

State of Alaska FY2006 Governor's Operating Budget

Department of Health and Social Services Departmental Support Services Results Delivery Unit Budget Summary

Departmental Support Services Results Delivery Unit

Contribution to Department's Mission

To provide quality administrative services that support the Department's programs.

Core Services

- The Commissioner's Office component funds upper-level management and policy development for the entire department.
- The Office of Program Review component will ensure that DHSS programs accomplish their goals, and will help Divisions find ways to refinance programs to ensure that, to the maximum extent possible, services continue during difficult financial times.
- The Rate Review component will establish efficiency in rate-setting functions throughout the Department. Rate setting will be centralized for all services including Medicaid facilities, foster care, and child care facilities.
- The Administrative Support Services component funds financial, budget, procurement, grant and professional service contract administration, and information services as well as human resource liason functions.
- The Health Planning and Facilities Management component includes the management of the department's capital programs.
- The Audit component's focus is to conduct audits on department programs and grantees, special reviews, state and federal single audit reviews and provide assistance to Legislative Audit during the Federal single audit of the Department.
- The Facilities Maintenance component, Pioneer Homes Facilities Maintenance, and HSS State Facilities Rent components record dollars spent to operate state facilities. These units collect costs for facilities operations, maintenance and repair, renewal and replacement as defined in Chapter 90, SLA 98 and pay rent fees for Rent Project.
- The Information Technology component's focus is to improve the efficiency and effectiveness of IT services and develop a more capable IT organization for the department.

End Results	Strategies to Achieve Results
<p>A: Outcome #1 Facilitate the Department's Mission Through Superior (effective & efficient) Delivery of Administrative Services.</p> <p><u>Target #1:</u> Maintain percentage of DHSS Administration to Department Overhead. <u>Measure #1:</u> Percentage administration personal services is to total department budget.</p> <p><u>Target #2:</u> Process capital grant payments within 15 days. <u>Measure #2:</u> Number of days to process a grant payment after receiving reports.</p> <p><u>Target #3:</u> Pay vendors as close to 30 days from invoice date as possible. <u>Measure #3:</u> Average days from invoice date to date of warrant to pay invoice.</p>	<p>A1: Implement Business Process Reviews.</p> <p>A2: Implement Department's Administrative Training Plan Curriculum.</p>
End Results	Strategies to Achieve Results
<p>B: Improve Customer Service</p>	<p>B1: Establish and Maintain Guaranteed Standards.</p>

<p>Target #1: Increase by 5% the percentage of customers that report that Finance and Management Services is meeting their needs.</p> <p>Measure #1: Percentage of survey respondents to each Finance and Management Section (FMS) that report FMS is meeting their needs.</p>	<p>B2: Continue Customer Service Plan.</p>
<p>End Results</p>	<p>Strategies to Achieve Results</p>
<p>C: Improve overall understanding of DHSS budget processes.</p> <p>Target #1: Increase percentage of federal collections by 1% a year.</p> <p>Measure #1: Percentage of federal collections.</p> <p>Target #2: Improve Legislative understanding of the DHSS budget.</p> <p>Measure #2: Respond to 80% of legislative inquiries by Budget Unit within 5 working days.</p>	<p>C1: Increase federal collections.</p> <p>C2: Improve Legislative understanding of the budget.</p>
<p>End Results</p>	<p>Strategies to Achieve Results</p>
<p>D: Facilitate the Department's day-to-day operations through effective and efficient delivery of Information Technology Services.</p> <p>Target #1: Reduce the length of time and number of hours to respond and close out service calls.</p> <p>Measure #1: Number of hours to close out service calls.</p> <p>Target #2: Anticipate XX% of IT Business Application projects completed on time and within budget.</p> <p>Measure #2: Compare projected resources to actual resources utilized.</p>	<p>D1: Improve IT service call turn around time by implementing and maintaining software tracking system.</p>

FY2006 Resources Allocated to Achieve Results									
<p>FY2006 Results Delivery Unit Budget: \$52,403,600</p>	<table> <tr> <td>Personnel:</td> <td></td> </tr> <tr> <td>Full time</td> <td style="text-align: right;">357</td> </tr> <tr> <td>Part time</td> <td style="text-align: right;">1</td> </tr> <tr> <td>Total</td> <td style="text-align: right; border-top: 1px solid black;">358</td> </tr> </table>	Personnel:		Full time	357	Part time	1	Total	358
Personnel:									
Full time	357								
Part time	1								
Total	358								

Performance Measure Detail

A: Result - Outcome #1 Facilitate the Department's Mission Through Superior (effective & efficient) Delivery of Administrative Services.

Target #1: Maintain percentage of DHSS Administration to Department Overhead.
Measure #1: Percentage administration personal services is to total department budget.

Year	YTD
2003	0.36%
2004	0.43%

Analysis of results and challenges: Department administration personnel services equal all of Department Support Services RDU. This number is compared to the total DHSS Expenditures.

There is an increase in FY04, as a result of approximately 40 positions that were transferred in from divisions into Division Support Services as part of the Grants and Contracts consolidation.

