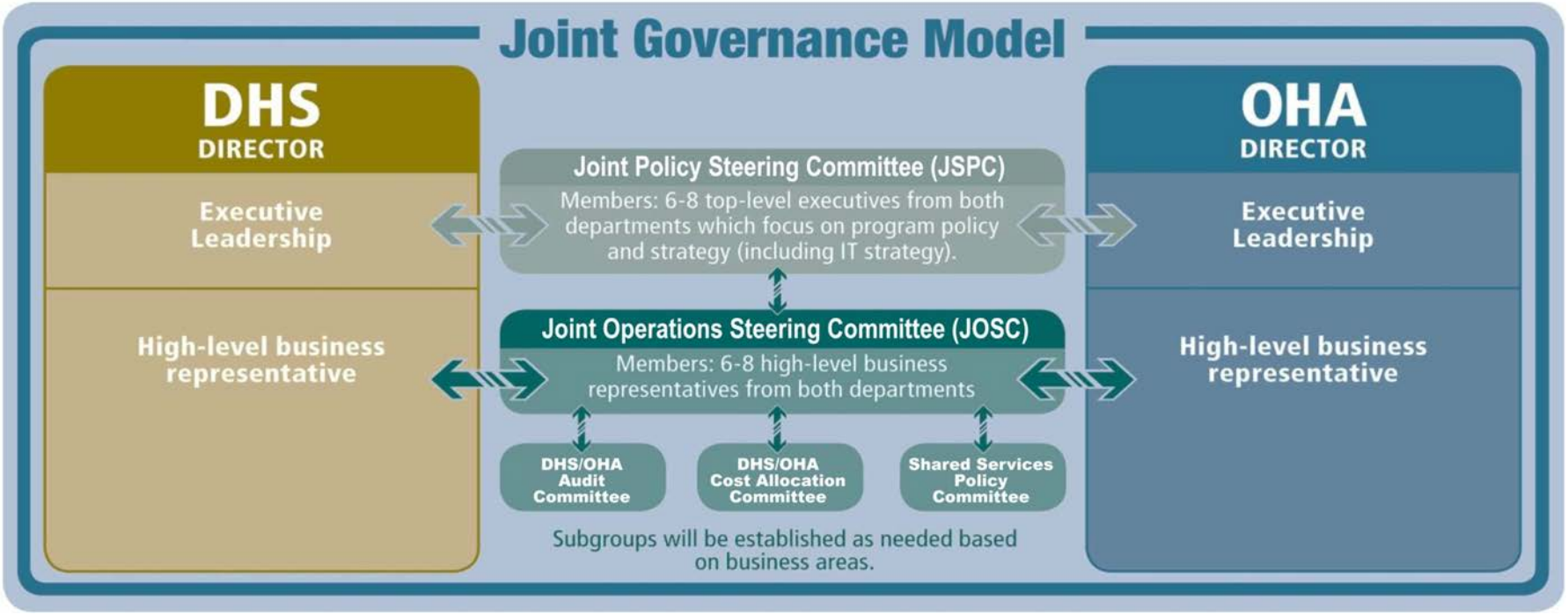
DHS Central	GBB	POS	FTE
Office of Director & Policy	$ 11.3	16	15.76
Office of Human Resources	$ 5.2	24	24.00
Budget Planning & Analysis	$ 3.4	16	16.00
Office of Communications	$ 0.6	2	2.00
Legislative/Client Relations	$ 17.4	23	22.42
Diversity	$ 3.0	5	5.00
Office of Administrative Hearings	$ 1.8	0	0.00
DHS Shared Service			
Shared Services Administration	$ 0.9	3	3.00
Budget Center	$ 3.0	16	16.00
Office of Forecasting & Research Analysis	$ 2.8	13	13.00
Office of Financial Services	$ 24.4	157	152.83
Human Resources Center	$ 13.0	73	71.00
Facilities Center	$ 4.9	28	28.00
Imaging & Records Management Svcs	$ 10.6	76	74.29
Office of Contracts & Procurement	$ 8.1	42	42.00
Office of Investigations & Training	$ 6.9	41	39.13
Internal Audit and Consulting	$ 2.0	10	9.41
Office of Pament Accuracy & Recovery	$ 26.7	166	160.18
Performance Excellence Office	$ 2.0	8	8.00
Publication and Design Section	$ 2.3	15	14.00
Total Central and Shared Services	**$ 150.3**	**734**	**716.02**

