

Enabling Laws

Act 2303 of 2005
Act 1954 of 2005
A.C.A. §25-10-101
A.C.A. §25-10-102
A.C.A. §25-10-106
A.C.A. §25-10-108
A.C.A. §25-10-111
A.C.A. §25-10-113

History and Organization

The Department of Human Services operates under an integrated service delivery system provided by fourteen (14) divisions/offices. Each Division is under the direction, control and supervision of the Director of the Department of Health and Human Services. The Director has the authority to transfer or assign duties or programs whether existing or new to offices, sections or units as deemed necessary for efficient and necessary operation of the department.

Act 1954 of 2005 merged the Department of Health into the Department of Human Services and renames the agency the Department of Health and Human Services.

Act 348 of 1985 delegated administrative authority for the Department to the Office of the Director. The Director is responsible for establishing Departmental policy to carry out Executive Directives, federal and state legislative mandates and coordination of services across Division lines when individuals and families are provided services by multiple programs. The Director is also responsible for receiving from each of the divisions/offices and submitting a Department budget for review and approve by the Governor and General Assembly. The state institutions and operation of institutions remain under the jurisdiction of the State Institutional Systems Board and the Board of Developmental Disabilities Services. Both Boards work in concert with the DHHS Director on issues that impact services for which each is responsible.

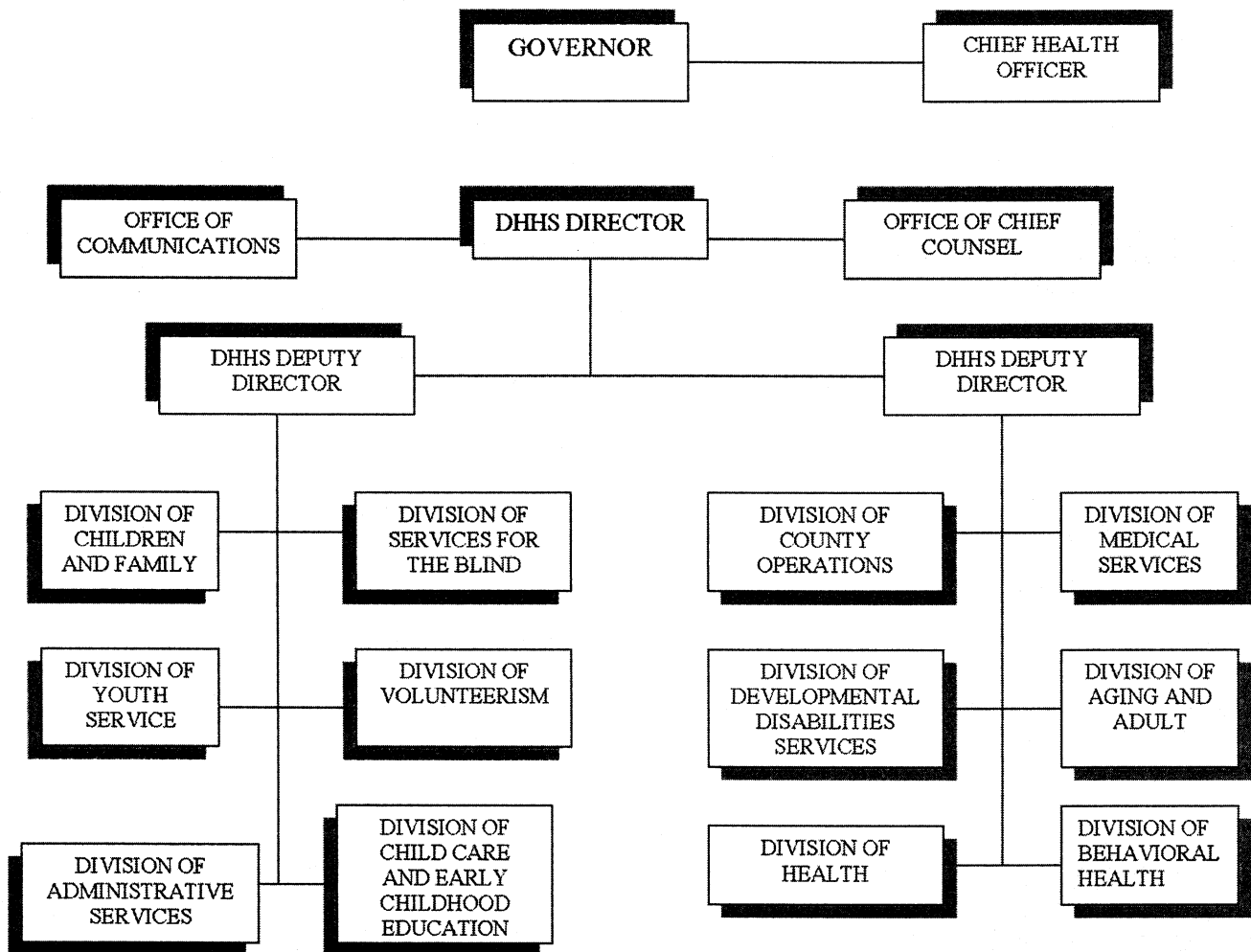
The Mission of the Department is "To provide quality services, within available resources, which enable people to maximize their potential and to increase their abilities; preserve and enhance human dignity and worth; and prevent or reduce the need for services."