Target #2: Process capital grant payments within 15 days.

Measure #2: Number of days to process a grant payment after receiving reports.

Number of days to process a grant payment after receiving reports.

Year	YTD
2003	5.60 days
2004	4.89 days

Analysis of results and challenges: There were 160 capital grant payments with only 7 that did not process within 15 days.

Target #3: Pay vendors as close to 30 days from invoice date as possible.

Measure #3: Average days from invoice date to date of warrant to pay invoice.

Average Payment Processing time from the date of Invoice

Year	YTD
2003	36 Days
2004	28 Days

Analysis of results and challenges: The calculation between FY03 and FY04 decreased significantly. This is due to efficiencies within the department being achieved. Units submitted invoices more timely which in turn allowed department processing to be quicker.

A1: Strategy - Implement Business Process Reviews.

A2: Strategy - Implement Department's Administrative Training Plan Curriculum.

B: Result - Improve Customer Service

Target #1: Increase by 5% the percentage of customers that report that Finance and Management Services is meeting their needs.

Measure #1: Percentage of survey respondents to each Finance and Management Section (FMS) that report FMS is meeting their needs.

Analysis of results and challenges: A customer survey on Finance and Management Services performance is conducted annually. Survey results show that 64.7% of survey respondents ranked overall FMS service performance to be above average (6) or higher on a scale of 1-10.

Individual core services are surveyed and results are shown in the above table. Combined average of respondents agreeing or highly agreeing that core services are meeting their needs is 64.7% for 2004, an increase of 5.7% over 2003.

Average of FMS Service Functions - % Agree or Strongly Agree meeting service needs:

2004 Survey - % Agree or Strongly Agree / % from prior year

Grants & Contracts	64.9%	-3.3%
Procurement	66.5%	-4.1%
Facilities Mngt	76.1%	0.4%
Audit	81.9%	7.9%
Finance	64.8%	1.7%
Information Services	71.4%	-1.0%
Budget	67.4%	0.6%
Assist Comm'r Ofc	71.9%	-2.4%

2003 Survey

	%
Grants Administration	68.2%
Procurement	70.6%
Facilities Mngt	75.7%
Audit	74.0%
Finance	63.1%
Information Services	72.4%
Budget	66.8%
Director's Office	74.3%

2003 Human Resources Service 60%
 2004 Human Resources Service 57% -3%

In 2003 Human Resource (Personnel & Payroll) functions were within DHSS. In 2004 those functions are housed in DOA, however DHSS continues to survey customer service in this area. The comparisons of this function are broken out above.

B1: Strategy - Establish and Maintain Guaranteed Standards.

B2: Strategy - Continue Customer Service Plan.

C: Result - Improve overall understanding of DHSS budget processes.

Target #1: Increase percentage of federal collections by 1% a year.
Measure #1: Percentage of federal collections.

Percent of DHSS Budget that is Federal

Year	YTD
2002	51.4%
2003	53.6%
2004	54.5%

Target #2: Improve Legislative understanding of the DHSS budget.
Measure #2: Respond to 80% of legislative inquiries by Budget Unit within 5 working days.

% of Responses for Legislative Requests made within 5 working days

Year	YTD
2002	83%
2003	83%
2004	78%

Analysis of results and challenges: The Budget Section received approximately 147 requests in CY 2003 and 186 in CY 2004. The average processing time is 3.77 days and 78% were completed with in 5 working days.

C1: Strategy - Increase federal collections.

C2: Strategy - Improve Legislative understanding of the budget.

D: Result - Facilitate the Department's day-to-day operations through effective and efficient delivery of Information Technology Services.

Target #1: Reduce the length of time and number of hours to respond and close out service calls.

Measure #1: Number of hours to close out service calls.

Analysis of results and challenges: This is a new measure for FY05.

Target #2: Anticipate XX% of IT Business Application projects completed on time and within budget.

Measure #2: Compare projected resources to actual resources utilized.

Analysis of results and challenges: This is a new measure in FY05.

D1: Strategy - Improve IT service call turn around time by implementing and maintaining software tracking system.

Key RDU Challenges

The Commissioner's Office and all other support units continue to work with all divisions to accomplish the Department's mission.

All support components in this RDU must work with all divisions so that the department works cohesively to:

1. Achieve stability in organization structures for all divisions;
2. Integrate services; and
3. Provide efficient and effective services.

Significant Changes in Results to be Delivered in FY2006

Maintain same levels as in FY05, except for:

Establishment of new Faith Based Office to achieve the goals set out in Administrative Order #221;

Establish the new BASIC grant program to assist many communities in core services;

Enhance quality assurance efforts for the Department including establishing Medicaid PERM.

