

Testimony: CSHB 2304, House Human Services Committee

HHSC Sunset and Reorganization Bill

The Center for Public Policies (CPPP) appreciates the opportunity to comment on the Committee Substitute for HB 2304 by Representative Four Price.

CPPP is an independent public policy organization established in 1985 that uses data and analysis to advocate for solutions that enable Texans of all backgrounds to reach their full potential. We believe in a Texas that offers everyone the chance to compete and succeed in life, and want Texas to be the best state for hard-working people and their families. Improving access to health care for Texans has been at the core of our mission and activities since our founding.

There are many important topics and issues related to CSHB 2304, more than can be covered in brief oral testimony. In addition to the highlights included in my oral testimony, I am submitting other more detailed issues in the written version you have before you.

CPPP Key Concerns with HHSC Consolidation and CSHB 2304

The October 2014 HHSC Sunset Report included some excellent research and correctly observed many areas where HHSC and the “HHS enterprise” has failed to coordinate and integrate policy. But, like many other older observers who have witnessed agency transitions—in my case back to the late 1980s—we caution that reorganization in general, or consolidation in particular, is not a panacea for poor coordination or performance. Instead, the expectations communicated and culture created by Executive Branch and Agency Leadership have in our observation consistently been the most powerful indicators of whether agencies consistently strive for excellence, coordination, and improved quality.

As other commenters have noted, The Department of Protective and Regulatory Services (the Department of Family and Protective Services [DFPS] predecessor agency) was created precisely because the treatment of vulnerable children and seniors had been buried in the massive DHS enterprise. We are pleased that the Committee Substitute leaves the Department of State Health Services (DSHS) and DFPS as separate agencies with a 2023 sunset date.

We also share concerns about the effect the mega-agency structure (HHSC, DADS, DARS) will have on attracting and retaining top-notch executives as “Division Directors.”

The revised timeline allows more time for a thoughtful transition. Still, the consolidation of administrative functions by September 2016 is no small effort, and the transition of all regulatory functions and the very critical direct service DSHS programs (Mental Health, Women’s Health, Children with Special Health Care Needs, and Kidney Health) by 9/2017 will be a major undertaking. It is of great concern that the demands of these transitions should not detract from other critical HHSC work, such as oversight of Medicaid Managed Care for nursing home residents and dual eligibles, and renewal of the 1115 Transformation waiver.

CPPP remains concerned about the lack of clarity regarding whether and how the newly-structured HHS enterprise will fully engage robust and geographically diverse citizen and stakeholder input. The elimination of agency councils in CSHB 2304 compounds the loss in 2003 of governing boards, which had been required to include statewide representation. In section 1.03, some geographic diversity is allowed but not required for the HHSC council.

We are also concerned about the dilution of expertise that accompanies this single compressed council for HHSC, DADS, and DARS issues, particularly given that all the direct care programs of DSHS are also targeted for inclusion in HHSC. This single advisory council will need expertise on acute care Medicaid, Medicaid Managed Care, disability and aging issues, rehabilitative services, mental health and substance abuse, care for medically fragile children, end-stage renal disease, and women’s health and family planning, Family Violence programs, hunger and nutrition programs—and more.

- (Section 1.01, Sec. 531.0204 (c) on p. 15, line 3. The series of public hearings before the Executive Commissioner finalizes a Transition Plan should be fleshed out to ensure it is meaningful. This will require providing the public with a draft plan to respond to, and the formal collection of public comments. Along with responses, those public comments and concerns should be published and submitted to the TLOC for their consideration as they consider the Executive Commissioner’s draft plan.
- Changes to make advisory committees public in section 3.02 are all very positive, and we appreciate the inclusion of section 3.41 (p. 136) to ensure that there will not be a gap in the operations of advisory functions of more than a few months. These stakeholder committees are often literally the only venue for detailed topical policy discussions or meaningful public or stakeholder input—particularly given the elimination of DADS and DARS agency councils and the shifting of DSHS direct services to HHSC. CPPP hopes the language here will suffice to ensure that there is no gap in the ongoing work of these advisory bodies between now and when they are either retired or transitioned.
- Section 2.06 (p. 72); Sec 531.0171 (b): The Ombudsman’s office has no authority “to provide a separate process for resolving complaints or appeals.” It is not at all clear what is meant here, i.e. separate from what?
- Section 2.07 (p. 75) Hotlines/Call centers: We support the inclusion of performance standards for effectiveness, ability to reach full resolution of client complaints, and evidence of adequate staffing levels.
- Section 2.18 (p 89), Promotion of maintenance of eligibility: We appreciate and support this effort.

In summary, the bill is much improved over the filed draft, and the Center appreciates the responsiveness of lawmakers to many of the concerns raised. We will welcome additional changes that may be accepted by this chamber to further improve this important bill in the interest of the millions of Texans served and all Texans who support our health and human services agencies.

Thank you for the opportunity to testify. Questions related to this testimony may be addressed to:

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About the Center

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