

Commission on Streamlining Government

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ADVISORY GROUP ON THE ELIMINATION OF DUPLICATIVE AND NON-ESSENTIAL SERVICES

UNAPPROVED MINUTES
MEETING OF
THURSDAY, November 9, 2009

I. CALL TO ORDER

A meeting of the Advisory Group on the Elimination of Duplicative and Non-Essential Services was held on Monday, November 9, 2009 in Senate Room A-B in Baton Rouge, Louisiana. The chairman, Barry Erwin, called the meeting to order at 1:17 p.m.

II. ROLL CALL

The chairman called the roll and the following was noted:

MEMBERS PRESENT

Barry Erwin, Chairman
Senator Jack Donahue
Col. Evans Spiceland
Tony Gordon

MEMBERS ABSENT

J. H. "Jay" Campbell, Jr.

STAFF PRESENT

Dawn Romero Watson, Senate Counsel
Michelle Broussard-Johnson, Researcher
Shannon Simpson, Secretary

WITNESSES:

Michelle Smith, Office of Juvenile Justice
Christine Peck, DHH
Tia Edwards, Deputy Executive Director, LWC
Suzy Sonnier, DSS
Cynthia Bridges, Secretary, DOR
Clarence J. Lymon, Undersecretary, DOR
Chris G. Young, Beer Industry League of LA
John Williams, Beer Industry League of LA
Roger Bergeron, LA Association of Tax Administration
Dan Garrett, General Counsel, Police Jury Association of LA

III. DISCUSSION

RECOMMENDATION: Create a privatization unit within the Division of Administration having appropriate expertise and skills and provide that such unit is a resource for all departments and agencies considering or implementing outsourcing regardless of which department controls the asset or the service being outsourced.

Mr. Gordon discussed **amendments** to recommendation.

Mrs. Watson discussed the main idea of Mr. Gordon's amendments is to maintain that outsourcing and privatization are two distinct different functions. The recommendation would read: **"Create a privatization and outsourcing unit within the Division of Administration having appropriate experience and expertise, and provide that such a unit is a resource for all departments and agencies considering or implementing privatization and outsourcing, regardless of which department controls the asset or service being considered. The unit will serve as a center of functional excellence for privatization and outsourcing."**

Mr. Gordon moved to adopt recommendation, as amended. Without objection, the recommendation was adopted, as amended.

RECOMMENDATION: Every department and agency be required to: (1) organize itself structurally for the delivery of services along uniform regional boundaries as determined by the state; (2) Shift transactions with the public to an electronic online capability as appropriate; and (3) Support regional Government Services Centers under a "mall concept" whereby citizens may go for all government services and processes that could be accessed electronically or with the help of skilled specialists. Department and agency field offices be consolidated to such centers and surplus buildings and personnel be addressed.

Mr. Gordon moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: Each state department is to prepare and provide a review or an analysis of what, could be changed, modified, consolidated, eliminated, streamlined, improved, and/or enhanced to ultimately reduce or eliminate "continuation costs or expenses" in their respective department, agency, board of commission.

Chairman Erwin discussed the need in having a percentage of the actual verifiable cost as part of a bonus or an incentive, and capping this amount.

Senator Donahue discussed the law and compensation for employees on a percentage basis, not to exceed a certain amount.

Ms. Watson discussed other provisions of the law where public property cannot be donated. Civil Service has found a way around this provision with their bonus program.

Senator Donahue moved to pass over this recommendation and requested that Mrs. Watson research this recommendation.

Mr. Gordon moved to adopt recommendation. Without objection, this recommendation was adopted.

RECOMMENDATION: Office of Juvenile Justice partner with DSS and other stakeholders to better implement the Families in Need of Services (FINS) Program that can prevent youth from entering the costly juvenile justice system.

