Introduction

The Department of Health and Hospitals' (DHH) mission is "to protect and promote health and to ensure access to medical, preventive, and rehabilitative services for all citizens of the State of Louisiana." Since January 2008, DHH has proposed, or is in the process of implementing, numerous efficiencies and streamlining efforts such as significant reforms to the Medicaid program, of the New Orleans Adolescent Hospital with Southeast Louisiana Hospital while enhancing and expanding community-based services, the proposed closure of inpatient services at one public hospital, and other significant improvements implemented or under way *(Appendix A)*. The leadership of DHH is committed to enhancing regulatory and monitoring functions to mitigate fraud and abuse; creating coordinated systems of health and long-term care; providing choice in a competitive market; and employing health data information and policy analysis to improve health care outcomes, manage growth in future health care costs and create a more sustainable model of state financing for health care that is quality-driven. DHH is the largest agency of state government, with five statutorily created program offices and the Medicaid program under its direction. DHH has a State Fiscal Year (SFY) 2010 budget of nearly $8 billion and more than 10,000 employees *(Appendix B, C, D and E)*. This year's budget calls for the lowest number of T.O. positions in ten years.

Internal Analysis

The Streamlining Commission has asked state departments to conduct an internal analysis and generate ideas that could result in more effective and efficient services for our citizens by reducing over reliance on state government with an end result of decreased size. While consideration of these ideas is worthwhile and appropriate for both the Commission and the Legislature, DHH puts forth these concepts based first upon the premise that we believe each tax dollar must work "harder" for Louisianians—fulfilling the promise of improving the efficiency of government while also improving the value of the services within our responsibility. Thematically, these ideas for consideration are centered on the concept of literally redefining the role of DHH.

To accomplish this, the state may consider moving DHH away from its historical role as a provider of healthcare services. Services are also provided through not-for-profit and other private organizations that may provide the same services at an even lower cost than state-provided services that are of the same if not better quality. Instead, DHH should redirect its resources toward the more critical role of ensuring robust systems of care exist in their various

forms throughout the state, monitoring and regulating those providers offering services, and developing long-term policy strategies and metrics for each service area within the purview of DHH to ensure best practices and outcomes.

In many cases, as publicly-operated institutions, state-run entities do not exercise best practices. Uniform metrics for staffing efficiency in various institutions often does not exist. IT systems do not support appropriate Human Resources management, as was recently highlighted by the overtime issue at DHH. And importantly, without looking to the private sector in a competitive fashion, it is virtually impossible to answer the question "Are we using best practices in management, productivity and outcomes?" This is particularly true in light of evidence from other states, where truly competitive approaches taken to services that were previously publicly-operated have shown improved outcomes. With all of this in mind, DHH conducted an internal analysis to determine where there may be additional opportunities for streamlining.

Ideas for Consideration by the Streamlining Subcommittees

DHH respectfully submits the following ideas for consideration and further evaluation by the five established Streamlining Subcommittees:

<u>Streamlining Subcommittee on Efficiency and Benchmarking</u>

1. Evaluate the structure of the Public Hospital System. Due to the uncertainty and timing of the current debate in Washington to reform health care, it is difficult to ascertain exactly how it will impact the financial security of our public hospital and Medicaid system in Louisiana. Current drafts of federal reform suggest that Medicaid may be expanded to an eligibility level of more than 100 percent of the Federal Poverty Level. Based on past expansions, it should be expected that in some areas of the state some portion of patients may opt to use private hospitals, thus reducing the demand for public hospitals. If insurance is mandated, or if subsidies are provided to people up to 400 percent of the Federal Poverty Level – as some drafts suggest – this would further reduce the number of uninsured and demand for public hospital resources.

The state does know that it is facing significant budgetary challenges for the public hospital system based upon expected significant reductions in the Disproportionate Share Hospital (DSH) Program. DHH estimates the state will see a reduction in DSH payments that may approach 15 percent of our current program ($140 million) beginning in July 2010 through implementation of the "DSH audit rule." This will have a tangible impact on the funding of the public hospitals.

Furthermore, state and national efforts to emphasize primary care and to reduce inpatient utilization will reduce the need inpatient beds while increasing the need for outpatient diagnostics and physician clinics.

Given the demonstrated trends in DSH financing and increasing use of outpatient care, as well as the uncertainty in federal health care reform, the state should evaluate the alternatives for delivering inpatient care to the uninsured. Already, two community-specific models are emerging – an independently governed not-for-profit model for the new Academic Medical Center in New Orleans, and a public-private partnership in Baton Rouge to replace the inpatient capacity of Earl K. Long.

Statutory References: La. R.S. 17:1519 *et seq*.

Desired Outcome: To structure a public hospital system sufficient to support medical education and provide access to care where no alternatives exist.

2. Conduct an inventory of state-owned property in control of DHH and surplus or sell what is not used or needed. Property that is not currently being used could be used more efficiently by other agencies or sold to support local economic development efforts. For example, Hot Wells and the land adjacent to Central Louisiana Hospital could be surplused and sold, and the proposed sale of Metropolitan Developmental Center to Plaquemine parish could be finalized. *(Office of Management and Finance)*

Statutory References: La. R.S. 36:254.2; La. R.S. 28:21 *et seq*; Act 177 of 2007.

Desired Outcome: By reducing the amount of land and buildings DHH is required to maintain, those resources could be reallocated to support other activities within the scope of the department's responsibilities.

Current Budget: $600,000-$800,000 for maintenance of property.

3. Relocate and consolidate Office of Public Health programs from New Orleans to Baton Rouge. The administration and operation of several key statewide public health programs and services are still located in New Orleans. To better administer statewide population health initiatives, many of the activities could be moved to the Baton Rouge headquarters location. This would provide an opportunity for more direct oversight and effective management of such programs, in addition to maximization of clerical, technological and other administrative

resources. In order to promote comprehensive integration of services, programs providing direct care services could partner with local and community entities. *(Office of Public Health)*

Statutory References: La. R.S. 40:33; La. R.S. 40:36

Desired Outcome: To improve administrative efficiencies and services provided by the Office of Public Health.

T.O. Positions Currently in New Orleans: 256

4. Transfer the OPH Child Lead Poisoning Prevention Program to the Department of Social Services (DSS). Other states, such as California and Connecticut, administer childhood lead poisoning prevention programs through their Department of Social Services. DSS is re-establishing their focus on children and families and the target population of this program is children. DSS administration would allow for more direct access to the children and families that could benefit from the information produced by this program. *(Office of Public Health)*

Statutory References: RS 40:1299.21

Desired Outcome: Increasing access to the information needed to reduce child lead poisoning by having the program administered by the state agency focusing on the social well being of children. This program is geared towards prevention and information that can be accomplished through social behavior improvement if the target population is reached successfully.

Current Budget: $444,462
Persons Served: All children under 6
T.O.: Shared T.O. across various programmatic functions

5. Transfer the nutrition for women, infants and children program (WIC) to the Department of Social Services (DSS). WIC is a Special Supplemental Nutrition Program (SSNP) for pregnant, breastfeeding and postpartum women; infants; and children under 5 years old. WIC provides nutritious foods, nutrition information, and referrals to other health and social services. The federal Supplemental Nutritious Assistance Program (SNAP), formerly the food stamp program, administered by DSS and the WIC program are similar. It is likely that there is considerable overlap in the population served. If the program were transferred to DSS, it could ease access for families with older children and facilitate administrative efficiencies. This is especially likely due to the considerable overlap in the population served. *(Office of Public Health)*

Statutory References: 42 U.S.C. 1786(a); 7 CFR 246.3; La. R.S. 36:258(B); La. R.S. 46:450.3

Desired Outcome: Improve the nutrition of families by streamlining administrative functions resulting in improved health status preventing obesity and other conditions related to poor nutrition in children.

