

JOINT FINANCE COMMITTEE HEARING
FISCAL YEAR 2020 BUDGET

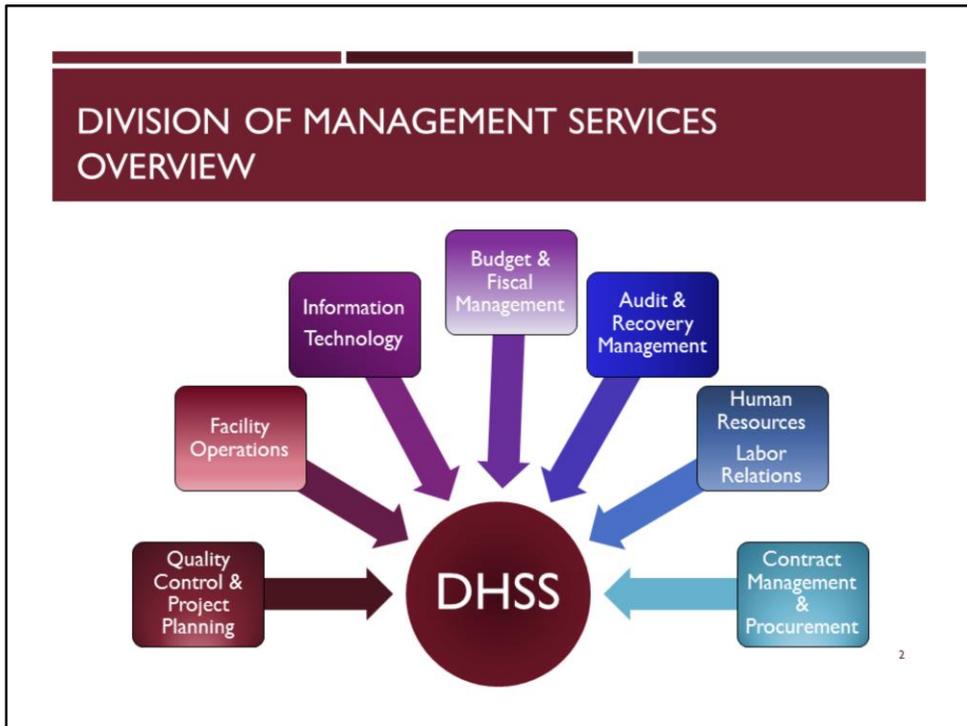


LISA BOND
DIVISION DIRECTOR

DIVISION OF MANAGEMENT SERVICES
Department of Health and Social Services
February 19, 2019
Legislative Hall, Joint Finance Committee Hearing Room

Good morning Representative Johnson, Senator McDowell, members of the Joint Finance Committee and members of the public. I am Lisa Bond, Director of the Division of Management Services (DMS). With me today is my Deputy Director, Mary Parker, and my Chief of Administration, Debbie Wallace.

Thank you for the opportunity to speak with you today and present our accomplishments and Fiscal Year (FY) 2020 Governor's Recommended Budget.



The Division of Management Services is responsible for managing all of the functions that are centralized across the Department of Health and Social Services (DHSS), including fiscal, budget and revenue, contracts and procurement, information resources, human resources, labor relations, quality assurance, audit and recovery services and facility operations.

We provide technical assistance and support to the 11 Divisions and the Office of the Secretary. Specifically, we help with things like training, standards setting, budget and program analysis, planning and the development of processes to maximize resources and improve efficiency.

Our goal is to provide leadership in all of these areas so that our divisions can focus on serving the residents of Delaware.

ACCOMPLISHMENTS

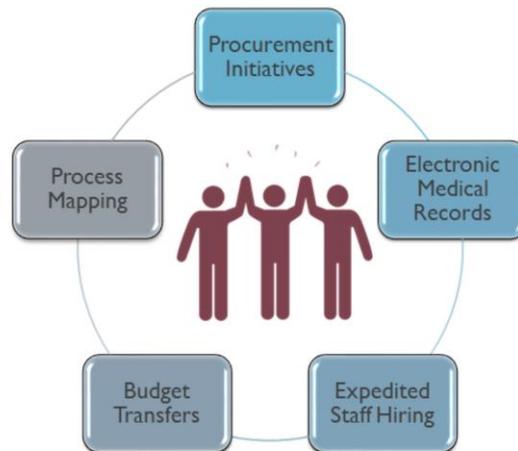
Information Resources Management	50,000 help desk calls
Contracts & Procurement	337 contracts, 29 bid solicitations
Facility Operations	6,960+ work orders
Human Resources	1,300+ personnel transactions, 639 Family & Medical Leave Act requests, 850 referral lists, 8,660 training sessions
Labor Relations	2 union contracts, 56 grievances, 162 disciplinary actions
Audit & Recovery Management Services	722 Supplemental Nutrition Assistance Program (SNAP or food benefit program) adjudications
Quality Control	1,000+ SNAP case reviews
Budget & Financial Management	\$3 billion asset management, \$1.8 billion federal draws