The Office of Chief Counsel provides legal, investigative, audit and administrative hearing services to the various divisions and offices within the Department. There are five (5) specific areas of responsibility within the Office of Chief Counsel and include the following:

- Legal Operations provides legal assistance on administrative, litigation pertaining to delivery of services, program administration, personnel, civil rights and overpayment collections.
- County Legal Operations provides legal support in all counties and provides assistance primarily in areas of child welfare and adult protective services. Attorneys also provide

assistance in Family In Need of Services (FINS) cases when the children are placed in foster care and assisting the Division of Youth Services in transitioning youth from their facilities when they can not return home.

- Fraud Investigation pursues allegations of fraud with regard to matters such as Medicaid, Food Stamp and Child Nutrition. This unit also coordinates investigations with law enforcement with regard to food stamp trafficking.
- Audit Section conducts performance, compliance and financial audits; monitors the resolution of issues identified in audits performed by state and federal officials, develops audits requirements and guidelines.
- Appeals and Hearings administers the appeal process on adverse actions which include those related to all categories of Medicaid, TANF, Child Maltreatment.



Agency Commentary

Director's Office:

The DHHS Director's Office requests:

1) one (1) new Grade 26, Health Policy Administrator position in the Office of Policy and Planning (OPP) to ensure collaborative, department-wide policy and program decisions based on research and

promising practices. One key function of the OPP is to improve use and analysis of health and human services data.

2) transfer one (1) Grade 99 DHHS Deputy Director position from the Division of Behavioral Health Services (Cost Center: 417900; Position #22102127) to the DHHS Director's Office (Cost Center: 416601) as part of re-structuring, giving the program division additional funds and appropriations for their services.

3) transfer one (1) Grade 99, DHHS Communications Director position from the Division of County Operations (Cost Center: 420502; Position #22103709) to the DHHS Director's Office (Cost Center 416601) as part of re-structuring, giving the program division additional funds and appropriations for their services.

4) These transfers will enable the DHHS Director's Office to adequately keep up with the networking with other state and national organizations on Medicaid issues and other major programs that impact the citizens of Arkansas.

5) Additional operating expenses is requested for staff training.

Office of Chief Counsel:

The Office of Chief Counsel provides legal, investigative, audit and administrative hearing services to the various Divisions and Offices within the Department of Human Services.

The Office of Chief Counsel requests:

1) Two (2) new attorney supervisor positions, the two will supervise and train 12 attorneys reducing the current supervision from 20 and travel two regions of the state; Four (4) new attorney specialist positions, the four will be assigned to county offices supporting child welfare and adult protective services programs and will help reduce the current caseload from 96 cases per attorney to 80 cases; Four (4) legal secretaries that will be assigned throughout the state, assist with all legal documents and reduce the current caseload from 140 per legal secretary to 100 cases and will work for multiple attorneys.

