

2014 -- S 2972

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT - OFFICE OF HEALTH AND
HUMAN SERVICES

Introduced By: Senators DiPalma, Miller, DaPonte, Goldin, and Ottiano

Date Introduced: May 01, 2014

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 42-6-2 and 42-6-3 of the General Laws in Chapter 42-6 entitled
2 "Departments of State Government" are hereby amended to read as follows:

3 **42-6-2. Heads of departments.** -- The governor, secretary of state, attorney general, and
4 general treasurer, hereinafter called general officers, shall each be in charge of a department.
5 There shall also be a director of administration, a director of revenue, a director of public safety, a
6 secretary of health and human services, ~~a director of human services, a director of mental health,~~
7 ~~retardation, and hospitals~~, a director of transportation, a director of business regulation, a director
8 of labor and training, a director of environmental management, ~~a director for children, youth, and~~
9 ~~families~~, a director of elderly affairs, and a director of corrections. Each director shall hold office
10 at the pleasure of the governor and he or she shall serve until his or her successor is duly
11 appointed and qualified unless the director is removed from office by special order of the
12 governor.

13 **42-6-3. Appointment of directors.** -- (a) At the January session following his or her
14 election to office, the governor shall appoint a director of administration, a director of revenue, a
15 director of public safety, ~~a director of human services, a director of mental health, retardation, and~~
16 ~~hospitals~~, a director of transportation, a director of business regulation, a director of labor and
17 training, a director of environmental management, a secretary of the executive office of health
18 and human services ~~director for children, youth, and families~~, a director of elderly affairs, and a

1 director of corrections. The governor shall, in all cases of appointment of a director while the
2 senate is in session, notify the senate of his or her appointment and the senate shall, within sixty
3 (60) legislative days after receipt of the notice, act upon the appointment. If the senate shall,
4 within sixty (60) legislative days, vote to disapprove the appointment it shall so notify the
5 governor, who shall forthwith appoint and notify the senate of the appointment of a different
6 person as director and so on in like manner until the senate shall fail to so vote disapproval of the
7 governor's appointment. If the senate shall fail, for sixty (60) legislative days next after notice, to
8 act upon any appointment of which it has been notified by the governor, the person so appointed
9 shall be the director. The governor may withdraw any appointment of which he or she has given
10 notice to the senate, at any time within sixty (60) legislative days thereafter and before action has
11 been taken thereon by the senate.

12 (b) Except as expressly provided in section 42-6-9, no director of any department shall
13 be appointed or employed pursuant to any contract of employment for a period of time greater
14 than the remainder of the governor's current term of office. Any contract entered into in violation
15 of this section after July 1, 1994 is hereby declared null and void.

16 SECTION 2. Sections 42-7.2-1, 42-7.2-2, 42-7.2-4 and 42-7.2-5 of the General Laws in
17 Chapter 42-7.2 entitled "Office of Health and Human Services" are hereby amended to read as
18 follows:

19 **42-7.2-1. Statement of intent.** -- The purpose of this Chapter is to develop a consumer-
20 centered system of publicly-financed state administered health and human services that supports
21 access to effective and high quality services delivered through the most efficient means possible,
22 protects the safety of the state's most vulnerable citizens, and ensures the efficient use of all
23 available resources by the ~~four (4)~~ three (3) departments responsible for the health and human
24 services programs serving all Rhode Islanders and providing direct assistance and support
25 services to more than 250,000 individuals and families: the department of children, youth, and
26 families; ~~the department of health~~; the department of human services; and the department of
27 behavioral healthcare, developmental disabilities and hospitals, collectively referred to within as
28 "departments". It is recognized that the executive office of health and human services and the
29 departments have undertaken a variety of initiatives to further this goal and that they share a
30 commitment to continue to work in concert to preserve and promote each other's unique missions
31 while striving to attain better outcomes for all the people and communities they serve. However,
32 recent and expected changes in federal and state policies and funding priorities that affect the
33 financing, organization, and delivery of health and human services programs pose new challenges
34 and opportunities that have created an even greater need for structured and formal

1 interdepartmental cooperation and collaboration. To meet this need while continuing to build on
2 the achievements that have already been made, the interests of all Rhode Islanders will best be
3 served by codifying in the state's general laws the purposes and responsibilities of the executive
4 office of health and human services and the position of secretary of health and human services.