OHA Central	GBB	POS	FTE
Office of Director & Policy	$ 22.1	16	15.58
Office of Human Resources	$ 3.9	24	22.73
Budget Planning & Analysis	$ 3.3	20	19.50
Office of Communications	$ 0.6	3	3.00
Office of Equity and Inclusion	$ 3.6	9	8.39
Office for Health Policy and Research	$ 69.0	74	71.65
Office of Health Information Technology	$ 74.7	13	11.42
OHA Shared Service			
Shared Services Administration	$ 1.5	7	3.35
Office of Information Services	$ 119.2	451	439.99
Information Security and Privacy Office	$ 3.0	9	8.50
Total Central and Shared Services	**$ 300.9**	**626**	**604.11**

DHS Oregon Department of Human Services

Oregon Health Authority

Governance of Shared Services



DHS Oregon Department of Human Services

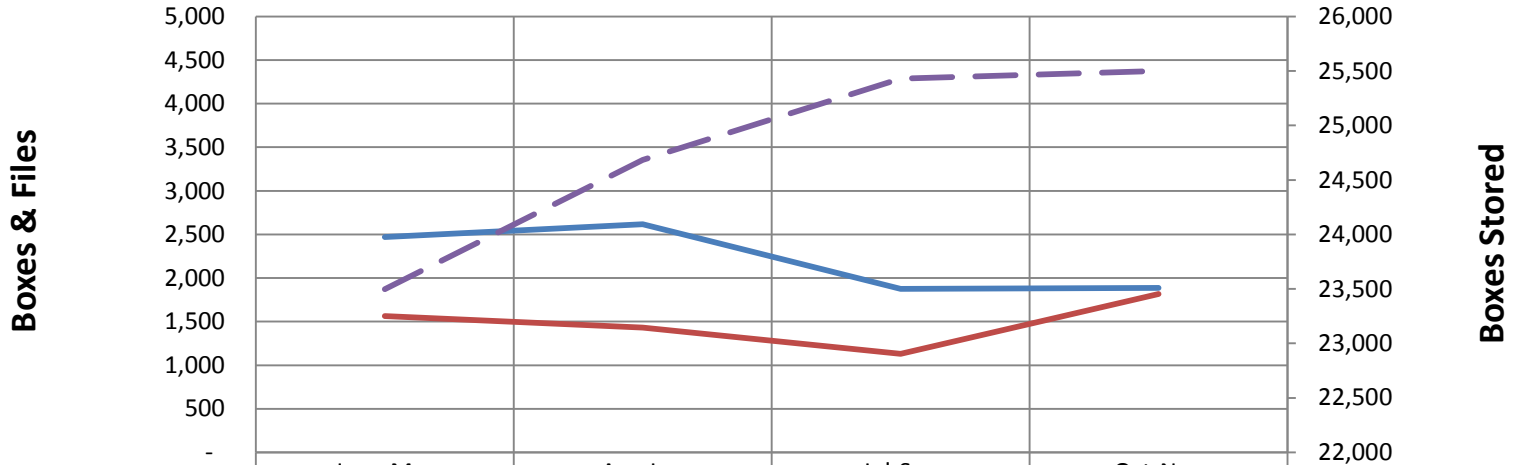
Oregon Health Authority

Performance Management System

- Clear statement of outcomes
- Description of processes to achieve outcomes
- Measures of success (outcome and process)
- Owners for each measure
- Written plans to improve outcomes
- Regular “business reviews” of progress
- Tools and training

Using Technology For Efficiency in Process and Cost Avoidance – Information and Resource Management Services Unit