Current Budget: $131,326,874
People Served: 151,195
T.O.: Shared

6. Transfer all water programs administered by DHH and not directly related to health issues, including the Beach Monitoring Program, to the Department of Environmental Quality (DEQ) and consolidate them within existing DEQ Division of Water Quality functions. Water quality in Louisiana is managed by DEQ under the two broad areas of surface water and groundwater. Surface water management seeks to protect the quality of all waters of the state, including rivers, streams, bayous, lakes, reservoirs, wetlands, estuaries and many other types of surface water. Groundwater management seeks to protect the quality of all waters found in underground aquifers as well as the surface water sources of that groundwater. Many water quality issues are primarily of an environmental concern that may have adverse health impacts, if not monitored. Programs such as the beach monitoring program, revolving loan program and on-site waste water program could be administered in partnership with the programs already administered by DEQ division of water quality. Any required testing could be privatized or outsourced as DEQ has done with other lab testing responsibilities. *(Office of Public Health)*

Statutory References: LAC Title 51; La. RS 40:4, 5 & 6; 40 CFR 141-143; LAC 51: Part 1 and Part XII; La. R.S. 40:4 and 5; La. R.S. 40:2821 *et seq.* and La. R.S. 36:254.1; US 40 CFR 35

Desired Outcome: To reduce duplication of expertise and resources by transferring and consolidating water quality assessment programs from DHH to the DEQ Division Water Quality.

Current Budget: $385,270
People Served: Statewide
T.O.: Shared

7. Transfer the OPH Infectious Waste Permit Program administered by DHH to the Department of Environmental Quality (DEQ) Waste Permits Division. The Waste Permits Division within the Office of Environmental Services includes several sections that serve various functions within DEQ. The Solid and Hazardous Waste Permits section authorizes permits administered under the Solid Waste and Hazardous Waste Regulations. In addition, this section handles the registration, certification and closure of Underground Storage Tanks. The Waste Permits Division also includes certain engineering and geological sections that provide support to Solid and Hazardous Waste Permits. DHH permits all medical waste transporters and storage facilities statewide through an annual permit fee and inspection process. *(Office of Public Health)*

Statutory References: LAC Title 51 Part XXVII; La. R.S. 40:4(A)(2)(b); La. R.S. 40:5

Desired Outcome: To reduce duplication of expertise and resources by transferring and consolidating infectious waste permitting from DHH to the DEQ waste permits division.

Current Budget: $12,000
Population Served: Statewide
T.O.: Shared

8. Transfer the OPH Molluscan Shellfish program (includes Oysters) to the Department of Wildlife and Fisheries. The OPH Molluscan Shellfish program provides a statistical information system for compliance determination and a geographical information system for producing classification maps. The program collects water samples to determine pollutants that could affect oyster harvesting and tracks illnesses related to oyster consumption. Wildlife and Fisheries tracks water temperatures, licenses all commercial fishing vessels and enforces regulations in relation to commercial fishing that could mitigate consumption of oysters carrying *vibrio parahaemolyticus, a* bacteria that can have serious health implications. The operations of this program are more consistent with the core mission of the Department of Wildlife and Fisheries than with those of DHH. *(Office of Public Health)*

Statutory References: LAC Title 51, Part IX; La. R.S. 40:5.3; La. R.S. 40:4 (A)(1)(a)&(b); La. R.S. Title 3; La. R.S. Title 56

Desired Outcome: To protect the health of citizens who consume oysters, the integrity of the oyster harvesting industry and the economic benefits of exporting Louisiana oysters while achieving administrative efficiencies.

Current Budget: $1,890,950
Population Served: Statewide
T.O.: Shared

9. Transfer the OPH Milk and Dairy Control Program to Department of Agriculture Diary Division. The DHH-OPH Milk laboratories are required to maintain FDA certification to serve as a milk laboratory and all testing is designed to detect contaminates that would adversely affect human health. The Milk and Dairy Program is the regulatory and enforcement agency for all milk and dairy products produced and processed in Louisiana as well as any milk and dairy products imported into the state. The goal of the testing performed is to detect contaminated or adulterated milk and dairy products. The Louisiana Department of Agriculture, Dairy Division, regulates the Louisiana dairy industry and assures consumers a continued supply of high quality dairy products at fair and reasonable prices. The Milk Testing Program addresses the raw production and handling of milk from the farm to the processing plant. The OPH Milk and Dairy Control Program's core mission may be more directly suited to the Department of Agriculture.

Statutory References: LAC Title 51; Sanitary Code, Parts VII and VIII; Food and Drug Administration (FDA) Grade "A" Pasteurized Milk Ordinance (PMO) 2007 Revision; La. R.S. Title 3; La. R.S. 40:4 (A)(1)(a); LA. R.S. 40:5(15)

Desired Outcome: To protect the public's health, while achieving efficiencies that reduce duplicative functions across state departments.

Current Budget: $1,975,000
Population Served: Statewide
T.O.: Shared

<u>Streamlining Subcommittee on Outsourcing and Privatization</u>

1. Establish a framework for the full "continuum of care" for individuals with developmental disabilities. The suggestion for a continuum of care for citizens with disabilities is similar to the suggestion for a continuum of care for the elderly population. Creating an organized, integrated system of care with care management and ongoing assessment of needs will improve outcomes and help contain cost growth. Some states have begun to use this model in various forms in order to bring organization to what has become a fragmented, unmanageable system with runaway costs. The financing system should emphasize self-determination and independence. Every person with developmental disabilities would be assessed using a needs based assessment and services would be allocated based on that assessment. This would mean that use of various

waivers, community homes, and large facilities would be allocated by OCDD in accordance with the needs of the person. ***(****Office for Citizens with Developmental Disabilities)*

Statutory References: La. R.S. 28:451.1 *et seq;* La. R.S. 28:821-826; LAC Title 50, Part XXI Home and Community-Based Services Waiver Program, Subpart 1 General Provisions; LAC 50:XXI. Chapters 137-143 New Opportunities Waiver; LAC 50: XXI Chapters 111-121 Children's Choice; LAC 50:XXI Chapters 53-61 Supports Waiver; LAC 50:XXI Chapters 161-169 Residential Options Waiver.

Desired Outcome: To use available resources cost-effectively, while keeping with national best practices to individually allocate services according to need. Another beneficial outcome should be the ability to serve more people within the current allocation of resources.

2. Establish a framework for the full "continuum of care" for individuals who are aging or have adult on-set disabilities. The commission could consider taking steps similar to proven models in other states, like Texas and Arizona, where long-term care services are integrated and coordinated. DHH could encourage pilot programs in selected areas of the state in order to demonstrate the success of this initiative before expanding statewide. Other proven systems have shown cost-effectiveness, while providing a full spectrum of services based on individualized needs-based assessments. Ultimately, a coordinated, accountable system could help bring the costs of the long term care services under control, while ensuring people choice and promoting care in the most appropriate setting. In the pilot areas, a competitive procurement could be utilized to identify the integrated networks, and consumers could choose the network they wish to use.

The state Medicaid program bears the cost of long-term care services. Importantly, by the year 2025, it is estimated the population of Americans over the age of 55 will nearly double. Even more immediate is recent growth in long-term care costs. The Long-Term Personal Care program has grown in just five years from $33 million to more than $240 million, while costs for the Elderly & Disabled and Adult waiver have risen in less than seven years from under $10 million to more than $63 million. Expenditures for nursing facility care have risen in five years from $604 million to $716 million, while utilization has decreased by nine percent. Integrated long-term care services will be a crucial component to containing the cost growth while ensuring these needed services are available. *(Office for Aging and Adult Services)*

Statutory References: None.

Desired Outcome: Reform in these areas could mean more choice for consumers, better quality of care, more predictable spending growth, and more efficient management of resources.

Current Budget: Approximately, $1,080,000,000 (state and federal funds, includes approximately $300,000,000 in community based services and the balance in nursing homes)
Persons Served: 32,670
T.O.: 80 positions plus additional positions within Medicaid

3. Continue efforts that began several years ago to consolidate state-operated residential and vocational services for individuals with developmental disabilities. Also, consider establishing a public process for determining if private entities can operate the facilities currently operated by the state at a lower cost with similar or improved outcomes. ARCs and other privately-operated services have proven to be cost effective and have shown improved outcomes for clients and their families. The average annual cost for a person to receive services in a publicly operated facility is $170,000 while a privately operated facility receives an average of $70,000 to serve clients with similar needs. The state could consider evaluating, through a competitive process, outsourcing of the operation of the remaining state-operated developmental disabilities institutions *(Appendix F)* if the results of the evaluation demonstrate a more cost-effective approach is attainable.

The Commission may also consider the question of whether the state has the proper number of publicly-operated institutions based on the assessed needs of the individuals served. The cost of services at the state-operated campuses is significantly higher than the cost of community-based services or alternative facilities--in 2003, the population at state-operated facilities was 1,615 people with a budget of $186 million. For FY 09/10, the census was 1,318 with a budget of $243 million. It is estimated that 20 percent of the people in state-operated facilities could have their needs met in the community at considerable cost savings. The state has continued to make significant investments in services for people with developmental disabilities and still has significant waiting lists for home- and community-based services. With limited resources anticipated in the next several years, it is not unreasonable to consider whether opportunities exist to optimize the existing dollars in the program. *(Office for Citizens with Developmental Disabilities)*

Statutory References: La. R.S. 28:451.1 *et seq* (provides for developmental centers being continued as administrative units of the office- this would need to be revised);

La. R.S. 28:821-826 also provides for the principles of providing services in the community.