5 **42-7.2-2. Executive office of health and human services.** -- There is hereby established
6 within the executive branch of state government an executive office of health and human services
7 to serve as the principal agency of the executive branch of state government for managing the
8 departments of children, youth and families, ~~health~~, human services, and behavioral healthcare,
9 developmental disabilities and hospitals ("the departments"). In this capacity, the office shall:

10 (a) Lead the ~~state's four (4) health and human services~~ departments in order to:

11 (1) Improve the performance, economy, efficiency, coordination, and quality of health
12 and human services policy and planning, budgeting and financing.

13 (2) Design strategies and implement best practices that foster service access, consumer
14 safety and positive outcomes.

15 (3) Maximize and leverage funds from all available public and private sources, including
16 federal financial participation, grants and awards.

17 (4) Increase public confidence by conducting independent reviews of health and human
18 services issues in order to promote accountability and coordination across departments.

19 (5) Ensure that state health and human services policies and programs are responsive to
20 changing consumer needs and to the network of community providers that deliver assistive
21 services and supports on their behalf.

22 (b) Administer the federal and state medical assistance programs in the capacity of the
23 single state agency authorized under title XIX of the U.S. Social Security act, 42 U.S.C. section
24 1396a et seq., and exercise such single state agency authority for such other federal and state
25 programs as may be designated by the governor. Except as provided for herein, nothing in this
26 chapter shall be construed as transferring to the secretary the powers, duties or functions
27 conferred upon the departments by Rhode Island general laws for the management and operations
28 of programs or services approved for federal financial participation under the authority of the
29 Medicaid state agency.

30 (c) In cooperation with the health and human service system performance improvement
31 task force established pursuant to § 42-7.2-5.1, establish performance and outcome measures for
32 the departments and hold specific directors accountable for meeting said performance and
33 outcome measures and expectations.

34 **42-7.2-4. Responsibilities of the secretary.** -- (a) The secretary shall be responsible to

1 the governor for supervising the executive office of health and human services and for managing
2 and providing strategic leadership and direction to the ~~four (4)~~ departments.

3 (b) ~~Notwithstanding the provisions set forth in this chapter, the governor shall appoint the~~
4 ~~directors of the departments within the executive office of health and human services. Directors~~
5 ~~appointed to those departments shall continue to be subject to the advice and consent of the senate~~
6 ~~and shall continue to hold office as set forth in sections 42-6-1 et seq. and 42-72-1(e). The~~
7 secretary shall establish performance and outcome measures for the departments and hold
8 directors accountable for meeting said performance and outcome measures and expectations.

9 (c) The secretary shall be authorized to appoint the directors of the departments with the
10 consent of the governor.

11 **42-7.2-5. Duties of the secretary.** -- The secretary shall be subject to the direction and
12 supervision of the governor for the operation, management, oversight, coordination and cohesive
13 direction of state administered health and human services and in ensuring the laws are faithfully
14 executed, not withstanding any law to the contrary. In this capacity, the Secretary of Health and
15 Human Services shall be authorized to:

16 (1) Coordinate the administration and financing of health care benefits, human services
17 and programs including those authorized by the Global Consumer Choice Compact Waiver and,
18 as applicable, the Medicaid State Plan under Title XIX of the US Social Security Act. However,
19 nothing in this section shall be construed as transferring to the secretary the powers, duties or
20 functions conferred upon the departments by Rhode Island public and general laws for the
21 administration of federal/state programs financed in whole or in part with Medicaid funds or the
22 administrative responsibility for the preparation and submission of any state plans, state plan
23 amendments, or authorized federal waiver applications, once approved by the secretary.

24 (2) Serve as the governor's chief advisor and liaison to federal policymakers on Medicaid
25 reform issues as well as the principal point of contact in the state on any such related matters.