Michelle Smith discussed two statutorily required programs. One is adjudicated FINS, where these youths can be adjudicated into DSS custody or OJJ custody. There is also an informal FINS, which is handled through the Supreme Court and it is a diversion type of situation whereby before a child goes into the system, there are services that are provided. The informal system happens differently across the state. Essentially, it is a diversion program. When a youth is adjudicated into OJJ's custody, sometimes DSS and OJJ are providing the same services with the same providers. The idea is not to make a pipeline for these youth to become deeper into the OJJ system, when DSS may be able to provide the services at a lower cost and better outcome for these youth. OJJ and DSS are working together to figure out how this can be best coordinated. OJJ's funding is state general fund.

Mr. Gordon discussed adding to the recommendation, "**intervention will occur at the earliest possible time.**" This is a clear objective to the coordinated system of care.

Mr. Gordon moved to adopt recommendation, as amended. Without objection, the recommendation was adopted, as amended.

RECOMMENDATION: School districts should work with OJJ to forward Minimum Foundation Program (MFP) funds to OJJ for students transferred to state custody and are no longer in local schools, eliminating the "double payment" for each student's education by the state.

Mr. Gordon discussed **adding** an objective to the recommendation. **The objective is for the funds to follow the child.**

Senator Donahue discussed the number of students that go through OJJ. Ms. Smith responded that the trend is about 500 - 600 youth.

Mr. Gordon moved to adopt recommendation, as amended. Without objection, the recommendation was adopted, as amended.

RECOMMENDATION: Develop plan and explore efficiency opportunities for consolidating field sampling programs within DHH, DEQ, and DWF.

Mr. Gordon moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: Relocate auditing responsibilities of the Department of Natural Resources (DNR) and the Louisiana Workforce Commission (LWC) to Department of Revenue (DOR).

Mr. Lymon discussed in order for DOR to take over any auditing responsibilities, DOR would have to draft an MOU between DOR and LWC to identify distinct activities to be performed by DOR and thereby being reimbursed in terms of the cost associated with these activities, using federal dollars.

In order for there to be tremendous efficiencies and economies of scale, DOR would like to perform, in addition to the duties that are currently performed, with respect to withholding and sales taxes, the audits associated with the unemployment tax payments that are due.

Mr. Gordon discussed audit functions by DOR for other departments where the client base is similar.

Secretary Bridges responded that this is a beginning of an evaluation that can be conducted and ongoing.

Mr. Gordon suggested adding to the "done/study" section of the recommendation, "other departments."

Mr. Gordon moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: Relocate the Office of Alcohol and Tobacco Control (ATC) from the Department of Revenue (DOR) to the Department of Public Safety and Corrections - Public Safety Services (DPS).

Chris Young and John Williams testified in opposition to recommendation.

Secretary Bridges provided a point of clarification. There are two components at ATC, the certification process and the enforcement process. The enforcement process replicates a lot of the activities that occur with video poker and is the reason why DOR is suggesting, or at least in conjunction with Col. Edmonson, is because it is best placed with Public Safety.

Senator Donahue discussed the amount of personnel in DOR that carry a gun. Secretary Bridges responded that the only personnel in DOR that carry a gun are within ATC and is about 50 people. These are the personnel that DOR is trying to recommend moving to DPS. This recommendation was made because of the limited personnel or resources at DPS. If the ATC's staff could also assume some of the responsibilities associated with the compliance inspection with video poker, this would allow DPS to redeploy personnel to other service areas that are more desperately needed.

Mr. Gordon moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: Establish single location for information technology help desk functions for all state agencies and its employees.

Col. Spiceland moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: Potential elimination of taxes that generate small revenues yet require substantial administrative management and infrastructure to the point that administrative costs exceed revenue proceeds.

Undersecretary Lymon discussed taxes that generated relatively small revenues for the state of Louisiana, and a small return on investment in terms of tax administrative perspective. (There is a handout, "*Taxes and Fees Generating Less than \$10 million*" from DOR)

Secretary Bridges discussed, the handout is a list of all taxes that DOR would consider for evaluation, but they have to be done on an individual basis, they cannot be reviewed *in globo*.