Desired Outcome: These changes would facilitate cost-effective use of available resources. Taking these actions would be in keeping with national best practices to reduce reliance on institutions and serve people in their communities. Any action taken should provide allocation of services for people with developmental disabilities according to need, while gaining the ability to serve more people within current allocation of resources. Finally, a significant reduction in salaries could result from state jobs moving to the private sector.

Current Budget: $241,221,452
Persons Served: 1,374
T.O.: 3,734

4. Implement a competitive bid process to redirect services from public health units to local providers (such as FQHCs, RHCs, or other organizations capable of direct service delivery). In many instances, Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs) and other community clinics provide services that are often duplicative of services and programs provided by the state Office of Public Health (OPH). Some of these organizations receive cost-based reimbursement through Medicaid, and they provide a broad spectrum of services, such as comprehensive acute and chronic care, preventive health services, family planning, and immunizations among other services. Other testing or services traditionally offered in public health units, such as nutrition counseling, lead screening and STD testing, could be included in the service contract with the health care provider. While this could result in a reduction of as many as 500 state employees, we believe the demand for these employees would be absorbed by the private sector as most of our parishes are designated as health care shortage areas. *(Office of Public Health)*

Statutory References: La. R.S. 40:12 *et seq.*

Desired Outcome: Increased access to comprehensive coordinated care that is patient-centric, while reducing the cost to the state by maximizing the use of existing capacity and local service delivery systems.

Current Budget: $186,602,208
People Served: 708,494
T.O.: 1,208

5. Review state-owned and operated residential facilities for individuals who are elderly or have adult onset disabilities for privatization. As DHH continues to move from the role of direct service provider, it would be beneficial to have these facilities assessed to ensure that services are provided in the most cost-effective manner, by the most appropriate provider and in a way that does not impede access.

For example, the John J. Hainkel Home, is the only DHH-owned and operated nursing facility in the State, providing services similar to the nearly 300 private nursing facilities in the state, at a rate exceeding what is paid the private facilities. Private not-for-profit entities, with excellent track records in Louisiana, have expressed interest in operating this facility. *Office for Aging and Adult Services (OAAS)*

Statutory References: La. R.S. 40:2142 (D); La. R.S. 36:259(C)(23); La. R.S. 46:333(D); La. R.S. 40:20002.41; La. R.S. 28: 22.7, La. R.S. 36: 258 (F)

Desired Outcome: To transfer services to the private sector and improve the availability of quality, specialized direct patient care services in the most effective and efficient manner.

Current Budget (John J. Hainkel Home only): $7,925,0960 (patient mix is Medicaid/Medicare/VA/private pay)
Persons Served: 110
T.O.: 138

6. Establish a competitive procurement process for operation of inpatient mental health institutions and/or certain services provided at the institutions. Include in the request for proposal solicitations a requirement for constructing new facilities without issuing state debt. All of the state's inpatient mental health institutions are aging, and in need of significant capitalization. Already, the state is planning to build a new facility to replace Central Louisiana State Hospital. The state could issue an RFP to analyze and evaluate the cost-benefit of private operation of all the state institutions, while also including a provision that permits the private entity to construct the new facilities. This model has been used successfully in other states, with the state saving tens of millions of dollars in costs. In some cases, such as in privatization of forensic facilities, it was determined that the administration of inpatient mental health services could be done in a cost-effective manner, turnover improved, and the comparative metrics of performance were favorable. Clearly, the model would have to be designed based on what works for Louisiana, but DHH does not think it unreasonable to make the comparison to see if it can be done better and less expensively. A "roadmap" including a strategic plan and timeline for the

financing and operation of inpatient facilities at the lowest possible cost for achieving optimal levels of care could be developed. *(Office of Mental Health)*

Statutory References: Revised Statutes Title 28

Desired Outcome: Through privatization, to reduce civil service positions and yield potential savings. These changes could lead to the creation of a patient-friendly facility meeting the current building and facility standards.

Current Budget: $177,886,822
People Served: 1,311
T.O.: 2,252

7. Privatize secure residential services for persons found "Not Guilty by Reason of Insanity" and the "Lockhart" population. DHH could privatize secure residential services to replace the existing state-operated forensic services provided by the State for these two populations. Those deemed Lockharts are found unlikely to ever be restorable through the competency evaluation/restoration process. Both populations are placed in DHH custody and put a strain on mental health inpatient and residential resources. (*Office of Mental Health)*

Statutory References: La. R.S. 28:21 (A); La. R.S. 21:28(E)(2)(ii); La. R.S.28:25; La. R.S. 25.1; La. R.S. 28:31; C.Cr.P Articles 648 and 658

Desired Outcome: By privatizing residential services, those individuals found not guilty by reason of insanity will be housed or treated in a more appropriate and cost effective setting, and discharge would be based on clinical outcomes instead of judicial criteria. If Act 648-B is enforced, individuals would either be civilly committed or discharged back to the community within the timeframe described in the law.

Current Budget: $73,485,895
People Served: 737
T.O.: 918

8. Coordinate Office of Mental Health child/adolescent services with the Office for Juvenile Justice. The child/adolescent population that is served by the Office of Mental Health (OMH) overlaps with the population served under the Office for Juvenile Justice (OJJ) and the Department of Social Services (DSS). OMH, DSS and OJJ could coordinate the provision of psychiatric/psychological and associated behavioral health services provided by the public,

private and not-for-profit sector, to assure a system that is potentially more cost effective and offers a higher quality of service. *(Office of Mental Health)*

Statutory References: None

Desired Outcome: A more coordinated effort to provide services to children and adolescents who have behavioral health conditions that interface with various state departments.

Current Budget: $34,875,439
Total Served: 3,487
T.O.: 572

9. Restructure outpatient addictive disorders, developmental disability, and mental health services provided by the state based upon the expansion of the Human Services Districts/Authorities (local health care governing models). Human Services Districts/Authorities have the benefit of designing a system that best fits the needs of their community. They have the ability to maximize their potential and funds through community-based integration of addictive disorders, developmental disabilities, and mental health services. The District/Authority also has the benefit of serving as a single point of entry for services; thus, increasing the ease of seeking and receiving services. Currently, there are 5 districts/authorities. To expand the development of these local health care governing entities in other areas of the state (Regions 4, 5, 6, 7, and 8), the need may exist to redefine the geographic description of the existing Regions and allow for flexibility in designation of parishes serviced by a Local Governing Entity (LGE).

Statutory References: Act 90 of the 2005 Regular Session of the Louisiana Legislature and amended by Acts 350, 449, and 631 of the 2006 Regular Session of the Louisiana Legislature, Act 337 and other acts now contained in Title 28; Chapter 20 of Title 28 La. R.S. 28:901 through 906; Chapter 21 of Title 28 La. R.S. 28:911 through 920 etc.

Desired Outcome: Rather than the state serving as a direct service provider, such a restructuring would allow for locally-driven services to be provided throughout the state, as well as the provision of local funding to increase identified and needed services within the community.

Current Budget: $64,726,975
People Served: 17,188
T.O.: 416

Streamlining Subcommittee on Information Technology Integration

1. Create a centralized database for determining eligibility for all state department programs. A centralized database for determining eligibility for all state department programs could have core questions shared by the Department of Education for school lunch programs; Department of Health and Hospitals WIC eligibility and Medicaid eligibility and determinations; Department of Labor for employment services; Department of Social Services for social services and case management; and any other state agency providing services to address the needs of the community (especially low-income residents). *(Office of Management and Finance)*

> **Statutory References:** Various depending on state programs included.
> **Desired Outcome:** The creation of such a database would utilize technology to streamline data collection, access and reference for several state programs in order to more efficiently serve the community and consolidate information referenced by various state agencies.