2) One (1) new attorney supervisor position, to analyze state and federal laws and regulations, including employment law, regulatory administration, and federal health care financing laws and regulations that federal courts have termed "the most completely impenetrable texts in human experience." The total appropriation of \$510,632 in both years and State General Revenue of \$189,531.

3) to enable Office of Chief Counsel to adequately keep up with increased rates on such items as postage, business travel and equipment and network services for current base level positions we request \$25,000 in both SFY08 and SFY09 in M&O (State General Revenue \$9,375);

4) to ensure OCC professionals are current with CLE (continuing education credits) we request an increase to our Conference & Seminar Fees as well as Conference Travel in the amount of \$50,000 in for SFY08 and SFY09 (State General Revenue is \$18,750 in SFY08 and SFY09).

5) transfer one (1) HIPAA Compliance Officer position, (Cost Center: 418240; Position # 22098435; DMS ADD Program and Administrative Support) from the Division of Medical Services to the Office of

Chief Counsel (Cost Center: 416710) as part of re-structuring the office. DMS will be transferring the SGR and appropriation.

6) transfer one (1) Administrative Assistant II, (Cost Center 418240; Position # 22097547; Health Care Analyst II) HIPPA assistant from the Division of Medical Services to the Office of Chief Counsel (Cost Center 416710) as part of re-structuring the office. DMS will be transferring the SGR and appropriation.

7) transfer of SGR only: \$249,986 from Division of Medical Services Fund to the Office of Chief Counsel; and \$133,879 from Division of Children and Family Services Fund to the Office of Chief Counsel.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF HEALTH AND HUMAN SERVICES
FOR THE YEAR ENDED JUNE 30, 2005

Findings

Recommendations

Ms. Lola Thrower, former Department of Health HIV Services Program Administrator, was indicted on federal charges of theft of government property, which occurred after grant awards were received by non-profit organizations. On February 9, 2006, Ms. Thrower pled guilty to theft of government funds and subsequently was sentenced to prison and ordered to pay restitution of \$19,280.

The Office of Financial Management again had internal control deficiencies related to Temporary Assistance for Needs Families (TANF) bank account and the Foster Care Trust Fund.

The Agency is not performing a reconciliation between the disbursements recorded in the Work Information System Exchange (WISE) database with the disbursements recorded in the TANF checking account. An unreconciled difference of \$548,432 existed for the year ended June 30, 2005. Without the reconciliation, inappropriate disbursements could be made and not detected in a timely manner.

June 30, 2005 reconciliations performed by the Agency on the Foster Care Trust Fund identified one hundred twenty six (126) reconciling items dating back to July 31, 2002 totaling \$296,888. Agency accounting records contain numerous errors each month relating to this account; however, no adjustments are made to the accounting records for errors identified. Additionally, Foster Care Trust Fund assets were \$99,361 less than Foster Care Trust Fund equity balances at June 30, 2005. The ability to properly safeguard and account for these assets is jeopardized as a result of inadequate controls.

The Office of Financial Management again failed to maintain adequate accounting records for equity securities. The Agency could not determine the actual number of shares owned on

Agency establish and implement adequate internal controls regarding the reconciliation procedures for the TANF and Foster Care Trust Fund accounts.

Agency increase efforts to obtain statements from the various financial institutions to ensure an accurate accounting of all investments.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF HEALTH AND HUMAN SERVICES
FOR THE YEAR ENDED JUNE 30, 2005

Findings

Recommendations

various equity securities because quarterly statements could not be obtained on all equity securities owned by the Agency. The difference between the Agency's records and the actual value of the equity securities could not be determined without the statements. These conditions resulted in inaccurate accounting records and financial reports.

The Division of Developmental Disabilities Services and the Division of Behavioral Health Services had inadequate controls over perpetual inventories resulting in discrepancies in inventory quantities noted at the following locations:

- Arkadelphia Human Development Center - storeroom inventory;
- Booneville Human Development Center - storeroom inventory;
- Conway Human Development Center - storeroom and maintenance inventories;
- Jonesboro Human Development Center - storeroom inventory; and
- Arkansas State Hospital - pharmacy inventory.