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Here's a snapshot of what we've accomplished:

- Our **Information Resources Management (IRM)** group answered 50,000 help desk calls.
- Our **Contract Management and Procurement** group processed 337 contracts and released 29 bid solicitations.
- **Facility Operations (FacOps)** completed over 6,960 work orders.
- Our **Human Resources (HR)** group performed over 1,300 personnel transactions, approved 639 Family and Medical Leave Act (FMLA) requests, issued 850 referral lists for vacant jobs and arranged for 8,660 in-person or online training sessions.
- **Labor Relations (LR)** negotiated 2 union contracts, presented 56 grievances and coordinated 162 disciplinary actions.
- Our **Audit and Recovery Management Services (ARMS)** unit processed 722 adjudications for program violations in the Supplemental Nutrition Assistance Program (SNAP), also known as food benefits.
- Our **Quality Control (QC)** group was responsible for reviewing over 1,000 of Delaware's FY 2018 SNAP cases.
- Our **Budget and Financial Management** teams oversaw the management of \$3 billion in assets, specifically drawing down \$1.8 billion in federal funds.

ACCOMPLISHMENTS



While we are proud of the support we provide to maintain ongoing daily functions, we are especially proud of how we contribute to improving the quality of life for our consumers.

Here are just a few examples of recent contributions:

- Our **procurement initiatives** helped increase DHSS' capacity to respond to the opioid crisis. In partnership with the Division of Substance Abuse and Mental Health (DSAMH), we coordinated and expedited work to build a substance use treatment and recovery system that is personalized and easier to navigate. We held the Department's first Procurement Public Forum for Comprehensive Behavioral Health Clinic Contractors. This allowed for maximum stakeholder engagement without jeopardizing the "open and level playing field" required in public purchasing. Two "open and continuous" Request for Proposals (RFPs) were released, which allows for more flexibility for the Department and maximum competition for potential bidders.
- We completed negotiation and execution of a contract to provide an **Electronic Medical Records (EMR)** solution for the Delaware Psychiatric Center and DSAMH outpatient services.
- We **expedited staff hiring** by accelerating reclassification, recruitment activities and the onboarding process.
- We assisted in coordinating **budget transfers** of one-time FY 2019 funds to support programs through the Behavioral Health Consortium.
- We provided **process mapping supports** for various DHSS programs to document procedures and improve efficiencies.



One of DHSS' priorities is to be a self-correcting organization, retooling to keep pace with changing client needs and a changing service delivery environment. This year, DMS will lead several initiatives that support this priority.

In January 2019, we started work on a Continuity of Operations Plan (COOP). The plan will be complete in May and will result in a set of resources, actions and procedures that we will use in the event of a major disruption of operations.

This month, we are releasing a Request for Proposal (RFP) for professional services to provide business continuity and disaster recovery services and solutions with the goal of significantly increasing our capacity to recover data in the event of an emergency. Funding in the recommended FY 2020 budget will ensure that this is sustainable in the future.

In March, we will launch a strategic planning project. The plan will focus on structural, organizational and funding strategies that can be implemented across the department to further our mission and the work of the Government Efficiency and Accountability Review Board (GEAR).

Also in March, we will begin planning to provide Trauma-Informed Approach training, piloted last year in three divisions, to all DHSS staff to improve responses to the needs of our internal and external customers. My colleagues from those divisions will discuss this in more detail when they present.

In May 2019, we will launch a project to modernize our physical security policies and practices across our four campuses.

In addition to these initiatives we are challenged by the fact that a sizable percentage of our employees are eligible for retirement over the next five years. We will be initiating efforts to formally capture the knowledge of these seasoned employees and disseminate it to other areas of the organization.