Streamlining Subcommittee on Elimination of Duplicative and Nonessential Services

1. Consolidate the operations of the Governor's Office of Elderly Affairs with the Office of Aging and Adult Services in DHH. These two agencies serve the same populations, and work independently to achieve a very similar goal. In many states, including Texas and Arkansas, the functions these agencies serve for the elderly are consolidated. The Center for Medicare & Medicaid Services "Model State Profile for Assessing a State Long Term Care System" identifies consolidated state agencies and single access points as key components of an effective long-term care system. Some identical services, notably adult protective services, are provided by both agencies with redundant infrastructure; the only distinction being that one serves persons over age 60 and one those under age 60. In at least 40 states, adult protection is consolidated. Individuals seeking services provided by these agencies do not have a single point of entry, which can be counterproductive to the goal of helping citizens seeking care. Furthermore, services through the Older Americans Act could be coordinated with Medicaid long-term care supports and services to facilitate cost effectiveness and administrative efficiencies. *(Office of Aging and Adult Services)*

> **Statutory References:** OAAS: La. R.S. 36:258 (F); GOEA: La. R.S. 46:931 *et seq.;* APS La. R.S. 15:1501 *et seq*.
>
> **Desired Outcome:** If this change is adopted, citizens seeking assistance could have a single point of access regardless of funding source. In addition, under one agency, resources could be managed more efficiently.

Current Budget: OAAS - $50,580,595 (excluding facilities $22,461,654); GOEA $44,356,830.
Persons Served: OAAS Total for FY 09 – approximately 46,000; GOEA FY 08- approximately 80,000.
T.O.: OAAS 569 (141 excluding facilities); GOEA 57.

2. Consolidate the operations of the Governor's Office on Disability Affairs with the Office of Citizens with Developmental Disabilities in DHH. The functions of each are duplicative and overlapping, but also with the Louisiana Rehabilitation Services currently administered by the Department of Social Services (DSS), and other agencies in state government. The Governor's Offices on Disability Affairs has many functions that overlap with the Office of Citizens with Developmental Disabilities (OCDD) and Office of Aging and Adult Services (OAAS) (e.g., to collect facts and statistics and make special studies of conditions pertaining to the employment, health, financial status, recreation, social adjustment of the disabled; and to keep abreast of the latest developments concerning disabilities and those with disabilities throughout the nation, and to interpret its findings to the public).
Most of the functions could be managed between the two DHH offices and advocacy functions could be provided through the Developmental Disability Council or through ombudsman programs currently operated by the state. Louisiana Rehabilitation Services functions could also be incorporated into the Department as most of their services are offered to individuals who also receive either OCDD or OAAS services and would provide easier access for consumers, as well as efficiencies in service delivery. *(Office for Citizens with Developmental Disabilities)*

Statutory References: La. R.S. 258 D (office functions); La. R.S. 28:451.1 (DD Law); GODA – La. R.S. 46:2581-2582; Louisiana Rehabilitation Services – La. R.S. 46:2102

Desired Outcome: As a result of consolidating these programs, the state could expect reduced costs for accomplishing similar goals, as well as easier, less-confusing access for people receiving services. As with any consolidation of programs, a reduction of state employees can be expected with associated savings.

3. Eliminate financing programs from the Department of Health and Hospitals. By abolishing the Health Education Authority of Louisiana (HEAL), the Department of Health and Hospitals could streamline its activities to those more directly related to its core mission. The Health Education Authority could transfer its responsibilities to the Treasurer's Office or the State Bond Commission, and transfer long-term financing related to the acquisition of Hotel Dieu (now University Hospital) from DHH to LSU. The Drinking Water Revolving Loan Fund (DWRLF) is

another example of a financing program administered by DHH. Both HEAL and the DWRLF, as well as any other similar programs could be more appropriately administered by an entity other than DHH. *(Office of Management and Finance)*

Statutory References: La. R.S. 17:3052 *et seq*.; La. R.S. 36:259; La. R.S. 36:804; La. R.S. 17:3051; La. R.S. 40:2821, *et seq.*

Desired Outcome: This action would relieve DHH of responsibilities related to financing health care projects, allowing the department to reallocate resources to activities more in line with its core mission.

Current Budget: HEAL $226,625; DWRLF $61,311,000 (including funds from the American Recovery and Reinvestment Act)
T.O.: HEAL: 2; DWRLF: 11

4. Transfer Engineering and Architectural Services in the DHH Office of Management and Finance to Facility Planning in Division of Administration.DHH has had an Engineering and Architectural Services Division since the mid-1970s due to the large number of institutions under its direct control (primarily hospitals). With the transfer of the Charity Hospital system in the early 1990s, there has been a decreased need for these services to be provided within the department. Indeed, the size of that division has shrunk considerably since its creation. The only other department that has its own Engineering Division is the Department of Transportation and Development, whose function is primarily to oversee highway construction, not to oversee building maintenance. This function is already being performed for other departments by Facility Planning and Construction in the Division of Administration, and a transfer of the Engineering and Architectural Services program could be more consistent with the mission of each agency. In addition, considerations should be given to improving efficiencies of the Office of Public Health engineers during the permitting process. At this time, OPH engineers are required to review plans submitted by architect and developers that have been approved by an engineer before granting a permit. *(Office of Management and Finance)*

Statutory References: La. R.S. 36:256; La. R.S. 40:4(A)(6)

Desired Outcome: This action would relieve DHH of its responsibility to oversee building construction and maintenance and allow resources to be reallocated to other activities.

Current Budget: $600,000
T.O.: 6

Streamlining Subcommittee on Civil and Employee Benefits

1. Revise Civil Service rules and pay structure to reflect efficient management structures, changing roles and downsizing in state government. The Civil Service classification and pay system is designed to reward managers based almost exclusively on the number of subordinate positions they supervise, with little regard to the complexities of the tasks managed and the skill sets needed to manage those tasks. For the type of staff employed by DHH, this system is rigidly hierarchical, forcing agencies to build vertical management structures in order to get an allocation high enough to attract someone with the skill set needed to do the job. Revising this structure could result in the ability to attract qualified management employees without creating the incentive to create additional positions. Civil Service could re-examine the allocation criteria used by agencies to allocate positions focusing on eliminating/restructuring the criteria to reduce the main emphasis on supervision including the number of subordinates and position titles required to support an allocation.

Furthermore, Civil Service contract review could be eliminated as the need no longer exists. Implementation of "LA CAREERS" inhibits expediting the filling of vacancies as dwindling departmental staff must now qualify all who apply before a selection can be made from the register. Civil Service could shorten the announcement period to address this. Finally, salary range limitations inhibit recruitment and retention of qualified staff. Reconsidering this could result in the ability to attract and retain more qualified staff. *(Office of Management and Finance)*

Statutory References: Article X Louisiana Constitution and Civil Service Rules

Desired Outcome: More flexibility in human resources management to recruit and retain qualified employees within a more appropriate business management model, rather than arbitrary hierarchical model.

Conclusion

DHH leadership has already exhibited a passion for comprehensively analyzing and improving every aspect of agency management, functions and operations. Under Governor Jindal's leadership, and through his immediate call for improvement in state government upon taking office in 2007, changes were not only needed, but expected. The progress made in just twenty months is notable by any standards, more so by traditional government standards. DHH now looks forward to working closely with the Streamlining Commission to pursue an even greater scope of efforts to improve the efficiency and effectiveness of state government.

Current Streamlining Initiatives

1. Fundamental Changes to the Louisiana Medicaid Program. Louisiana's Medicaid program has significant challenges, led most importantly by the chronically poor outcomes produced despite the best efforts of our providers—providers who struggle to provide services in a fragmented system with little coordination of care. Our rates of hospitalization have been shown to be among the highest in the nation, and our quality metrics are poor by most measures. The financial challenges we face over the next several years are profound, and without significant structural changes to our program, the state is not in a position to manage this challenge. To put it in perspective, the state is currently facing a shortfall in Medicaid with an annualized impact of $1.2 billion beginning in July, 2011. In the year that begins July 2010, the shortfall could be as high as $700 million, depending upon how much stimulus is drawn during the next year, and depending upon whether we face a shortfall in the current year.

Current Medicaid services are primarily delivered by private providers reimbursed under a fee-for-service method that virtually every national health policy expert covering the entire political spectrum has decried as a failed system that incentivizes waste and overspending. Most recently, the Congressional Budget Office has said the fee-for-service system has contributed to the cost growth in health care nationally. This has been echoed by the Medicare Payment Advisory Commission, the Heritage Foundation, President Obama's health care advisors and even groups like the American Diabetes Association. We agree. Add to the fact that they cost more, fee-for-service programs have been shown in multiple states, from California to New York and throughout the nation, to have poor outcomes relative to systems of coordinated care, where consumers have the choice of choosing their plan. A recent review of 24 different studies by the Lewin Group demonstrates with hard data that managed Medicaid programs have saved states anywhere from 2 to 19 percent of their Medicaid costs for medical services. We believe the heart of any reform should be consumer choice, transparency in results, and incentives for improved management of chronic disease. While the Administration has advanced this concept, some elements must be approved by the federal government. DHH recommends moving forward as rapidly as possible toward a Medicaid system of care that is more organized, less fragmented, and grants consumers, for the first time, the ability to make choices about which healthcare network they wish to receive their services from.