These conditions reflect a weakness in the ability to properly safeguard these assets and provide accurate financial reporting which could lead to misuse or misappropriation.

The Division of Behavioral Health Services - Arkansas State Hospital had inadequate management oversight and internal controls related to cash receipts which contributed to the following deficiencies:

- Deposits were not made in a timely manner for traffic safety receipts;
- Receipts issued were not always reconciled to cash deposits; and
- Receipts were noted with names and amounts omitted.

Strengthening of internal controls and adequate management oversight of cash receipts at the Arkansas State Hospital would ensure proper accountability of these funds.

Asset under construction projects within the Division of Developmental Disabilities Services (DDS), the Division of Behavioral Health Services (DBHS) and the Division of Youth Services (DYS) were not accounted for properly. The following weaknesses were identified:

- Project files containing contracts and expenditure details were not maintained on ten (10) construction projects totaling \$755,331;
- Six (6) completed construction projects totaling \$1,077,045 remain in assets under construction;

Agency strengthen controls over perpetual inventories.

The Agency improve internal controls related to cash receipts at the Arkansas State Hospital.

Agency maintain project files on all asset under construction projects, close asset under construction projects in a timely manner after project completion, and ensure accurate coding of expenditures related to asset under construction projects.

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FOR THE YEAR ENDED JUNE 30, 2005

Findings	Recommendations
<p>Construction costs totaling \$1,148,533 for the Extended Juvenile Justice Complex located at Dermott were not recorded to assets under construction; and The Arkansas State Hospital did not segregate asset under construction costs from operating expenditures.</p>	

Failure to properly account for these projects could lead to inaccurate financial reporting and/or misappropriation of funds.

Our evaluation of the controls over the Accounts Receivable and Women, Infant and Children (WIC) applications located at the Division of Health which processes billings to Medicaid, Medicare, accounts for issued licenses, vital records and is used for determining program eligibility and the issuance of Food Instrument Vouchers revealed the following weaknesses:

User access to application not adequately controlled. Examination of user access to the WANG system revealed users who are no longer employed by the Division of Health and users with passwords that do not expire.

Inadequate monitoring of computer application program change control. The Agency does not have adequate controls in place to monitor changes made to application source code.

Inadequate verification of data transmitted to Medicaid billing. The in-home services section does not have adequate controls in place to verify the completeness of data transmitted to Electronic Data Systems (EDS) for Medicaid billing.

Failure to locate a written disaster recovery plan and improper rotation of backup files. The Agency does not have a written disaster recovery plan on file to detail the Agency response in the event of an interruption of computer operations. In addition, critical data is backed up on a weekly basis instead of a daily basis.

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF HEALTH
 FOR THE YEAR ENDED JUNE 30, 2005

Findings	Recommendations
<p>Management did not maintain adequate accountability over equipment. From our sample of 82 equipment items totaling \$403,164, we were unable to locate 14 items (17%) totaling \$38,415. The failure to properly account for equipment could lead to the misuse or misappropriation of those assets.</p>	<p>Perform an inventory of equipment and strengthen internal controls over accountability for equipment.</p>
<p>Management failed to provide adequate documentation to support expenditures. We selected 265 disbursements totaling \$8,330,173 to review and the Agency was unable to provide documentation to support 59 (22%) totaling</p>	<p>Review file storage policies and ensure that proper documentation to support transactions is maintained in accordance with Ark. Code Ann. 19-4-1108(a).</p>

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF HEALTH
FOR THE YEAR ENDED JUNE 30, 2005

Findings

Recommendations

\$6,661,930. Because of the merger between the Department of Health and the Department of Human Services, the disbursement files were moved downtown to the files storage facility at the Department of Health and Human Services before the current audit was conducted. Ark. Code Ann. 19-4-1108(a) provides that "the original evidences of indebtedness, including documents prepared in connection with purchasing procedure, and all original contracts, invoices, statements, receipts, petty cash tickets, bank statements, cancelled checks drawn upon bank accounts, and other original supporting papers shall be retained in the permanent file of the business office of each state agency. These documents shall be kept in a safe place subject to audit and shall not be destroyed until authorization is given for their destruction by the Legislative Auditor."