FY 2020 GOVERNOR'S RECOMMENDED BUDGET

FY 2020 Governor's Recommended Budget (\$ in thousands)

	GF	ASF	NSF	Total
FTEs	463.1	33.5	74.1	570.7
Dollars (\$)	\$48,337.7	\$8,775.4	\$15,159.2	\$72,272.3

Budget Definitions:

GF – General Funds
ASF – Appropriated Special Funds
NSF – Non-Appropriated Special Funds
FTEs – Full Time Equivalent Positions



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The slide above shows the budget included in the FY 2020 Governor's Recommended Budget (GRB).

Our Division's FY 2020 GRB is:

- \$48,337.7 million [Forty eight million, three hundred thirty seven thousand, seven hundred dollars] in General Funds (GF);
- \$8,775.4 [Eight million, seven hundred seventy five thousand, four hundred dollars] in Appropriated Special Fund (ASF) spending authority; and
- \$15,159.2 [Fifteen million, one hundred fifty nine thousand, two hundred dollars] in Non-Appropriated Special Funds (NSF).

The FY 2020 budget includes funding that will help us to continue many of our core operations and continue to provide seamless support to the Department and the public.

FY 2020 GOVERNOR'S RECOMMENDED BUDGET

- Birth to Three
- Disaster Recovery
- IT Licenses & Network Costs
- PC Replacement
- Lease Costs
- Switch Replacement



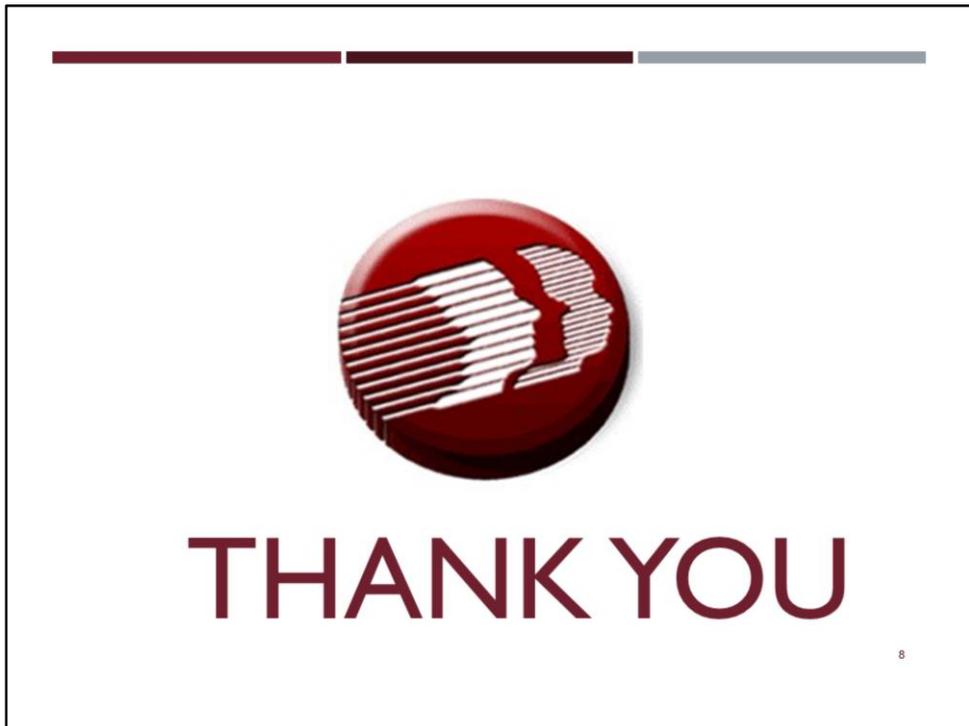
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The GRB includes:

- \$925,800 to support 4% growth in referrals to the Birth to Three Program.
- \$370,000 for a Disaster Recovery Solution that will provide cold storage offsite in the even of a disaster or emergency incident. These funds will allow DHSS to support the information technology systems that would be critical in an emergency situation.
- \$450,000 for licenses & network costs. These costs allow DHSS to maintain all systems and programs and continue to use current technology.
- \$75,000 to replace a portion of the Department's 867 computers that are over 5 years old.
- \$75,500 to pay for increased costs for 34 leased properties. These properties allow the Department to provide services statewide and meet clients in their communities.

In addition, the One Time Supplemental Bill includes support of \$95,600 request is for a new Cisco switch. This switch is the communications backbone linking all of the buildings on the Herman Holloway Campus with each other and the outside world. This one-time investment is critical to operating our main campus.

These funds will allow us to maintain the FY 2019 level of service and address the increasing cost of doing business.



Thank you for the opportunity to share with you the challenges and opportunities facing the Division of Management Services.

I am happy to answer any questions you may have.