Mrs. Watson discussed the language of the recommendation is accurate. What is not accurate is the handout. The handout is being used as the targeted list of taxes used for evaluation by DOR. The recommendation can stay as is, the list (handout) needs to be refined.

Mr. Johnson discussed adding: "Each tax would be evaluated on an individual basis," under the "action needed" section of the recommendation.

Secretary Bridges will send a refined list of "*Taxes and Fees Generating less than \$10 million.*"

Col. Spiceland requests adding in the summary of the description, "specific" in front of taxes generating relatively . . .

Mr. Gordon moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: State agencies be required to evaluate current costs for remittance and document processing and move to Department of Revenue's excess capacity for such where appropriate and agencies be prohibited from using state general fund to expand their current capacity for remittance and document processing until Department of Revenue's excess capacity is exhausted.

Mr. Gordon moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: Establish the Department of Revenue (DOR) as the single tax collector for all sales and use taxes throughout the state of Louisiana.

Dan Garrett and Roger Bergeron testified in opposition to this recommendation.

George Marretta discussed the handout "*Local Collection of Local Sales and Use Tax.*"

Chairman Erwin discussed contracting state audits to local government.

Mr. Gordon discussed making this recommendation cost-neutral to the state, if there were MOU to help fund the process. Secretary Bridges agreed, but in order to proceed there will have to be some legislative (and maybe constitutional) changes.

Senator Donahue moved to defer this recommendation. Without objection, the recommendation was deferred.

RECOMMENDATION: Develop plans to further integrate services of the Department of Social Services (DSS) and the Louisiana Workforce Commission (LWC), especially those services where shared clientele is realized.

Tia Edwards discussed, the recommendation is for the integration of vocational rehab services from DSS to LWC. LWC is entering into a contract with a national organization that performs integration efforts in other states, and has best practices on how these services are better integrated. The priority is specifically with those programs within DSS, because their initiatives are already in place. The challenge is to maintain the core function of LWC: 1. job training; 2. placement; 3. identifying and assessing the needs of an individual; 4. identify what the individual's skill sets are; and, 5. how to better place an individual into the appropriate training into the demand industries sectors and occupations. The core function of LWC is not the same as DSS, as it specifically pertains to the voc-rehab population. DSS focus pertains to the disabled population.

Mr. Gordon requested to amend recommendation. Under the "Done/Study" column of the recommendation add: "By year end LWC will contract with a national consultant in search of best practices at integrating services."

Mr. Gordon moved to adopt recommendation, as amended. Without objection, the recommendation was adopted, as amended.

RECOMMENDATION: Expand current efforts to reduce unused nursing home bed capacity.

Chairman Erwin discussed that this recommendation is to instruct the Department of Health and Hospitals to develop a plan to take a look at unused nursing home bed capacity in the nursing homes and try to develop some scenarios that will benefit the state in terms of reducing spending on long term care.

Mr. Gordon moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: Develop pilot program for long-term care (LTC) services for the elderly and people with adult-onset disabilities.

Chairman Erwin discussed supporting information.

Mr. Gordon moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: Merge EPS in the Governor's Office of Elderly Affairs (GOEA) and Adult Protective Services in DHH/Office of Aging and Adult Services (OAAS).

Chairman Erwin discussed that the recommendation is to take the functions of the Elderly Protective Services and Adult Protective Services that are totally similar, except for the age groups involved, and coordinate them together withing the DHH.

Mr. Gordon moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: Transfer Independent Living, Community & Family Support, and Traumatic Head and Spinal Cord Injury Trust Fund programs from DSS/LA Rehabilitation Services (LRS) to DHH/Office of Aging and Adult Services (OAAS).

Mr. Gordon moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: Provide a tax clearance for all state vendors and contractors and permit state departments and agencies to "garnish" payment to vendors and contractors doing business with the state and who also have an adjudicated delinquent account receivable in favor of the state.