Performance Audit Findings

Foster Care UPDATE – Department of Health and Human Services - Issued September 9, 2005

Findings and Conclusions:

- The Information System Audit of the Children's Reporting and Information System (CHRIS) confirmed the integrity of inputted data.
- The Program has self-reported that all required services have not been provided.
- Procedures to document annual foster home evaluations in a uniform, electronic manner had not been implemented.
- While we noted that the number of children assigned to individual homes continues to be in excess of legal limits, the instances of such occurrences have decreased.
- The inconsistency of the classification of employees assigned to work with foster children continues to inhibit our ability to calculate the ratio of caseworkers to foster children.

Recommendations:

- None

Employment Summary

	Male	Female	Total	%
White Employees	1,365	5,052	6,417	67 %
Black Employees	501	2,539	3,040	32 %
Other Racial Minorities	37	116	153	1 %
	Total Minorities		3,193	33%
	Total Employees		9,610	100 %

Publications

A.C.A 25-1-204

Name	Statutory Authorization	Required for		# Of Copies	Reason (s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

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Agency Position Usage Report

FY2004-2005				FY2005-2006				FY2006-2007									
Authorized in Act	Budgeted		Unbudgeted Total	Authorized in Act	Budgeted		Unbudgeted Total	Authorized in Act	Budgeted		Unbudgeted Total	% of Authorized Unused					
	Filled	Unfilled			Filled	Unfilled			Filled	Unfilled							
165	146	12	158	7	11.52%	167	151	12	163	4	9.58%	167	148	18	166	1	11.38%

Authorized in Act may differ from Authorized reflected on the Appropriation Summary due to Reallocation of Resources (Act 2303 of 2005 section 17(d)), Miscellaneous Federal Grant (A.C.A. 19-7-501 et seq.) and POOL positions (A.C.A 21-5-214(5)(A)).

Analysis of Budget Request

Appropriation: 896 - DHHS—Admin Paying Account

Funding Sources: PWP-Administration Paying

Arkansas Code Annotated §25-10-106 delegated administrative authority for the entire Department of Health and Human Services to the Office of the Director. According to A.C.A. §25-10-102, the Department operates under an integrated service delivery system provided by twelve divisions, in addition to the Director's Office that includes the Office of Chief Counsel. Both the Director and Chief Counsel operate from the same appropriation but are given separate paying funds. The DHHS Director is responsible for establishing Departmental policy to carry out Executive Directives, federal and state legislative mandates and coordination of services across Division lines when individuals and families are provided services by multiple programs. Arkansas Code Annotated §20-76-201 delineates the powers and duties of the Department of Health and Human Services.

The Mission of the Department is "To provide quality services, within available resources, which enable people to maximize their potential and to increase their abilities; preserve and enhance human dignity and worth; and prevent or reduce the need for services."

The Office of Chief Counsel consists of six sections which provide extensive legal, investigative, audit and hearing services to the Department of Health & Human Services' (DHHS) Divisions. The six (6) sections and their areas of responsibility within OCC are as follows:

- Legal Operations - represents the Department in administrative matters and litigation related to Medicaid, Long Term Care, guardianship, employee garnishments and recovery of money owed DHHS from a variety of sources. Litigation involving collection issues are in such areas as food stamp overpayments, AFDC overpayments, grants, fees for services at mental health and developmental disabilities institutions, Estate Recovery, and third party Medicaid.
- County Legal Operations - provides legal support in all 75 counties in Arkansas. Thirty-one attorneys are located in eighteen offices across the State. The attorneys assist staff in all DHHS county offices, however their primary focus is on child welfare and adult protective services. Court intervention is pursued as needed to protect adult Arkansans from adult maltreatment. County Legal Operations' attorneys also provide legal support to child welfare caseworkers and Arkansas State Police Crimes Against Children Division (CACD) investigators who investigate allegations of child maltreatment. The attorneys provide legal support to child welfare caseworkers who place children in foster care by filing emergency petitions to remove children from immediate danger of severe maltreatment, by filing other petitions and motions when appropriate, and by representing the agency at review hearings, permanency planning hearings, hearings to terminate parental rights and for adoption.
- Fraud Investigation - responsible for investigating allegations of recipient fraud or Intentional Program Violation in the public assistance programs administered by the Department of Health & Human Services. These include TEA, Food Stamps, Medicaid, Child Care and Special Nutrition. Investigations determine whether the recipient received an overpayment or was totally ineligible for the benefits received. Cases may be referred for prosecution or an Administrative Fraud Hearing. The unit also conducts investigations of food stamp trafficking by both recipients and food stores. The unit assists the DHHS Audit Unit in the review of Providers who contract with the

