



GOVERNOR WOLF

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2017-18 GOVERNOR'S EXECUTIVE BUDGET

Department of Health and Human Services

FEBRUARY 7, 2017



HEALTH AND HUMAN SERVICES

- The Departments of Aging (PDA), Drug and Alcohol Programs (DDAP), Health (DOH), and Human Services (DHS) have the same core mission:
 - ***To improve public health and quality of life for all residents of the commonwealth.***
- These four separate state agencies currently serve similar, if not the same, populations.

HEALTH AND HUMAN SERVICES

- A new, unified department will be established to coordinate services and enhance program effectiveness while also saving taxpayers over \$90 M.
- Duplication and administrative overhead associated with the current fragmented service delivery model will be eliminated. This will result in more streamlined services, less bureaucracy, and additional funds that can be redirected to service delivery.

HHS CONSOLIDATION BENEFITS

- Establishes one point of contact for Pennsylvanians to more easily access health and human services.
- Combines intake and eligibility processes to reduce confusion for individuals and families seeking benefits, services, and supports.
- Creates a single state authority for Medicaid, mental health, and substance abuse services, resulting in an improved service delivery model that maximizes available federal dollars to offset state costs.

SERVICES FOR OLDER PENNSYLVANIANS

- In recognition of the growth of the aging population, the need to connect services at the community level with the Medicaid program is greater than ever.
 - These synchronized efforts will enhance and allow for the expansion of home and community-based services in ways not realized today, with the goal of improving continuity of care regardless of which service is needed.
 - Programs providing home health care and housing supports in one unified agency will streamline access while lessening confusion for seniors, their families, and providers.
- Implementation of Community HealthChoices will better coordinate health care coverage and long-term services and supports to serve over 420,000 older Pennsylvanians and individuals with disabilities in communities rather than facilities.
 - Beginning with implementation in the Southwest Zone on January 1, 2018.
 - Long-term care oversight for Medicare and medical assistance (dual eligible) will now be under a single department, improving service delivery and consumer experience.

SERVICES FOR OLDER PENNSYLVANIANS

- The transformed HHS structure supports the Wolf Administration's commitment to serving and protecting Pennsylvania's seniors.
- No additional Lottery Fund dollars are transferred to offset General Fund expenditures.
- The continuity of services for older adults will be further realized through the ongoing use of lottery dollars to support Older Americans Act programs, senior community center grants, and the State Plan on Alzheimer's Disease and Related Disorders.

HHS LOTTERY FUNDS

Subcategory/Appropriation	2015-16	2016-17	2017-18
	Lottery \$ Actual	Lottery \$ Actual	Lottery \$ Budget
Medical Assistance and Healthcare Delivery			
<i>MATP</i>	\$4,900	\$3,300	\$3,500
<i>Pharmaceutical Assistance Fund</i>	175,000	185,000	125,000
<i>Medical Assistance and Healthcare Delivery</i>	\$179,900	\$188,300	\$128,500
Aging and Adult Community Living			
<i>General Government Operations</i>	\$9,058	\$9,272	\$8,949
<i>Long Term Care Services</i>	184,081	184,081	184,081
<i>Home and Comm. Based Services</i>	120,668	120,668	120,668
<i>PENNCARE</i>	314,282	325,246	329,537
<i>Pre-Admission Assessment</i>	18,000	19,916	19,916
<i>Caregiver Support</i>	12,103	12,103	12,103
<i>Alzheimer's Outreach</i>	250	250	250
<i>Grants to Senior Centers</i>	2,000	2,000	2,000
<i>Aging and Adult Community Living</i>	\$660,442	\$673,536	\$677,504
TOTAL LOTTERY FUNDS	\$840,342	\$861,836	\$806,004



PRESCRIPTION DRUG SERVICES

Better coordination among multiple programs throughout the commonwealth that purchase, dispense, and monitor prescriptions drugs.

- PACE in PDA and DHS programs for Medical Assistance and CHIP administer pharmacy programs.
- Consolidation into a single bureau with uniformity of program services, rules, and fees would reduce costs by more than \$45 M annually.
- This consolidation lays the groundwork for further integration of pharmacy functions throughout other commonwealth programs.

HEALTH CARE ENHANCEMENTS

- Currently, DOH and DHS both administer programs related to prevention services such as breast and cervical cancer screenings, immunizations, and lead screening.
- Through a unified HHS agency, Pennsylvanians will no longer have to contact multiple departments to access critical services.

EXPANDING EFFICIENCY OPPORTUNITIES

- The Wolf Administration has already experienced efficiency success by streamlining eligibility determination and program operations which have resulted in saving taxpayer dollars.
- An example is the Children's Health Insurance Program (CHIP). This transfer from the Department of Insurance to DHS resulted in an increase in the number of insured kids, improved customer service and better coordination with Medicaid, which ultimately has provided the state with a cost savings of \$8M that will continue.
- The creation of HHS will result in similar realignments that will further expand program efficiencies and provide greater opportunities to improve outcomes for Pennsylvania families beginning with SNAP (food stamps) and WIC recipients.