With the discussion of national health care reform, all estimates are that a substantial expansion of eligibility for Medicaid could occur. With Louisiana's current eligibility levels for adults at 12 percent of the Federal Policy Level, and given the expansion proposals by Congress

to increase eligibility to 133 percent of the Federal Poverty Level, the percentage of Louisiana residents covered by Medicaid could reasonably be estimated to exceed 40 percent. With the potential for substantial expansion of an ailing system, DHH is focused on strategies to move toward a more coordinated delivery system.

In this model, DHH will transform from its current role of simply paying for services to one where its role would be to monitor the various systems of care, set benchmarks for improved performance, provide transparent results for each system of care, and hold the systems of care accountable for results.

A coordinated delivery system is of interest to several provider organizations that agree Louisiana must fundamentally reform its Medicaid program. DHH is in discussion with these groups to develop ways to enhance the existing CommunityCARE program through the potential creation of integrated networks to reduce unnecessary or duplicative care, increase access and improve health outcomes.

2. Medicaid Disease Management Program. DHH, in the midst of a competitive bid process for a disease management program, focused on Medicaid patients with asthma, diabetes, and congestive heart failure. This statewide quality improvement initiative is expected to begin in January 2010, and will better control illnesses, resulting in improved health outcomes and cost containment throughout the system.

3. Medicaid Fiscal Intermediary Services. Medicaid is in the process of modernizing its fiscal intermediary services to operate more efficiently. Louisiana's information system is antiquated, resulting in expensive maintenance costs and limitations in our ability to use technology for efficiencies. A competitive contract bid process is underway for a new fiscal intermediary that will move the Medicaid fiscal intermediary to a relational database and reduce or eliminate redundant contracts for such things as prior authorizations. The ability to consolidate contracts alone could save approximately $8 million per year, a number that does not reflect the efficiencies gained through the upgrade. The legislature appropriated funding to carry out this action this state fiscal year.

4. Medicaid Funded Mental Health Services. Additionally, Medicaid is in the process of developing a request for proposals for a coordinated approach to managing Medicaid-funded mental health services through the implementation of an Administrative Services Organization (ASO). This is an entity that oversees the operation of a system of care for an entire population with services that are defined and identified to be provided with allocated funding, such as mental and behavioral health services. Some of the main goals of the ASO contract include, but are not limited to: increasing access to quality mental health care, reduce duplicative services,

decrease over utilization of emergency rooms and psychiatric hospitals, improve outcomes and serve more individuals at current funding levels. The competitive bid process is expected to begin January 2010.

5. Behavioral Pharmacy Management. The legislature allocated funds for the establishment of a behavioral pharmacy management program during the 2009 Regular Session. The Medicaid pharmacy program is in the process of developing strategies to streamline and automate current processes that are labor intensive and inefficient. Special attention will be placed on children as data show that they are prescribed very powerful antipsychotic and other mental health medications at what some consider an alarming rate. While DHH asserts there is medical evidence to support some use of these medications when properly prescribed and administered based on the clinical evidence, there are also studies that have shown the rate of prescribing and dosages may exceed what is in the child's best interest. Successful programs have been implemented that monitor appropriateness of prescribing based on the clinical evidence, and the success of these programs has been based upon collaboration with the child's physician.

6. Radiology Utilization Management. Medicaid is implementing a Radiology Utilization Management program to provide a holistic approach to medical care of the patient through appropriate utilization of Department defined radiology services by Medicaid providers and recipients. The anticipated start date is Feb 1, 2010, with a 60-day implementation phase prior to the launch. The program will consist of the development, implementation and operation of a prior authorization (PA) system for radiology services, as well as the management and monitoring of medical imaging services. This initiative will ensure patient health and safety through reduced exposure to unnecessary radiology and reduce the abuse of radiology services and cost expenditures to the department while maintaining quality of care.

7. Updating InterQual Medicaid Criteria. InterQual criteria identifies the most appropriate level of care during the initial admission, validates the need for continued stay and directs care to a lesser or higher level of care (if needed) and is based on patient specific clinical information. Currently Louisiana Medicaid employs 1995 InterQual clinical criteria along with Medicaid customized clinical criteria when reviewing requests for non-state hospital stay extensions beyond the initial assigned length of stay. This is a limited activity and only occurs when the hospital requests an extension. There is currently no review at the point of admission to determine medical necessity or clinical appropriateness for the inpatient setting for treatment. Subsequent to admission, there is no concurrent review during the hospital stay in place by Louisiana Medicaid to ensure appropriate level of care. The implementation of Phase 1 would utilize the 2008 version of InterQual criteria and would be applied to the length of stay extensions. Phase 2, which is scheduled for 2010, would also use the updated version of InterQual criteria (2008/2009) and this would be applied to initial inpatient admission approval

process. The implementation of this process will improve efficiencies and effectiveness, improve quality of care, decrease the cost of admissions, decrease the number of inappropriate admissions, facilitate appropriate discharge planning, automate manual process and assist in determining medical appropriateness for healthcare with an overall cost reduction expected. We project that Phase 1 will be operational by December 1, 2009.

8. Medicaid Eligibility Office Consolidations and/or Closure. The Louisiana Department of Health and Hospitals will close Medicaid Offices in three parishes when the leases expire. All Medicaid staff currently at the offices will be placed in local public agencies or use a telecommuting program to process applications. The office closure is expected to have little impact on Medicaid applicants and enrollees in the area, as the overwhelming majority of interaction with the public is by phone, by mail, or through outreach and out-stationing. In addition, Medicaid outreach staff will remain actively involved in parish communities and DHH will continue to support and enhance the services offered through its contracted Medicaid Application Centers throughout the parishes. This is representative of an overall trend within Medicaid offices to find the most efficient ways to operate and serve the public. In addition to looking at the consolidation of office locations within a geographic region, the Medicaid Program also initiated a telecommuting program, known as Work @ Home in June 2008. The program allows Medicaid eligibility workers to utilize technological advancements by the agency in recent years to work from home, providing a fully functional worksite that is not bound to a central location.

9. Creation of the Office of Behavioral Health. The Legislature recently passed legislation (ACT 348 of 2009) authorizing the elimination of the Office of Mental Health and the Office for Addictive Disorders as standalone entities, and combining of administrative functions of both areas of care. The two offices within DHH have separate administrators, policies and budgets and operate independently within DHH. This new authority ends the duplication and allows the operation of create a single office that will continue to aggressively pursue best practices for programs that independently serve persons with mental illness and persons with addictive disorders. It will also increase access to the most complete and appropriate care for the significant number of persons with both mental illness and one or more addictive disorders, referred to as co-occurring disorder, which constitute about 50 percent of each of the current two offices' client populations.

10. Implementation of Resource Allocation. SR180/HR 190 of the 2008 Regular Session requested DHH to develop and implement cost control mechanisms for the Long-Term Personal Care Services program and the New Opportunities Waiver. The resolution noted that while it is in best interest of the state to operate a cost-effective and high-quality, home- and community-based services programs for citizens who are elderly or have developmental disabilities, the high

cost of the Long-Term Personal Care Services program and the New Opportunities Waiver pose the greatest risk to the financial stability of the state's long-term care services. Without restructuring of these programs, the sustainability of long-term care and home and community-based services is threatened and the ability of the state to meet the growing needs of these citizens is impaired. OCDD and OASS have developed methodology – resource allocation that utilizes a uniform needs based assessment to determine the support needs of individuals that assure resources are allocated fairly. OASS has implemented this process in April 2009 and OCDD received approval from the Centers for Medicaid and Medicare Services on July 30, 2009.