26 (3) Review and ensure the coordination of any Global Consumer Choice Compact
27 Waiver requests or subsequent waiver requests and renewals as well as any initiatives and
28 proposals requiring amendments to the Medicaid state plan or category two (II) or three (III)
29 changes, as described in the special terms and conditions of the Global Consumer Choice
30 Compact Waiver with the potential to affect the scope, amount or duration of publicly-funded
31 health care services, provider payments or reimbursements, or access to or the availability of
32 benefits and services as provided by Rhode Island general and public laws. The secretary shall
33 consider whether any such changes are legally and fiscally sound and consistent with the state's
34 policy and budget priorities. The secretary shall also assess whether a proposed change is capable

1 of obtaining the necessary approvals from federal officials and achieving the expected positive
2 consumer outcomes. Department directors shall, within the timelines specified, provide any
3 information and resources the secretary deems necessary in order to perform the reviews
4 authorized in this section;

5 (4) Beginning in 2006, prepare and submit to the governor, the chairpersons of the house
6 and senate finance committees, the caseload estimating conference, and to the joint legislative
7 committee for health care oversight, by no later than March 15 of each year, a comprehensive
8 overview of all Medicaid expenditures outcomes, and utilization rates. The overview shall
9 include, but not be limited to, the following information:

10 (i) Expenditures under Titles XIX and XXI of the Social Security Act, as amended;

11 (ii) Expenditures, outcomes and utilization rates by population and sub-population
12 served (e.g. families with children, children with disabilities, children in foster care, children
13 receiving adoption assistance, adults with disabilities, and the elderly);

14 (iii) Expenditures, outcomes and utilization rates by each state department or other
15 municipal or public entity receiving federal reimbursement under Titles XIX and XXI of the
16 Social Security Act, as amended; and

17 (iv) Expenditures, outcomes and utilization rates by type of service and/or service
18 provider.

19 The directors of the departments, as well as local governments and school departments,
20 shall assist and cooperate with the secretary in fulfilling this responsibility by providing whatever
21 resources, information and support shall be necessary.

22 (5) Resolve administrative, jurisdictional, operational, program, or policy conflicts
23 among departments and their executive staffs and make necessary recommendations to the
24 governor.

25 (6) Assure continued progress toward improving the quality, the economy, the
26 accountability and the efficiency of state-administered health and human services. In this
27 capacity, the secretary shall:

28 (i) Direct implementation of reforms in the human resources practices of the departments
29 that streamline and upgrade services, achieve greater economies of scale and establish the
30 coordinated system of the staff education, cross-training, and career development services
31 necessary to recruit and retain a highly-skilled, responsive, and engaged health and human
32 services workforce;

33 (ii) Encourage the departments to utilize consumer-centered approaches to service design
34 and delivery that expand their capacity to respond efficiently and responsibly to the diverse and

1 changing needs of the people and communities they serve;

2 (iii) Develop all opportunities to maximize resources by leveraging the state's purchasing
3 power, centralizing fiscal service functions related to budget, finance, and procurement,
4 centralizing communication, policy analysis and planning, and information systems and data
5 management, pursuing alternative funding sources through grants, awards and partnerships and
6 securing all available federal financial participation for programs and services provided through
7 the departments;

8 (iv) Improve the coordination and efficiency of health and human services legal
9 functions by centralizing adjudicative and legal services and overseeing their timely and judicious
10 administration;

11 (v) Facilitate the rebalancing of the long term system by creating an assessment and
12 coordination organization or unit for the expressed purpose of developing and implementing
13 procedures across departments that ensure that the appropriate publicly-funded health services are
14 provided at the right time and in the most appropriate and least restrictive setting; and

15 (vi) Strengthen health and human services program integrity, quality control and
16 collections, and recovery activities by consolidating functions within the office in a single unit
17 that ensures all affected parties pay their fair share of the cost of services and are aware of
18 alternative financing.

19 (vii) Broaden access to publicly funded food and nutrition services by consolidating
20 agency programs and initiatives to eliminate duplication and overlap and improve the availability
21 and quality of services; and

22 (viii) Assure protective services are available to vulnerable elders and adults with
23 developmental and other disabilities by reorganizing existing services, establishing new services
24 where gaps exist and centralizing administrative responsibility for oversight of all related
25 initiatives and programs.

26 (7) Prepare and integrate comprehensive budgets for the health and human services
27 departments and any other functions and duties assigned to the office. The budgets shall be
28 submitted to the state budget office by the secretary, for consideration by the governor, on behalf
29 of the state's health and human services in accordance with the provisions set forth in section 35-
30 3-4 of the Rhode Island general laws.