agency to perform services for a defined recipient population. The unit also contains an Internal Affairs Investigations component with the responsibility of investigating employees who are alleged to have participated in criminal activity relative to their employment or committed violations of the minimum conduct standards for DHHS employees. All allegations of discrimination or sexual harassment are investigated by Internal Affairs with a report rendered to Employee Relations for their determination as to the violation of the law.

- Appeals and Hearing - provides the administrative hearing process by which a client or employee may appeal some type of adverse agency action. This section hears client appeals involving child maltreatment, AFDC, various categories of Medicaid, food stamps, intentional program violations, tax intercept, and a variety of other areas.
- Audit - provides management information by conducting performance, compliance and some financial related audits on operation program issues. This section coordinates the development of audit requirements and guidelines and monitors problem resolution.
- Risk Management - primarily a section within the Office of Chief Counsel administration. This section identifies, analyzes, monitors, and trends risks that cause major financial loss to the Department. Risk Management monitors areas concerning disallowances, sanctions, deferrals, audits, claims commission, litigation, freedom of information requests, promulgation of rules and workers compensation claims.

The Director's Office/Office of Chief Counsel is funded from a mix of sources that include General Revenue (DAS - Department of Human Services Administration Fund Account), Federal, and Other funds. Federal and Other funding is determined by the Department Cost Allocation Plan. Other funding which is indicated as Various Program Support can also include sources such as client and legal fees, Food Stamp and overpayment collections.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The agency Base Level request for this appropriation is \$9,762,475 in FY2008 and \$9,763,149 in FY2009 with 166 budgeted Base Level positions.

The agency Change Level request for this appropriation is \$1,023,990 in FY2008 and \$1,024,327 in FY2009 with a General Revenue request of \$697,675 in each year of the biennium. The General Revenue request consists of the following components:

- \$246,590 in new General Revenue;
- \$67,220 requested to be transferred from the Medical Services Fund Account which is associated with a request to transfer 2 positions from Division of Medical Services;
- \$249,986 also requested to be transferred from the Medical Services Fund Account to provide state match for eight (8) OCC positions;
- \$133,879 requested to be transferred from the Children and Family Services Fund Account to provide state match for seven (7) OCC positions.

The following delineates the agency request:

- Transfer 2 positions (Health Care Analyst II - grade 17 and DHS/DMS Assistant Director Program and Administrative Support - grade 99) from the Division of Medical Services with appropriation and General Revenue (noted above) as part of restructuring the office.
- Transfer 1 position (DHS Communications Director - grade 99) from the Division of County Operations with appropriation only as part of restructuring the office.
- Transfer 1 position (DHS Deputy Director - grade 99) from the Division of Behavioral Health Services with appropriation only as part of restructuring the office.
- 1 new Health Policy Administrator - grade 26 position with salary and matching appropriation and General Revenue funding to improve use and analysis of health and human services data.
- 3 new Attorney Supervisor - grade 26 positions with salary and matching appropriation and General Revenue funding. Two (2) of the Attorney Supervisor will supervise other attorneys and travel two regions of the state. The other one (1) Attorney Supervisor will analyze state and federal laws and regulations, including employment law, regulatory administration, and federal health care financing laws and regulations.
- 4 new Attorney Specialist - grade 25 with salary and matching appropriation and General Revenue funding. These positions will be assigned to county offices supporting child welfare and adult protective services programs and will help reduce the current caseload from 96 cases per attorney to 80 cases.
- 4 new Legal Secretary II - grade 16 with salary and matching appropriation and General Revenue funding. These positions will be assigned throughout the state and assist with all legal documents and reduce the current caseload from 140 per legal secretary to 100 cases and will work for multiple attorneys.
- \$25,000 each year of the biennium is requested for the Operating Expenses line item for office supplies.
- \$52,000 each year of the biennium is requested for the Travel line item for continuing legal and auditing education and staff training.