11. Transfer of the Adult Residential Care Program from DSS to DHH. Act 381 of the 2009 Legislative Session provides for the transfer of licensing authority for adult residential care homes from the Department of Social Services to the Department of Health and Hospitals. DSS and DHH are currently working in collaboration with stakeholders to transition residential services so that the process is seamless for the individuals receiving services and manageable for providers to ensure services are not adversely effecting during this time frame. The transfer of authority is effective July 1, 2010. This effort is an example of how the two departments have worked together to decrease redundancies and improve administration of services. DHH has responsibility for the licensure and monitoring of nursing facilities, intermediate care facilities for people with developmental disabilities, and home- and community-based service providers.

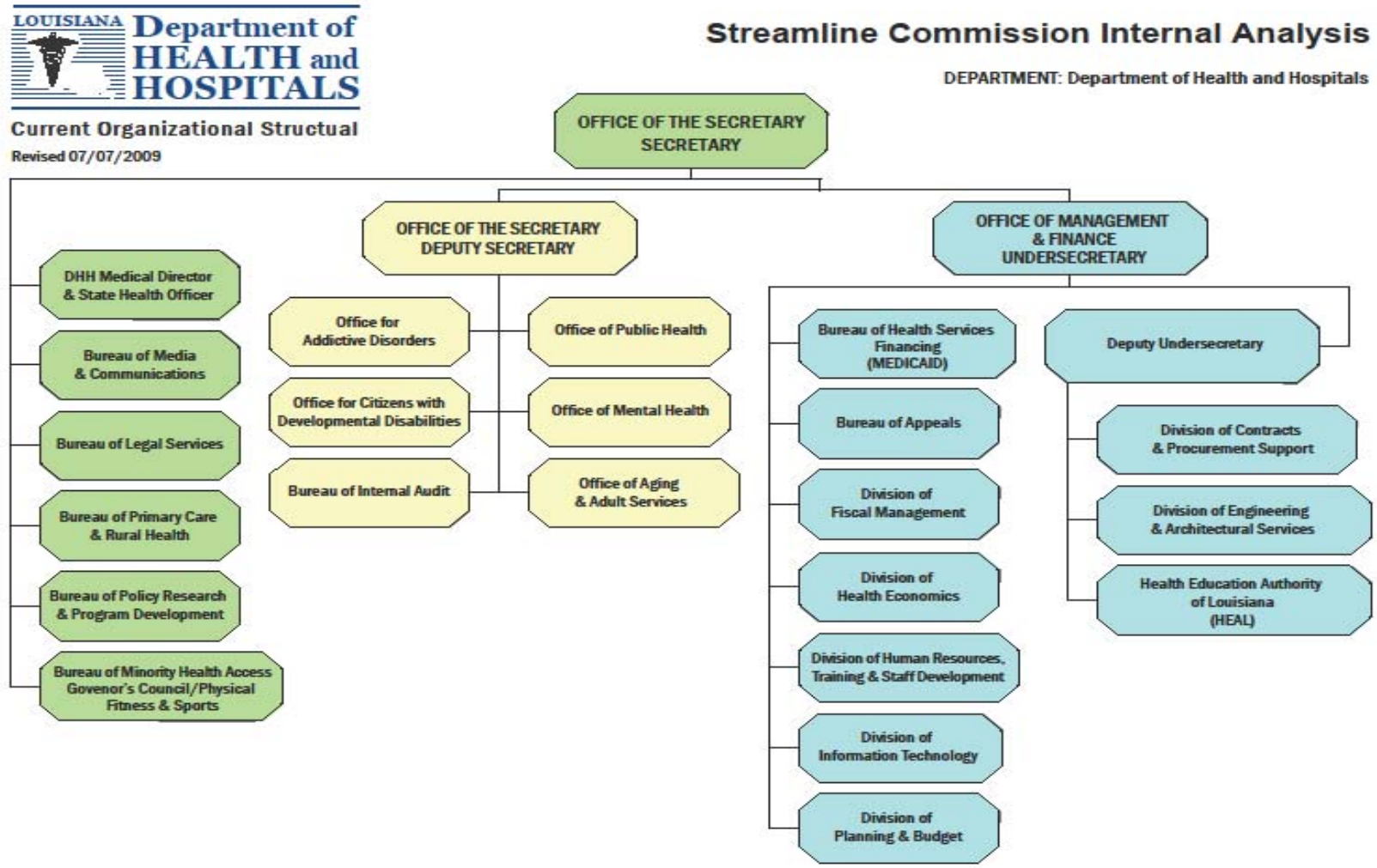
12. Consolidation of DHH-operated inpatient services in the Greater New Orleans area. In an effort to streamline inpatient mental health services and expand community-based, outpatient mental health services in the Greater New Orleans area, the Department consolidated the inpatient beds at the New Orleans Adolescent Hospital with those at Southeast Louisiana Hospital in Mandeville, La. The consolidation not only generated a savings of $9 million in the state budget, but also allowed for a city-wide expansion of community-based, outpatient services, which will be offered in two clinics, one each on the East and West Banks. In addition to savings to taxpayers, the new system will be better coordinated, is one step closer to having a complete continuum of mental health care in the city, and will allow the Department to serve triple the number of individuals and families served last year.

13. DHH Assuming Responsibility of the DEQ laboratory. The Department is in the planning process for assuming responsibility of the DEQ lab and consolidating with the DHH lab. In lieu of constructing a new OPH Laboratory building from the ground up, the building previously housing the DEQ Laboratory will be renovated, re-equipped, and expanded to meet the needs of the OPH Laboratory. These renovations and additions are required as the DEQ laboratory building was designed to handle environmental chemistry work only and does not contain facilities for the safe handling of biological, clinical, or genetics testing. At this time, an architect

has been assigned to conduct project planning, including design requirements and construction/renovation needs. Funds for this project were appropriated in capital outlay projects – HB2 of this past legislative session.

14. Vital Records Re-engineering. The Vital Records division of the Office of Public Health is undergoing a re-engineering to expedite collection and dissemination of vital records in the State of Louisiana. The re-engineering entails the development of a web-based integrated vital records application, Louisiana Electronic Event Registration System (LEERS), which will replace the manual OPH processes currently in place for the Louisiana Vital Records Registry, including birth, death, fetal death, marriage, divorce and induced termination of pregnancy data. It includes a business system and also an imaging module to scan and save approximately 10 million archived birth, death and Orleans Parish marriage records onsite at OPH and associate the images with the corresponding data record. The application will be made available statewide to designated users and will be utilized by data providers such as OPH, hospitals, issuance offices, funeral homes, parish Clerks of Court, physicians, coroners and additional remote sites located throughout the State. The re-engineering is geared towards implementing electronic registration of vital events, expanding the number of locations where information is available, allowing remote sites to process and issue certified copies of certificates, integrating various software systems used by Vital Records (Mainframe, Encounter and CARS), reducing request processing time, reducing paperwork and keypunching, and improving reporting capabilities.

15. Community Home Privatization. As part of the FY 2010 budget, DHH is privatizing two community homes serving twelve people. In addition, twenty-one supported independent living clients and six extended family living clients will also be choosing a private provider. These efforts are part of the department's goal of getting out of the business of competing with private providers and decreasing the size of government. The target completion date is September 30, 2009.


LOUISIANA Department of HEALTH and HOSPITALS
Current Organizational Structual
Revised 07/07/2009
Streamline Commission Internal Analysis
DEPARTMENT: Department of Health and Hospitals
OFFICE OF THE SECRETARY
SECRETARY
OFFICE OF THE SECRETARY
DEPUTY SECRETARY
OFFICE OF MANAGEMENT
& FINANCE
UNDERSECRETARY
DHH Medical Director
& State Health Officer
Bureau of Media
& Communications
Bureau of Legal Services
Bureau of Primary Care
& Rural Health
Bureau of Policy Research
& Program Development
Bureau of Minority Health Access
Govenor's Council/Physical
Fitness & Sports
Office for
Addictive Disorders
Office for Citizens with
Developmental Disabilities
Bureau of Internal Audit
Office of Public Health
Office of Mental Health
Office of Aging
& Adult Services
Bureau of Health Services
Financing
(MEDICAID)
Bureau of Appeals
Division of
Fiscal Management
Division of
Health Economics
Division of Human Resources,
Training & Staff Development
Division of
Information Technology
Division of
Planning & Budget
Deputy Undersecretary
Division of Contracts
& Procurement Support
Division of Engineering
& Architectural Services
Health Education Authority
of Louisiana
(HEAL)

