

IS ONE HEAD BETTER THAN THREE?

A Report on the Development of the Health and Human Services Agency

April 5, 2007

Summary

The 2006/2007 Grand Jury examined the restructuring of the Departments of Health, Social Services, and Mental Health into a Health and Human Services Agency. The implementation of the changes in these three different departments is an on-going process. As usual, change often causes doubts and fears. This has been exacerbated by the many changes in motivation for the consolidation. Many individuals still predict an adverse effect, a result which management is attempting to alleviate.

The Grand Jury believes that the process, though difficult and complex, may lead to a more efficient and responsive system.

Background

Three words are used to describe this complicated process: consolidation, integration and restructuring. The Grand Jury found that this terminology varied depending on the attitude of the speaker. The Grand Jury will use words as they were heard in interviews. One example of this inconsistency is the name of the new department, which changed as the process moved forward, from the Human Service Agency (HSA) to the Health and Human Service Agency (HHSA).

In 2005, the Chief Executive Officer (CEO) was given the task of consolidation by the BOS. The first department to be integrated was Animal Control which became part of the Public Health Department (Animal Control currently resides under the direct supervision of the HHSA director). The focus of this report is the consolidation of the Public Health, Mental Health, and Social Services Departments.

These three departments have very different funding structures, cultural environments, and policies. The concept of consolidation was widely met with resistance, suspicion, and insecurity. Several key staff members left County employment. New top level management changed the terminology from consolidation to "restructuring". The process of restructuring was intended to integrate services, maximize the use of funding, and improve delivery of services to clients and the community.

Methods

The Grand Jury interviewed management, supervisors, and staff of the Health and Human Services Agency which includes Mental Health, Health, and Social Services. They attended BOS workshops and Advisory Board meetings. They examined the following documents:

- Memo from the Chief Executive Office to all staff;
- The Work Plan of August 29, 2006;
- County Budget for 2006/2007;
- Staff Memo dated August 10, 2006;
- Documents from the BOS workshop on September 25, 2006.

Findings

1. In the spring 2006, the CEO distributed a memo to all staff explaining the intent of creating a HSA.
2. HSA management presented The Human Services Work Plan on August 29, 2006. It included a target date of September 25, 2006 for a BOS workshop on the Human Service Agency Organizational Plan.
3. The HSA is almost self supporting, as it brings in monies from State and Federal sources. HSA accounts for about 45% of total County appropriations. The County allocates approximately nine percent of its limited discretionary appropriations to HSA.
4. HSA employs over 50% of the total County workforce: a total of 680 employees of which 120 are clerical.
5. Staff were assured there would be no layoffs during consolidation. The three departments lost staff only through attrition or resignations, some of which are due to noncompetitive salaries.
6. Consolidation created tension and anxiety. Some professionals were afraid of losing autonomy.
7. Some management staff perform tasks and assume responsibilities above and beyond their existing job descriptions and pay levels.
8. On Aug. 10, 2006, there was a staff memo setting forth the organizational chart, including the Agency Management Team, Administration/Fiscal Services Team, Services Integration Team, and a Reflecting Team which provides a resource for feedback from line staff.
9. These four teams ensure staff participation in the consolidation process; however, they are costly and demanding of time and energy.
10. Department of Social Services (DSS) positions are funded by the State and fall under the State of California Merit System. Recruitment and testing are regulated by State guidelines. Salaries and benefits are the County's responsibility.
11. An independent consulting firm, specializing in government personnel issues, is re-writing job classifications and evaluating compensation for parity among the three divisions.
12. The HSA is better able to access Federal and State funds which permits as much as a million dollars to move between departments.
13. Mental Health (MH) operates as an enterprise fund. The County serves as its fiscal agent; they receive no County general funds. The BOS required MH to reduce its costs along with other departments in 2005. This lowered the reimbursement in future years from Medi-Cal.
14. As a result of SB90 MH was required to borrow money from the County to pay for State mandated services. Currently MH has budgeted funds to pay down this loan.

15. Each department has different funding streams, including public and private grants. Each grant or funding program has its own requirements, e.g. eligibility, evaluation of service, data collection, and financial restrictions.
16. The BOS workshop on September 25, 2006, illustrated that leveraging of some funding and the integrating of services, was happening before consolidation, for example the Children's System of Care program.
17. The three departments have distinctly different cultures, work climates, personalities, and supervisory structures.
18. Departmental Staff Surveys are met with varying degrees of enthusiasm due to overwhelming work loads, past experience, responsibilities, and the belief that their comments will make little difference.
19. DSS has 40 different funding streams and 80 categories of Medi-Cal eligibility.
20. Twenty-five percent (25%) of the County population (89,369 in 2006) receive money and/or services through State and Federal funded programs administered by DSS.
21. MH is in the process of implementing a recovery model, rather than a medical model. Under the medical model the Physician plans and directs treatment. In the recovery model, the client is directly involved in their own treatment and hope of recovery. Employees trained under the medical model are having difficulty adjusting to the change.
22. There is a good working relationship between MH and the community health clinics that serve lower income and non-insured persons. HSA is working to "co-locate" services at community health clinic sites.
23. Co-location of services lowers costs, and proximity encourages co-operation and some integration of services. Costs are reduced by participating departments sharing the overhead.
24. Replacement of critical staff in all departments is difficult because of non-competitive salaries.
25. According to testimony:
 - a. Communities and individuals in outlying areas are underserved.
 - b. It is likely that in the new Agency, staff trained as a provider of a particular service will not be replaced with staff trained as generalists.
 - c. It is anticipated there will be no significant change to, or elimination of, existing departmental advisory boards.
 - d. It is projected that integration/consolidation may take ten years and will be an on-going process.
26. The Agency Strategic Action Plan was presented to the BOS and approved for implementation on November 14, 2006.
27. Animal control is now a division under the Health and Human Services Agency.

Recommendations

The Grand Jury recommends that:

1. a thorough evaluation of staff structure, job descriptions, and compensation should be completed and implemented as soon as possible. (Findings 6, 7, 9, 11)
2. salaries be made competitive for critical staff. (Findings 4, 5, 7, 10, 11, 24)
3. services to the underserved outlying areas be improved. (Findings 23, 25a)

Comments

The consolidation process is slow because of the considerable detail in developing and planning the new HHSA. The use of staff time in performing their assigned responsibilities needs to be balanced with tasks involved in the planning process. Despite the difficulties and uncertainties, the process seems worth continuing.

The Grand Jury appreciates the care and concern expressed by everyone interviewed. Also impressive is that the staff are willing to suspend judgment and their personal concerns to work towards integrating the disparate functions for the new agency.

Response Required

Board of Supervisors (Findings 3-5, 7, 10-14, 18-20, 23, 24, 25a, 25c-27; All Recommendations)

Chief Executive Office (All Findings; All Recommendations)

Health & Human Service Agency Director (Findings 5-9, 11-13, 15-18, 22-25d; All Recommendations)

Social Services Branch(All Findings; All Recommendations)

Mental Health Branch (Findings 5-7, 16, 20-25d; All Recommendations)

Public Health Branch (Findings 5, 6, 22, 25c, 27; All Recommendations)