Chairman Erwin moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: Develop a plan to transition from manual background checks to automated process. Use certified vendors where applicable.

Chairman Erwin requested to pass over recommendation.

RECOMMENDATION: Perform a system-wide analysis of behavioral health needs of high risk children within the child welfare and OJJ systems to maximize the use of Medicaid funding.

Ms. Peck discussed that this recommendation was not a savings measure to DHH, but is an improved outcome and service delivery to the constituents that are jointly served.

Mr. Gordon discussed adding "improved outcomes" to the recommendation.

Mr. Gordon moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: Merge Capitol Police from DofA into Dept. of Public Safety & Corrections - Public Safety.

Mr. Gordon moved to adopt recommendation. Without any objection, the recommendation was adopted.

RECOMMENDATION: Re-allocate DSS emergency preparedness sheltering activities to GOHSEP, LANG or a professional vendor.

Col. Spiceland discussed changing the recommendation "Benefit/Saving" column to add "spaces" behind shelters.

Col. Spiceland moved to adopt recommendation. There being no objection, the recommendation was adopted.

RECOMMENDATION: Automate Dept. of Natural Resources' oil and gas permitting and reporting processes under the Office of Conservation.

Chairman Erwin moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: Transfer appropriate rehabilitation service functions in the Department of Social Services (DSS) to the Department of Health and Hospitals (DHH) and the Louisiana Workforce Commission (LWC).

Mr. Gordon moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: DHH to continue implementation plan to sell and/or lease the John J. Hinkle Home and Rehabilitation Center.

Mr. Eley discussed a study group looking at the Hainkel Home. They are looking at different options for potential sell or lease..

Mr. Gordon and Mr. Eley discussed the "Benefit/Saving" column of the recommendation.

Senator Donahue discussed the population the home can service. Mr. Eley responded that it is licensed as a nursing home. It mostly houses younger people with disabilities, and not as many elderly individuals.

Mr. Gordon moved to adopt recommendation. Without objection, the recommendation was adopted.

RECOMMENDATION: DHH to study appropriate role and determine best future use of Villa Feliciana (VF) Medical Complex.

Mr. Eley discussed Villa Feliciana is licensed as a hospital. It operates about 125 nursing home beds that are certified as nursing home beds, even though it is licensed as a hospital. It has one of the few units in the state that takes people who are on ventilators for nursing home care, it provides the only inpatient TB care in the state where you have patients that are non-compliant with outpatient care. They are court ordered. It has a mental health step-down program that takes patients from East Louisiana Mental Health Hospital and moves them into the community. It's the placement of "last resort." There are no savings to the state to close the facility, because of the ongoing cost of maintaining the property and paying out the retirees.

Senator Donahue discussed the amount of the staff at VF. Mr. Eley responded about 294 on staff.

Mr. Gordon discussed amending recommendation to adding to the end: "either as a medical facility or otherwise."

Mr. Gordon moved to adopt recommendation, as amended. Without objection, the recommendation was adopted, as amended.

RECOMMENDATION: Develop plan and explore efficiency opportunities for consolidating/leveraging of DHH and DEQ drinking water programs for testing and monitoring; transfer Lead-base paint program from DEQ to DHH.

Chairman Erwin discussed that the point of this recommendation is to try and direct discussion between the agencies to try and consolidate some functions.

Chairman Erwin moved to adopt recommendation. Without objection, the recommendation was adopted.

Chairman Erwin withdrew his recommendation regarding the transfer of charitable gaming from DOR to Dept. of Public Safety.

Chairman Erwin withdrew his recommendation regarding dealing with the Division of Veteran's Administration and expansion of care tracker paperless patient charting system.

ADJOURNMENT

Chairman Erwin made a motion to adjourn, without objection. There being no further business, the meeting was adjourned at 3:46 p.m.

Barry Erwin, *Chairman*

Date

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