Major RDU Accomplishments in 2004

- The DHSS obtained a favorable ruling from the Federal Departmental Appeals Board on tribal provision of emergency transportation at the 100% FMAP.
- Established the new Finance and Management Services organization in the Commissioner's Office which consolidates administrative functions in the department.
- Successfully managed and implemented the FY04 DHSS Belt Tightening plan to save resources.
- Submitted new cost allocation plan to the appropriate federal agencies.
- Consolidated grants and contracts management into one unit.
- 100% successful in four protests received regarding professional service contracts.
- In grant audit unit, recovered \$470,000 of unexpended or misspent grant funds.
- The Office of Hearings and Appeals held 219 fair hearings and issued 156 fair hearing decisions.
- Completed construction of Fairbanks Youth Facility Gym and Classroom project.

- Provided technical assistance on health care services and funding to over 90 communities.
- Began consolidation of IT Services within the DHSS.

Contact Information

Contact: Janet Clarke, Assistant Commissioner

Phone: (907) 465-1630

Fax: (907) 465-2499

E-mail: Janet_Clarke@health.state.ak.us

**Departmental Support Services
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2004 Actuals				FY2005 Management Plan				FY2006 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula												
Expenditures												
Medicaid	0.0	0.0	0.0	0.0	0.0	6,239.3	0.0	6,239.3	0.0	6,239.3	0.0	6,239.3
School Based Admin Clms												
Non-Formula												
Expenditures												
Commissioner's Office	146.9	302.7	479.7	929.3	131.8	310.6	369.2	811.6	136.5	313.3	369.8	819.6
Office of Program Review	402.7	599.1	69.4	1,071.2	409.3	798.9	47.8	1,256.0	1,266.9	1,136.2	47.8	2,450.9
Rate Review Assessment and Planning	326.2	319.4	79.0	724.6	402.1	408.4	4.0	814.5	478.4	485.4	0.0	963.8
Administrative Support Svcs	0.0	0.0	0.0	0.0	125.0	125.0	0.0	250.0	125.0	125.0	0.0	250.0
Hearings and Appeals	1,569.1	1,675.6	2,318.5	5,563.2	3,867.6	5,001.6	1,774.5	10,643.7	5,085.6	6,015.9	1,698.6	12,800.1
Personnel and Payroll	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	445.7	56.9	0.0	502.6
Audit	593.0	477.8	20.7	1,091.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Health Plan. & Facilities Mgmt	69.6	11.1	114.4	195.1	75.1	31.8	118.1	225.0	0.0	0.0	0.0	0.0
Health Planning & Infrastructure	54.8	69.7	524.5	649.0	56.3	92.1	734.4	882.8	74.1	95.6	738.6	908.3
Information Technology Services	0.0	0.0	0.0	0.0	10.7	2,946.3	275.5	3,232.5	17.4	3,112.2	148.0	3,277.6
Facilities Maintenance	0.0	0.0	0.0	0.0	4,934.5	7,917.8	2,049.3	14,901.6	5,718.3	8,381.2	1,163.6	15,263.1
Pioneers' Homes	0.0	0.0	0.0	0.0	0.0	0.0	2,584.9	2,584.9	0.0	0.0	2,584.9	2,584.9
Facilities Maint	0.0	0.0	0.0	0.0	0.0	0.0	2,125.0	2,125.0	0.0	0.0	2,125.0	2,125.0

**Departmental Support Services
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2004 Actuals				FY2005 Management Plan				FY2006 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
HSS State Facilities Rent	443.4	290.2	95.2	828.8	3,713.5	370.2	79.3	4,163.0	3,713.5	425.6	79.3	4,218.4
Totals	3,605.7	3,745.6	3,701.4	11,052.7	13,725.9	24,242.0	10,162.0	48,129.9	17,061.4	26,386.6	8,955.6	52,403.6

**Departmental Support Services
Summary of RDU Budget Changes by Component
From FY2005 Management Plan to FY2006 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	13,725.9	24,242.0	10,162.0	48,129.9
Adjustments which will continue current level of service:				
-Commissioner's Office	4.7	2.7	0.6	8.0
-Office of Program Review	333.7	-186.5	0.0	147.2
-Rate Review	76.3	77.0	0.6	153.9
-Administrative Support Svcs	935.4	453.1	123.7	1,512.2
-Hearings and Appeals	209.0	-199.0	0.0	10.0
-Audit	-75.1	-31.8	-118.1	-225.0
-Health Plan. & Facilities Mgmt	17.8	3.5	4.2	25.5
-Health Planning & Infrastructure	6.7	165.9	2.0	174.6
-Information Technology Services	374.8	93.8	-664.4	-195.8
Proposed budget decreases:				
-Rate Review	0.0	0.0	-4.6	-4.6
-Administrative Support Svcs	0.0	0.0	-199.6	-199.6
-Health Planning & Infrastructure	0.0	0.0	-129.5	-129.5
-Information Technology Services	0.0	0.0	-221.7	-221.7
Proposed budget increases:				
-Office of Program Review	523.9	523.8	0.0	1,047.7
-Administrative Support Svcs	282.6	561.2	0.0	843.8
-Information Technology Services	409.0	369.6	0.4	779.0
-HSS State Facilities Rent	0.0	55.4	0.0	55.4
FY2006 Governor	17,061.4	26,386.6	8,955.6	52,403.6