DEPARTMENT OF HEALTH AND HOSPITALS Appendix C
Statutory References

PROGRAM	STATUTORY OR REGULATROY AUTHORITY	COMMENTS
OFFICE OF THE SECRETARY		
Department of Health and Hospitals and Officers	La. R.S. 36:251-252	
Functions of Secretary, Deputy Secretary, Undersecretary and Assistant Secretaries	La. R.S. 36:253-257	
Transfer of agencies and functions	La. R.S. 36:259	
OFFICE OF MANAGEMENT AND FINANCE		
Office of Management and Finance	La. R.S. 36:256	
MEDICAID		
Medicaid Program; Services	Title XIX of the Social Security Act; 42 USC Section 1396a; 42 CFR 440.10 – 440.210; Title XIX 1905(a)(1-27); Title XIX 1920; Title XIX 1902(e)(5)	
LaCHIP	Title XXI of the Social Security Act	
OFFICE FOR CITIZENS WITH DEVELOPMENTAL DISABILITIES		
Office for Citizens with Developmental	La. R.S. 36:258; La. R.S. 28:451.1	

PROGRAM	STATUTORY OR REGULATROY AUTHORITY	COMMENTS
Case Management Licensing Standards	LAC 48:I Chapter 49	
Children's Choice	LAC 50:XXI Chapters 111-121	
Community and Family Support System; Cash Subsidy	La. R.S. 28:821; LAC 48:I Chapter 161	
Development Disabilities	La. R.S. 28:541.1 – 29:455.2	
Early Intervention Program for Infants and Toddlers	34 CFR Part 303	
Home and Community-Based Waiver Services	Title 19 of the Social Security Act, Section 1915(c); LAC Title 50, Part XXI; 42 CFR §441	
Intermediate Care Facilities; Standards for Payment;	LAC 50:II Chapter 103; LAC 50:VII Chapters 301-331; 42 CFR § 483.410-480	
Medical Consent	La. R.S. 40:1299.50 – 1299.58	
Mental Retardation	LAC 48:IX	
New Opportunities Waiver	LAC 50:XXI Chapters 137-143	
Pilot Programs	La. R.S. 28:621	
Residential Options Waiver	LAC 50:XXI Chapters 161-169	
Supports Waiver	LAC 50:XXI Chapters 53-61	
Targeted Case Management	LAC 50:XV Chapters 101-119	

PROGRAM	STATUTORY OR REGULATROY AUTHORITY	COMMENTS
OFFICE FOR ADDICTIVE DISORDERS		
Office for Addictive Disorders	La. R.S. 36:258; La. R.S. 28:771	
Problem Gambling	La. R.S. 28:841	
State Methadone Authority	LAC 48:501	
OFFICE OF AGING AND ADULT SERVICES		
Office of Aging and Adult Services	La. R.S. 36:258 (F)	
Adult Protective Services	La. R.S. 36:254; La. R.S. 15:1501-1511	
Villa Feliciana Medical Complex	La. R.S. 28:22.7; La. R.S. 40:2142	
OFFICE OF PUBLIC HEALTH		
Office of Public Health	La. R.S. 36:258	
Environmental Health Services	La. R.S. 40:1, et seq., La. R.S. 4- 6, R.S. 8- 9 et seq., 1141-48,2701-19, 2817 et. Seq; Commercial Body Art Regulation Act (Act 393 of 1999) La. R.S. 40:2831 - 40:2834.	

PROGRAM	STATUTORY OR REGULATROY AUTHORITY	COMMENTS
Personal Health Services	La. R.S. 46:971-972; La. R.S. 17:2111-2112; La. R.S. 33:1563; La. R.S. 46; 2261-2267; La. R.S. 46:973-974; La. R.S. 40:31.33; U.S.C. 7019 (MCH Block Grant, Title V of SSA); Omnibus Budget Reconciliation Acts of 1981 and 1989; P.L. 101-239; Title XIX of the SSA, as amended (42 CFR), R.S. 40:1299 - 1299.5, Child Nutrition Act of 1966 as amended by Public Law 105-24, R.S. 46:447.1; Title V MCH; Section 502; SSA Title XIX (P.L. 95-613); (P.L. 95-91); (P.L. 95-83); Title X, 42 U.S.C. 701:42 U.S.C. 3000. La. R.S. 40:5; Act 16; 42 U.S.C. 241(a), 243(b), 247(c); HOPE Act; Title XXV; Public Law 100-607; AIDS Resources Emergency Act 1990 (Title XXVI), R.S. 40:4,5; RS 17:170; 42 U.S.C. 2476 (Section 317 - Public Health Act), La. R.S. 40:5; La. RS 40:1061-1068; La. R.S. 40:3.1; Public Law 105-17, 97', IDEA; State Sanitary Code, Chapter II, 42 U.S.C., 247c (Public Health Service Act 318); Public Law 95-626, La. R.S. 40:4,5. 40:28-29; La. RS 40:17, La. R.S. 40: 5,7, 18; La. R.S. 40:1275 thru 1278; 42 U.S.C. 246, Louisiana State Sanitary Code, Chapters I, II, XII, XIV, XXIII, XXIV.	

PROGRAM	STATUTORY OR REGULATROY AUTHORITY	COMMENTS
Vital Records and Statistics	La. R.S. 40:32 et seq., La. R.S. 40:1299.80 et seq.	
GOVERNOR'S COUNCIL ON PHYSICAL FITNESS AND SPORTS		
Governor's Council on Physical Fitness and Sports	La. R.S. 40:2451-40:2455 Acts 1980, No. 751	
FISCAL OFFICE		
Fiscal Office	La. R.S. 36:256; La. R.S. 39:78	
CONTRACTS AND PURCHASING		
Procurement	La. R.S. 39:1551-1736	
Executive Order for Small Purchases	BJ2008-67	
Professional/Contractual Services	La. R.S. 38:1481-1526	
OFFICE OF MENTAL HEALTH		
Office of Mental Health	La. R.S. 36:258	All statutory references related to mental health were too voluminous to reproduce in this document. They include more than one hundred individual laws found in the revised statues, Children's Code, Code of Civil Procedure and Code of Criminal Procedure. A comprehensive list can be provided upon request.

Appendix D

DEPARTMENT OF HEALTH AND HOSPITALS

FY 2009-2010 INITIAL APPROPRIATIONS

AGY	Agency Name	State	Self-Gen	IAT	Federal	Stat Ded	Total	T.O	Non T.O
300	**Jefferson Parish Human Services Authority**	21,020,994		5,729,514			**$26,750,508**	-	250
301	**Florida Parishes Human Services Authority**	11,419,548	104,428	9,953,803	11,100		**$21,488,879**	-	192
302	**Capital Area Human Services Districts**	18,586,702	107,269	13,615,558	159,135		**$32,468,664**	-	275
303	**Developmental Disabilities Council**	$640,367			$1,499,894		**$2,140,261**	9	
304	**Metropolitan Human Services Districts**	$19,760,526	$651,133	$11,885,424	$1,326,876		**$33,623,959**	-	190
305	**Medicaid Administration**	$81,525,379	$2,416,223	$2,005,000	$159,325,434	$6,373,391	**$251,645,427**	1,263	
306	**Medicaid Provider Payments**	$1,031,364,758	$10,000,000	$12,012,091	$4,953,905,747	$280,048,944	**$6,287,331,540**		
307	**Office of the Secretary**	$57,810,055	$6,739,899	$54,433,872	$63,618,240	$2,900,000	**$185,502,066**	379	
320	**Office of Aging and Adult Services**	$13,298,689	$1,618,265	$33,650,014	$2,013,627		**$50,580,595**	573	
324	**Louisiana Emergency Response Network**	$3,671,437					**$3,671,437**	10	
326	**Office of Public Health**	$53,107,884	$26,225,724	$25,265,229	$218,159,888	$7,377,054	**$330,135,779**	1,663	
330	**Office of Mental Health**	$87,111,388	$4,229,891	$200,660,119	$23,335,993		**$315,337,391**	2,960	
340	**Office for Citizens with Developmental Disabilities**	$20,011,047	$10,701,662	$253,630,852	$6,933,609	$1,391,480	**$292,668,650**	4,044	
351	**Office of Addictive Orders**	$30,061,270	$598,132	$16,246,661	$47,470,745	$6,090,013	**$100,466,821**	419	
		$1,449,390,044	**$63,392,626**	**$639,088,137**	**$5,477,760,288**	**$304,180,882**	**$7,933,811,977**	**11,320**	**907**