Physical Archive Warehouse Storage
2012 Quarterly Statistics

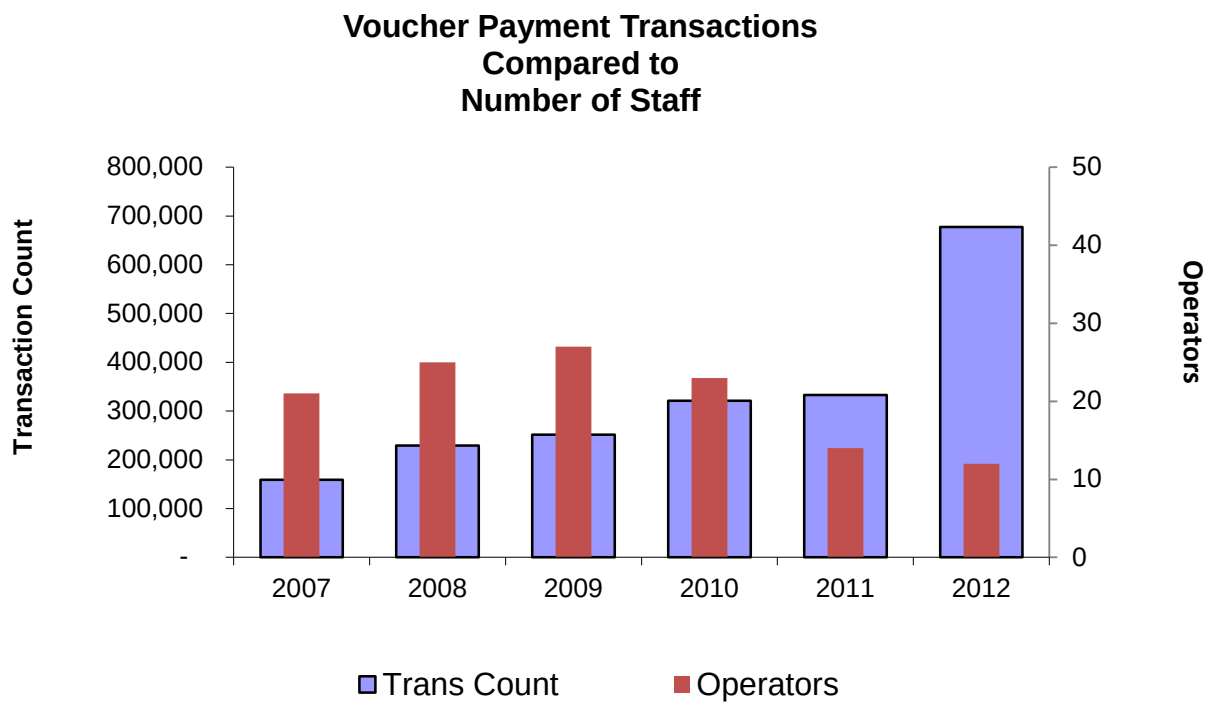


	Jan - Mar	Apr-Jun	Jul-Sep	Oct-Nov
Boxes Received	2,471	2,617	1,874	1,886
Boxes Destroyed	1,565	1,431	1,129	1,816
Boxes Stored	23,498	24,684	25,429	25,499