The Executive Recommendation provides for Base Level. Additionally, the Executive Recommendation provides for the \$249,986 in General Revenue requested to be transferred each year of the biennium from the Medical Services Fund Account and the \$133,879 in General Revenue requested to be transferred each year of the biennium from the Children and Family Services Fund Account to provide match support for OCC positions. Also provided for is the request to transfer the two (2) positions from the Division of Medical Services with the associated salary and personal services matching appropriation and the General Revenue of \$67,220 from the Medical Services Fund Account each year of the biennium. Finally, the one (1) position requested to be transferred from the Division of County Operations and the one (1) position requested to be transferred from the Division of Behavioral Health Services have been provided for with associated salary and personal services matching appropriations.

In summary, the Executive Recommendation for new general revenue above the Base Level is:

- \$67,220 requested to be transferred each year of the biennium from the Medical Services Fund Account which is associated with a request to transfer 2 positions from Division of Medical Services;
- \$249,986 also requested to be transferred each year of the biennium from the Medical Services Fund Account to provide state match for eight (8) OCC positions;

Appropriation Summary

Appropriation: 896 DHHS-Admin Paying Account
Funding Sources: PWP-Administration Paying

Agency Request and Executive Recommendation

Historical Data

Commitment Item	2005-2006		2006-2007		2006-2007		2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	6,169,441	6,644,621	6,753,452	6,644,621	7,375,374	6,951,266	6,644,621	7,375,374	6,951,266	6,644,621	7,375,374	6,951,266
#Positions	164	166	166	166	182	170	166	182	170	166	182	170
Extra Help	22,013	22,578	22,578	22,578	22,578	22,578	22,578	22,578	22,578	22,578	22,578	22,578
#Extra Help	4	5	5	5	5	5	5	5	5	5	5	5
Personal Services Matching	1,832,739	1,952,345	1,969,555	2,055,392	2,271,629	2,134,453	2,056,066	2,272,640	2,135,464	2,056,066	2,272,640	2,135,464
Operating Expenses	974,216	992,112	992,112	992,112	1,017,112	992,112	992,112	1,017,112	992,112	992,112	1,017,112	992,112
Conference & Travel Expenses	20,938	24,472	24,472	24,472	76,472	24,472	24,472	76,472	24,472	24,472	76,472	24,472
Professional Fees	91	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Data Processing	0	0	0	0	0	0	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0	0	0	0	0	0	0
Data Processing Services	9,150	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300
Total	9,028,588	9,659,428	9,785,469	9,762,475	10,786,465	10,148,181	9,763,149	10,787,476	10,149,192	9,763,149	10,787,476	10,149,192
Funding Sources												
General Revenue	2,982,261	2,919,299		2,950,666	3,648,341	3,401,751	2,950,666	3,648,565	3,401,975	2,950,666	3,648,565	3,401,975
Federal Revenue	5,515,824	6,200,448		6,266,075	6,729,158	6,337,464	6,266,075	6,729,546	6,337,852	6,266,075	6,729,546	6,337,852
Various Program Support	530,503	539,681		545,734	161,869	161,869	545,796	161,931	161,931	545,796	161,931	161,931
Total Funding	9,028,588	9,659,428		9,762,475	10,539,368	9,901,084	9,762,475	10,540,042	9,901,758	9,762,475	10,540,042	9,901,758
Excess Appropriation/(Funding)	0	0		0	247,097	247,097	0	247,434	247,434	0	247,434	247,434
Grand Total	9,028,588	9,659,428		9,762,475	10,786,465	10,148,181	9,763,149	10,787,476	10,149,192	9,763,149	10,787,476	10,149,192