Program Office	FY2008-2009 Positions	FY2009-2010 Positions
Office of the Secretary	409	379
Office of Public Health	1,742	1,663
Office for Citizens with Developmental Disabilities	4,194	4,044
Office of Mental Health	3,208	2,960
Office for Addictive Disorders	446	419
Medicaid	1,280	1,263
Office of Aging and Adult Services	596	573
Total	11,907	**11,196***

***In compliance with Executive Order No. BJ 2009-11, the Department of Health and Hospitals' position count has decreased by an additional 124 positions. This results in a net reduction in positions of 5.9% from FY2009.**

OFFICE FOR CITIZENS WITH DEVELOPMENTAL DISABILITIES SUPPORTS AND SERVICES CENTERS	
Facility	**Location**
Columbia Community Residential and Employment Services	Columbia
North Lake Supports and Services Center	Hammond
Leesville Residential and Employment Services	Leesville
Greater New Orleans Supports and Services Center	New Orleans
Northwest Supports and Services Center	Bossier City
Opelousas Developmental Center	Opelousas
Bayou Region Supports and Services Center	Thibodaux
Pinecrest Supports and Services Center	Pineville
Northeast Supports and Services Center	Ruston
Acadiana Region Supports and Services Center	Iota
Guillory Center	Eunice

HOSPITALS, NURSING HOMES, AND OTHER FACILITIES	
Facility	**Location**
Central Louisiana State Hospital	Pineville
East Louisiana State Hospital	Jackson
Greenwell Springs Hospital	Greenwell Springs
New Orleans Adolescent Hospital (consolidated with Southeast – no inpatient)	New Orleans
New Orleans Home and Rehabilitation Center	New Orleans
Southeast Louisiana State Hospital	Mandeville
Villa Feliciana Medical Complex	Jackson
Feliciana Forensic Facility	Jackson

MENTAL HEALTH FACILITIES OFFICE OF MENTAL HEALTH AND HUMAN SERVICES DISTRICTS		
DHH Region or District	**Facility**	**Location**
6	Alexandria Mental Health Center (MHC)	Alexandria
5	Allen MHC	Oberlin
3	Assumption MHC	Labadieville
6	Avoyelles MHC	Marksville
Capital Area Human Services District (CAHSD)	Baton Rouge MHC	Baton Rouge
5	Beauregard MHC	DeRidder

9	Bogalusa MHC	Bogalusa
Metropolitan Human Services District (MHSD)	Central City MHC	New Orleans
MHSD	Chartres-Pontchartrain MHC	New Orleans
8	Columbia MHC	Columbia
4	Crowley MHC	Crowley
MHSD	Desire/Florida Counseling Center	New Orleans
4	Dr. Joseph Henry Tyler, Jr. MHC	Lafayette
CAHSD	Donaldsonville MHC	Donaldsonville
Jefferson Parish Human Services Authority (JPHSA)	East Jefferson MHC	Metairie
CAHSD	Gonzales MHC	Gonzales
8	Jonesboro MHC	Jonesboro
3	Lafourche MHC	Raceland
5	Lake Charles MHC	Lake Charles
6	Leesville MHC	Leesville
9	Lurline Smith MHC	Mandeville
7	Mansfield MHC	Mansfield
7	Many MHC	Many
CAHSD	Margaret Dumas MHC	Baton Rouge
7	Minden MHC	Minden
8	Monroe MHC	Monroe
7	Natchitoches MHC	Natchitoches
4	New Iberia MHC	New Iberia
MHSD	New Orleans MHC	New Orleans
4	Opelousas MHC	Opelousas
7	Red River MHC	Coushatta
8	Richland MHC	Rayville
3	River Parishes MHC	LaPlace
9	Rosenblum MHC	Hammond
8	Ruston MHC	Ruston
7	Shreveport MHC	Shreveport
	Slidell Mental Health State Office Building	Slidell
3	S. Lafourche MHC	Galliano
MHSD	St. Bernard MHC	Chalmette
3	St. Mary MHC	Morgan City
8	Tallulah MHC	Tallulah
3	Terrebonne MHC	Houma
4	Ville Platte MHC	Ville Platte
JPHSA	West Jefferson MHC	Marrero
8	Winnsboro MHC	Winnsboro
	Community Forensic Services	Jackson

OFFICE OF PUBLIC HEALTH PARISH HEALTH UNITS	
Parish	**Location**
Acadia	Crowley
	Church Point
	Rayne
	Iota
Allen	Oakdale
	Oberlin
	Oberlin
Ascension	Donaldsonville
	Gonzales
Assumption	Napoleonville
Avoyelles	Marksville
	Bunkie
Beauregard	DeRidder
Bienville	Arcadia,
	Ringgold
Bossier	Bossier City
Caddo	Shreveport
	Vivian
Calcasieu	Lake Charles
	Sulphur
	Dequincy
Caldwell	Columbia
Cameron	Cameron
	Hackberry
	Grand Lake
Catahoula	Harrisonburg
	Jonesville
Claiborne	Homer
Concordia	Ferriday
	Vidalia
DeSoto	Mansfield
East Baton Rouge	Baton Rouge
East Carroll	Lake Providence
East Feliciana	Clinton
Evangeline	Ville Platte
Franklin	Winnsboro
Grant	Colfax
Iberia	New Iberia
Iberville	Plaquemine
Jackson	Jonesboro
Jefferson	Metairie
	Marrero
Jefferson Davis	Jennings
Lafayette	Lafayette
Lafourche	Thibodaux

LaSalle	Jena
Lincoln	Ruston
Livingston	Livingston
Madison	Tallulah
Morehouse	Bastrop
Natchitoches	Natchitoches
Orleans Family Planning	New Orleans
Orleans	New Orleans
Orleans	New Orleans
Ouachita	Monroe
Plaquemines	Belle Chasse
Pointe Coupee	New Roads
Rapides	Alexandria
Red River	Coushatta
Richland	Rayville
Sabine	Many
St. Bernard	Chalmette
St. Charles	Luling
St. Helena	Greensburg
St. James	Vacherie
St. John	Reserve
St. Landry	Opelousas
	Eunice
	Melville
St. Martin	St. Martinville
St. Mary	Morgan City
St. Tammany	Mandeville
	Slidell
	Slidell
Tangipahoa	Amite
	Hammond
Tensas	St. Joseph
Terrebonne	Houma
Union	Farmerville
Vermilion	Abbeville
Vernon	Leesville
Washington	Franklinton
	Bogalusa
Webster	Minden
	Springhill
West Baton Rouge	Port Allen
West Carroll	Oak Grove
West Feliciana	St. Francisville
Winn	Winnfield
OPH Office Building	Lake Charles

OFFICE FOR ADDICTIVE DISORDERS- FACILITIES	
Facility	**Location**
Joseph R. Briscoe Treatment Center	Lake Charles
Pines Treatment Center	Shreveport
Southern Oaks Addiction Recovery (SOAR)	Monroe

Miscellaneous – the Louisiana State Board of Medical Examiners is housed in the "Old Eli Lilly Building" in New Orleans which is owned by DHH.

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"Programs and Services Manual – Department of Health and Hospitals." Available online: http://www.dhh.louisiana.gov/offices/publications/pubs-1/DHH_Manual_07.pdf

"Louisiana Medicaid Annual Report: State Fiscal Year 2007/2008." Available online: http://www.dhh.louisiana.gov/offices/publications/pubs-1/Medicaid_07_08_WEB.pdf

"Department of Health and Hospitals Report on Cost Control Mechanisms for Long Term Care," in response to Senate Resolution 180 of the 2008 Regular Session of the Louisiana Legislature. Submitted June 24, 2009. Available online: http://www.dhh.louisiana.gov

"Louisiana's Plan for Choice in Long-Term Care: Comprehensive Long-Term Care Reform Plan," prepared by Department of Health and Hospitals in response to Executive Order No. KBB 2004 – 43. Submitted October 1, 2007. Available online: http://www.dhh.state.la.us

"Plan for Transformation of Public Developmental Centers," prepared by the Office for Citizens with Developmental Disabilities, March 2007. Available online: http://www.dhh.state.la.us

"Medicaid Long-Term Care Options for the Elderly and People With Disabilities: National and Louisiana Statistics," prepared by the Legislative Auditor, April 2004. Available online: http://app1.lla.state.la.us/PublicReports.nsf

* The Department of Health and Hospitals has a tremendous wealth of resource material available on its website at www.dhh.la.gov. Those provided in this document represent a small sample of the most requested reference materials on the department's overall programs and services, Medicaid program and Long-Term Care. Additional reference materials on specific department and/or health care matters can be provided upon request.