In Oct-Nov there were only 291 requests for files

DHS Oregon Department of Human Services

Oregon Health Authority



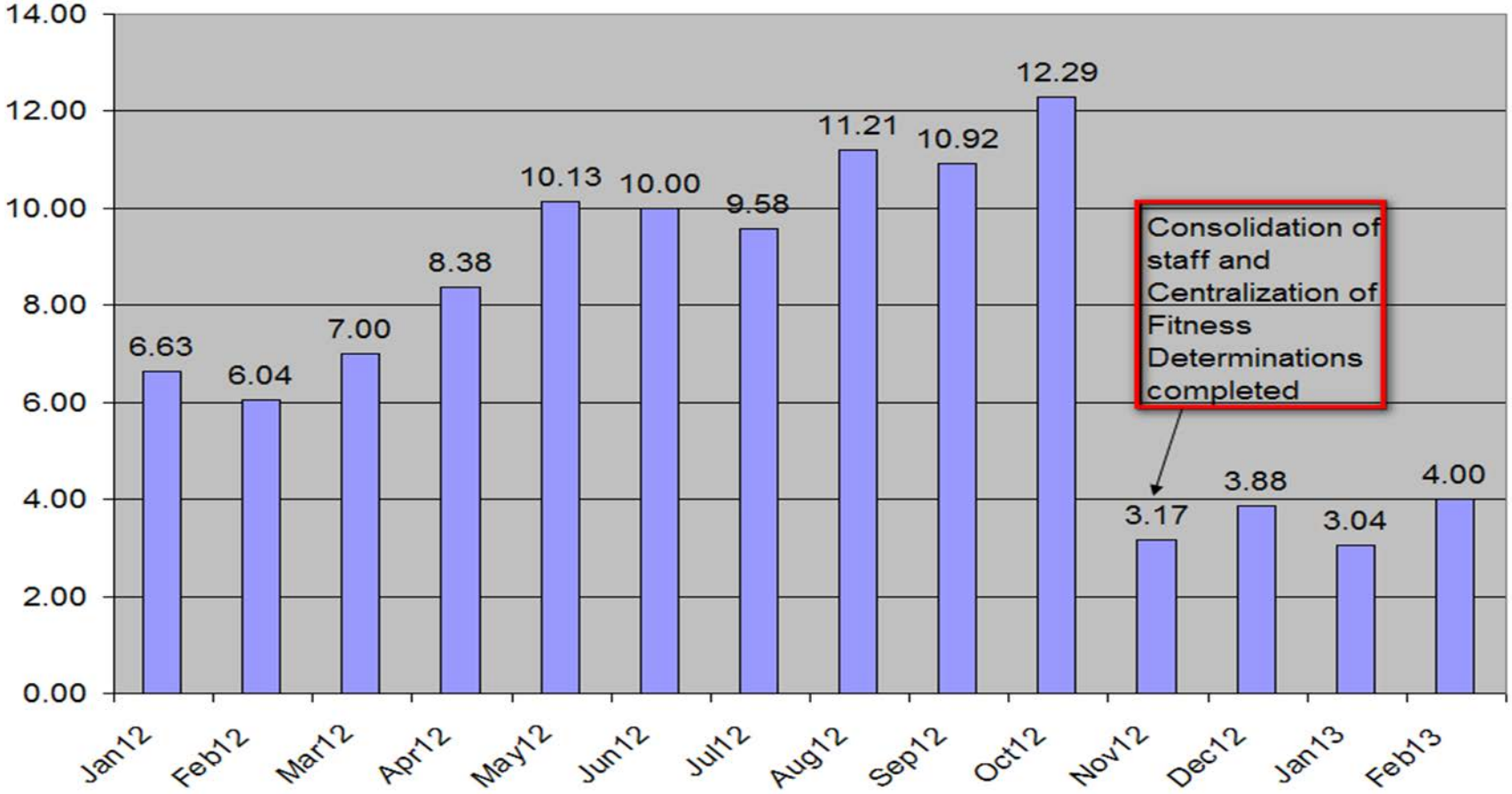
Efficiencies from:

* Developing electronic auto-upload of accounting transactions.
* Increased options to receive electronic invoices from vendors and providers.

DHS Oregon Department of Human Services

Oregon Health Authority

Average turn around time (in days) for Background Check Requests



DHS Oregon Department of Human Services

Oregon Health Authority

OPAR Efficiencies and Process Improvements

- **OPAR's rightsizing activities during this past biennium:**
  - **reduced staff through a reduction in administrative support and manager positions,**
  - **increased staff to manager ratio from 165 staff and 14.5 managers (11.4 to 1) to 160 staff and 12.5 managers (12.8 to 1).**

- **OPAR simultaneously increased cash recoveries and cost avoidance over the prior biennia:**
  - **Medicaid long-term care recoveries from $35.6 million to $40.0 million**
  - **OHA Medicaid Third Party Liability cost avoidance from $91.5 million to $96 million**
  - **SNAP, TANF, Medicaid, and ERDC cost avoidance from $15.7 million to $37 million**
  - **Projected Estate Recoveries of around $40.0 million in 11-13 even with the current housing market**

- **Benefits from LEAN and continuous improvement project equal to $4.5 million from 5 completed projects as of December 2012 from process improvements. including in wage match process and better tracking and case management.**

DHS Oregon Department of Human Services

Oregon Health Authority

Examples of other improvements

- Background Check Unit –
  - Updated notice requirements for approvals to reduce mail saving $2,500/mo in postage.
  - Implemented Criminal Records Information System allowing Reallocation of 3 FTE and improving security reducing risk.