31 (8) ~~Utilize objective data to evaluate health and human services policy goals, resource~~
32 ~~use and outcome evaluation~~ In cooperation with the health and human service system
33 performance improvement task force established pursuant to § 42-7.2-5.1, establish a
34 comprehensive data collection and performance evaluation system and to ~~perform~~ assist in short

1 and long-term policy planning and development, and increase department accountability. Said
2 performance evaluation system shall:

3 (i) Engage department directors in the development of mutually-agreed upon goals,
4 measures, and desired outcomes;

5 (ii) Provide guidance on what outcomes the department can reasonably be expected to
6 influence, how departments will use measures to manage programs and achieve desired
7 outcomes, and how directors will be held accountable in achieving desired outcomes;

8 (iii) Develop and use timely and accurate performance data to set targets and inform
9 programmatic and budgetary decisions;

10 (iv) Encourage and support candor in identifying and diagnosing barriers to achieving
11 desired outcomes, with a focus on removing and/or overcoming said barriers; and

12 (v) Provide continuous follow-up and accountability for results.

13 (9) Establishment of an integrated approach to interdepartmental information and data
14 management that complements and furthers the goals of the CHOICES initiative and that will
15 facilitate the transition to consumer-centered system of state administered health and human
16 services.

17 (10) At the direction of the governor or the general assembly, conduct independent
18 reviews of state-administered health and human services programs, policies and related agency
19 actions and activities and assist the department directors in identifying strategies to address any
20 issues or areas of concern that may emerge thereof. The department directors shall provide any
21 information and assistance deemed necessary by the secretary when undertaking such
22 independent reviews.

23 (11) Provide regular and timely reports to the governor and make recommendations with
24 respect to the state's health and human services agenda.

25 (12) Employ such personnel and contract for such consulting services as may be required
26 to perform the powers and duties lawfully conferred upon the secretary.

27 (13) Implement the provisions of any general or public law or regulation related to the
28 disclosure, confidentiality and privacy of any information or records, in the possession or under
29 the control of the executive office or the departments assigned to the executive office, that may be
30 developed or acquired for purposes directly connected with the secretary's duties set forth herein.

31 (14) Assure effective and efficient management of state agencies through direct
32 supervision of the directors of the departments.

33 ~~(14)~~(15) Utilizing the performance evaluation system established pursuant to § 42-7.2-
34 5(8). Hold hold the director of each ~~health and human services of the department~~ departments

1 accountable for their administrative, fiscal and program actions in the conduct of the respective
2 powers and duties of their agencies.

3 SECTION 3. Section 42-7.2-12.1 of the General Laws in Chapter 42-7.2 entitled "Office
4 of Health and Human Services" is hereby repealed.

5 ~~42-7.2-12.1. Human services call center study (211). -- (a) The secretary of the
6 executive office of health and human services shall conduct a feasibility and impact study of the
7 potential to implement a statewide 211 human services call center and hotline. As part of the
8 process, the study shall catalog existing human service information hotlines in Rhode Island,
9 including, but not limited to, state-operated call centers and private and not-for-profit information
10 hotlines within the state.~~

11 ~~(1) The study shall include analysis of whether consolidation of some or all call centers
12 into a centralized 211 human services information hotline would be economically and practically
13 advantageous for both the public users and agencies that currently operate separate systems.~~

14 ~~(2) The study shall include projected cost estimates for any recommended actions,
15 including estimates of cost additions or savings to private service providers.~~

16 ~~(b) The directors of all state departments and agencies shall cooperate with the secretary
17 in preparing this study and provide any information and/or resources the secretary deems
18 necessary to assess fully the short and long term implications of the operations under review both
19 for the state and the people and the communities the departments serve.~~

20 ~~(c) The secretary shall submit a report and recommendations based on the findings of the
21 study to the general assembly, the governor, and the house and senate fiscal advisors no later than
22 February 1, 2007.~~

23 SECTION 4. Chapter 42-7.2 of the General Laws entitled "Office of Health and Human
24 Services" is hereby amended by adding thereto the following section:

25 **42-7.2-5.1. Office of Health & Human Service's System Performance Improvement**
26 **Task Force.** -- (a) There is hereby established a health and human service system performance
27 improvement task Force which shall establish performance measures, expectations, and outcomes
28 for the department. The task force shall consist of the director of the department of
29 administration, the director of the office of management and budget, the secretary of health and
30 human services, and two (2) of whom shall represent the staff of the general assembly, one each
31 appointed by the speaker of the house and the president of the senate.