Change Level by Appropriation

Appropriation: 896-DHHS–Admin Paying Account
Funding Sources: PWP-Administration Paying

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	9,762,475	166	9,762,475	100.0	9,763,149	166	9,763,149	100.0
C01	Existing Program	638,284	12	10,400,759	106.5	638,284	12	10,401,433	106.5
C07	Agency Transfer	385,706	4	10,786,465	110.4	386,043	4	10,787,476	110.4

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	9,762,475	166	9,762,475	100.0	9,763,149	166	9,763,149	100.0
C01	Existing Program	0	0	9,762,475	100.0	0	0	9,763,149	100.0
C07	Agency Transfer	385,706	4	10,148,181	103.9	386,043	4	10,149,192	103.9

Justification

C01	<p>Director's Office: \$55,868 Each Year (State \$27,934 /Federal \$27,934) for an additional position Grade 26, Health Policy Administrator. The Office of Policy and Planning (OPP) seeks to ensure collaborative, department-wide policy and program decisions based on research and promising practices. One key function of the OPP is to improve use and analysis of health and human services data. This position will provide needed expertise in data gathering and analysis to aid department planning and decision-making. Conference Fees and Travel \$2,000 (\$1,000 SGR/ \$1,000 Federal) SFY08 & 09 to enable staff to travel to seminars that will enhance their ability to network with other states and national organizations. Chief Counsel: \$25,000 Maintenance & Operations for payment of expenses for additional positions, telecommunications; email; telecom wireless. (SFY08 & SFY09 State \$9,375 /Federal \$15,625). \$50,000 SFY08 & 09- State \$18,750/Federal \$31,250 – Conference Fees and Travel to ensure lawyers, auditors and fraud investigators receive the required training to complete their continuing education credits. Lawyers must have 12 CLE credits in a calendar year to receive their bar license. The department has previously relied on other divisions or other outside entities to sponsor this specialized training. It is essential the Office of Chief Counsel is able to fulfill this obligation. One (1) new Attorney Supervisor position, to analyze state and federal laws and regulations, including employment law, regulatory administration, and federal health care financing laws and regulations that federal courts have termed "the most completely impenetrable texts in human experience." Two (2) new attorney supervisor positions, each position will supervise 12 child welfare and adult protective services' attorney specialist and will travel and train new and exiting attorneys in two regions of the state. The Office of Chief Counsel is restructuring their statewide legal operations to become more efficient and responsive to our clients needs. Four (4) new attorney specialist positions, located throughout the state working child welfare and adult protective services cases. The increasing number of caseworkers in Division of Children and Family Services' also creates more cases involving court hearings thus requiring additional pre-trial preparation and case review. The new attorney positions will also relieve the current caseloads spread-out in the state reducing the number from approximately 90-100 per attorney to just under 80. Still well above the American Bar Association standards (60 cases per attorney). Four (4) new legal secretary positions, located throughout the state assisting the attorney specialist with all legal documents prepared for the court as well as filing legal documents with the court clerk. Appropriation \$505,416 and Funding is requested for both years.</p>
C07	<p>Director's Office: Transfer Grade 99, Deputy Director position from the Behavioral Health Services to restructure and place the position in the appropriate office. This request is for \$134,613 in appropriation only in the first year and \$134,950 in appropriation only for the second year. One Grade 99, (Appropriation only in SFY08 and 09 \$112,484) DHHS Communications Director transferred from the County Operations to restructure and place the position in the appropriate office. This will accomplish two goals, giving the program division more appropriation to build into their services without requesting additional resources from the legislature and place the position in the correct office within the correct cost center. Chief Counsel: Transfer of one HIPAA Compliance Officer from Medical Services to the Office of Chief Counsel as part of restructuring the office. One (1) Administrative Assistant from the Medical Services to Chief Counsel as part of restructuring the office. DMS will transfer the General Revenue and appropriation. (State \$67,220/Federal \$71,389) for both years of the biennium.</p>