STATE HEALTH CENTER MODERNIZATION

- Currently, DOH operates 55 state health centers (SHC) that provide clinical services for uninsured and underinsured Pennsylvanians.
- The proposed modernization reduces brick-and-mortar health centers and relocates them into community-based settings to increase regular participation and provide enhanced service and education for the consumers.
- A new centralized delivery model focuses efforts to refer individuals to available programs where they will receive the most cost-efficient and effective services.
 - Reduces annual costs by \$15 M.

COUNTY ASSISTANCE OFFICE (CAO) MODERNIZATION

- DHS currently operates 96 CAOs serving more than 2.8 M Medicaid recipients and 1.8 M SNAP recipients, as well as others in need of assistance.
- The back-office functions of CAOs will be consolidated by shifting these functions to processing centers to reduce the physical footprint of CAOs, starting with those with the highest staff turnover.
- This reorganization and streamlining will result in improved staff retention and productivity, while saving \$7 M.

LICENSING AND QUALITY ASSURANCE

- Currently, providers are licensed and monitored by multiple state agencies, sometimes for the provision of the same services.
- Often, providers are subject to multiple inspections and audits and the resulting bureaucracy takes away from their ability to provide services.
- A consolidated HHS structure will reduce bureaucratic hurdles, provide clearer and more cohesive guidance to providers, save money, and give providers the opportunity to spend more time delivering services to Pennsylvanians in need.

SERVICES FOR INDIVIDUALS WITH ID AND AUTISM

The 2017-18 proposed budget provides \$26.5 M to serve more people in the community and strengthen our support for adults with ID and Autism

- Moves 1,000 individuals from the waiting list and into services.
- Establishes a new intermediate Community Support waiver for individuals with ID and Autism.
- Expands the PFDS Waiver for 820 special education graduates with ID and Autism.
- Expands the Adult Autism Waiver by 50 individuals.
- Expands the Targeted Services Management State Plan to include 2,000 individuals with Autism and ID.
- Funds the transition of 40 individuals from state centers to the community.
- Establishes two Bio-Behavioral Units to support individuals with Intellectual Disabilities and Autism who have neuro-behavioral issues.

EARLY CARE AND EDUCATION SERVICES: 2017-18 PROPOSED BUDGET

- Provides \$10 M to serve an additional 1,800 children on the child care subsidy waiting list to enable parents to work while their children are in safe, reliable care.
- Expands evidence-based home visiting services by \$9 M to serve an estimated 1,700 families.
- Partners with PDE to invest \$65 M for Pre-K Counts and \$10 M for the Head Start Supplemental Assistance Program serving 8,400 children in high-quality pre-k. An increase of \$11.7 M for Early Intervention through PDE and \$7.3 M through HHS will continue to provide services for nearly 94,000 children.



FIGHTING THE OPIOID EPIDEMIC

- Pennsylvania will maintain a cabinet-level position to address the heroin and opioid epidemic.
- Pennsylvania will continue to join other states at the forefront of addressing the opioid and heroin epidemic through consolidated service delivery and integrated data systems.
- The Governor will continue to expand the efforts to fight the opioid and heroin crisis. To date:
 - DOH launched the Prescription Drug Monitoring Program.
 - DOH has conducted a state-wide public education campaign on the use and availability of naloxone.
 - DDAP has led the effort to increase the availability of naloxone and drug take-back boxes.
 - DHS created 45 Centers of Excellence to coordinate treatment.
 - PDA has led drug take-back and prescription drug education efforts among the senior population.

FIGHTING THE OPIOID EPIDEMIC: 2017-18 PROPOSED BUDGET

- Continues the \$20.4 M investment in 2016-17, creating 45 Centers of Excellence to improve treatment outcomes.
- Partners with PCCD to increase access to naloxone for first responders (\$10 M) and expand specialty drug courts (\$3.4 M).
- Maximizes \$26.5 M in federal Cures Act funding annually for next two years.

MAJOR ACCOMPLISHMENTS

- Launched comprehensive plan to address opioid epidemic.
- Reduced Pennsylvania's uninsured rate to 6.4 percent and the uninsured rate for kids to 4.1 percent – both the lowest in history.
- Increased access to health care coverage to more than 700,000 Pennsylvanians through Medicaid expansion and 18,000 children through the CHIP program.
- Began implementation of medical marijuana program.
- Continued to collaborate with the federal government to implement an innovative PA Rural Health Transformation Initiative.
- Helped to transition more than 54,000 Pennsylvanians from cash assistance to employment.
- Shortened the time it takes to process a child abuse clearance from 26 days to 1 day and improved the abandoned/deflected call rate at the ChildLine call center from 43 percent to 2 percent.

HHS CONSOLIDATION