32 (b) The purpose of the task force shall be to establish performance measures,
33 expectations, and outcomes for the departments.

34 (c) The task force shall submit a report on the measures and outcomes developed, and

1 [recommendations concerning their use, to the governor, the speaker of the house of](#)
2 [representatives, and the president of the senate, no later than November 1, 2014.](#)

3 SECTION 5. Section 42-12-1 of the General Laws in Chapter 42-12 entitled "Department
4 of Human Services" is hereby amended to read as follows:

5 **42-12-1. Department of human services.** -- (1) There is hereby established within the
6 executive branch of state government a department which shall be known as the department of
7 human services. The department shall be headed by a director of human services who shall be
8 appointed by the [secretary of the executive office of health and human services with the consent](#)
9 [of the](#) governor ~~with the advice and consent of the senate and who shall serve at the pleasure of~~
10 ~~the governor.~~

11 (2) The director shall carry out all of the provisions of all of the general and public laws
12 heretofore carried out by the department of education and the director of social welfare with
13 relation to:

- 14 (a) Vocational rehabilitation;
- 15 (b) Division of correctional services; and
- 16 (c) Division of community services, whose several functions are by this chapter
17 transferred to the department of human services.

18 SECTION 6. Section 42-12.1-1 of the General Laws in Chapter 42-12.1 entitled
19 "Department of Mental Health, Retardation, and Hospitals" is hereby amended to read as follows:

20 **42-12.1-1. Department of mental health, retardation, and hospitals.** -- **Department of**
21 **behavioral healthcare, developmental disabilities and hospitals.** -- (1) There is hereby
22 established within the executive branch of state government a department which shall be known
23 as the department of ~~mental health, retardation,~~ [behavioral healthcare, developmental disabilities](#)
24 and hospitals. The department shall be headed by a director of ~~mental health, retardation,~~
25 [behavioral healthcare, developmental disabilities](#) and hospitals who shall be appointed by the
26 [secretary of the executive office of health and humans services with the consent of the](#) governor
27 ~~with the advice and consent of the senate and who shall serve at the pleasure of the governor.~~

28 (2) The director shall carry out all of the provisions of all of the general and public laws
29 ~~heretofore carried out by the director of health and the director of social welfare~~ with relation to:

- 30 (a) Office of ~~mental retardation~~ [developmental disabilities](#);
- 31 (b) Division of ~~curative services~~ [behavioral health](#);
- 32 (c) ~~Division of business services with the exception of the licensing of homes for aged~~
33 ~~and convalescent persons; and~~ [Eleanor Slater Hospital; and](#)
- 34 (d) Mental health law;

1 ~~whose several functions are by this chapter transferred to the department of mental~~
2 ~~health, retardation, and hospitals.~~

3 SECTION 7. Section 42-72-1 of the General Laws in Chapter 42-72 entitled "Department
4 of Children, Youth, and Families" is hereby amended to read as follows:

5 **42-72-1. Establishment of department -- Director.** -- (a) There is established within the
6 executive branch of state government a department of children, youth, and families.

7 (b) The head of the department shall be the director of children, youth, and families, who
8 shall be a person qualified by training and experience to perform the duties of the office, in
9 accordance with section 42-72-4.

10 (c) The director shall be in the unclassified service, appointed by the secretary of the
11 executive office of health and human services with the consent of the governor ~~with the advice~~
12 ~~and consent of the senate~~, and shall hold office for a term of four (4) years and shall continue to
13 hold office until his or her successor is appointed and qualified. The director shall receive a salary
14 as provided by law.

15 The director is further authorized and directed to provide to the governor, the speaker of
16 the house and the president of the senate, no later than October 1, 1991, a comprehensive and
17 detailed plan to restructure the department of children, youth, and families. The plan will be
18 developed in close cooperation with the special legislative task force to investigate the
19 department of children, youth, and families.

20 SECTION 8. This act shall take effect on January 10, 2015.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT - OFFICE OF HEALTH AND
HUMAN SERVICES

1 This act would create a health and human service system performance improvement task
2 force which would establish performance measures, expectations and outcomes for the
3 departments within the office of health and human services and improve coordination between
4 them. This act would also remove the department of health from the office of health and human
5 services.

6 This act would take effect on January 10, 2015.

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