- Financial Services efficiencies
  - Continue to maximize use of SPOTS VISA. Achieved rebate of $170,000 last year.
  - Increased electronic funds payment (EFT) participation by 20% (5,891 new enrollees). Each EFT payments saves approximately $1 per payment vs. check/warrant (saved approximately $90,000 last year).
  - Achieved Gold Star Award on statewide financial reporting for both DHS and OHA. This award is given for timely and accurate financial reporting. This is with twice the transactions and two agencies but same basic staffing as 10 years ago.
  - Automation of Cost Allocation and Creation of Automated Billing Model for DHS and OHA Shared Services

OHA Governor's Balanced Budget Package- 090

G/F actions within the OHA Central Service

- Leaving an estimated 16 positions vacant to attain G/F reductions affecting Office of Health Policy & Research, Office of Equity and Inclusion, Human Resources, Budget Planning and Analysis, & Communications.

- Affects ability to respond timely to stakeholder requests, delays in critical staff recruitments, reduces contracts with outside expertise for assistance with CCO's and other panels/ boards regarding Health System Transformation

- Adds investment for the Patient Safety Commission $1.6M G/F

- **G/F <$ 460,415 > O/F <$231,075 > F/F <$1,540,984 > Total Fund: <$ 2,232,474>**

DHS Oregon Department of Human Services

Oregon Health Authority

Governor's Balanced Budget Reductions

PACKAGE 91 GBB Placeholder Reductions

General and Total Fund by functional area

GENERAL FUND						
13-15 Package 91	Finance	IT	HR	Accounting	Procurement	Total
OHA central	88,366		110,106			198,472
OHA shared funding	62,933	2,095,799	119,623	268,972	65,606	2,612,933
DHS central	94,743		130,149			224,892
DHS shared funding	76,628	2,551,870	145,655	327,503	79,883	3,181,539
Total	322,670	4,647,669	505,533	596,475	145,489	6,217,836

Total Fund						
13-15 Package 91	Finance	IT	HR	Accounting	Procurement	Total
OHA central	177,336		182,580			359,916
OHA shared funding	127,307	4,239,564	241,984	544,100	132,713	5,285,668
DHS central	188,145	-	256,398	-	-	444,543
DHS shared funding	153,256	5,103,740	291,310	655,006	159,766	6,363,078
Total	646,044	9,343,304	972,272	1,199,106	292,479	12,453,205

DHS Oregon Department of Human Services

Oregon Health Authority

DHS GBB Investments in Central and Shared

1. Two project managers to allow the department to better serve program and provide support for increasingly complex enterprise wide projects including the Performance Management System.
2. Add one Office of Investigations and Training position to improve safety for the safety of vulnerable populations including:
   - Adults who receive mental health and/or developmental disability services
   - Children in therapeutic services programs and adults over the age of 65 or who have a physical disability that reside in a long-term care setting or the community.
3. An investment in Computer Replacement funding will be included in the Office of Information Services presentation.

DHS Oregon Department of Human Services

Oregon Health Authority

OHA Governor's Balanced Budget Investments

Health Information Technology

- This POP provides funding for permanent staff to support the expanding needs of health information technology policy analysis and OHA's statewide health information exchange (HIE) program, CareAccord™.
-
- A permanent Policy Team provides strategic planning, policy analysis and governance for health information technology. It also provides staff support for public governance through the Health Information Technology Oversight Council and alignment of state efforts with federal goals.
-
- A permanent CareAccord™ program team provides a means to engage with stakeholders, enroll participants and oversee the trust of secure health information exchange.

- $ 1,004,489 G/F $999,683 F/F $ 2,004,172 Total Funds 11 positions / 9.42 FTE

DHS Oregon Department of Human Services

Oregon Health Authority

OHA Governor's Balanced Budget Investments

Office of Health Policy and Research

This Policy Option Package (POP) is vital to transforming health care delivery to support the state's efforts to improve quality, provide better care, and lower costs and assist the efforts of Coordinated Care Organizations. This package will support:

1) Intensive data analytics using All-Payer All-Claims Data Collection Program that is the statewide collection of health care data from all payers in Oregon for intensive data analytics,

2) The Patient-Centered Primary Care Home (PCPCH) Program with PCPCH's as a key feature of enhanced care coordination, and

3) the Health Evidence Review Commission (HERC) to further develop evidence-based tools for healthcare purchasing decisions

$2,615,946 G/F ($311,665) O/F $2,162,916 F/F $4,467,197 Total Funds 2 positions/ 2 FTE

DHS Oregon Department of Human Services

Oregon Health Authority

Questions?