COMMISSION ON ENHANCING AGENCY OUTCOMES
PROPOSED AREAS OF FOCUS

1. Review delivery of state human services focusing on being more consumer driven, efficient, accountable and transparent.
    a. Consolidate administrative functions including fiscal operations, human resources, payroll, central office legal, information technology, communications, public relations, quality management, rate setting and rate enhancement and may include other areas.
    b. Programmatic changes
    c. Enhance internal operations
        i. consolidate training – maximize federal funding
        ii. online applications systems
        iii. contracting processes
2. Consolidate data centers
3. Overhaul DMV functions focusing on consumer needs (esp. reducing lines at DMV), efficiency, accountability and transparency.
4. On-line applications system statewide – example: DMV
5. Master contracting
    a. business to state government
    b. internal within state government
    c. intergovernmental
    d. consumers to state government
6. Streamline licensing and permitting processes
    a. business to state government (example: water permitting, human service providers)
    b. general commercial activity
    c. consumers
7. Move additional state agencies to DAS SMART unit for administrative functions
8. Modernize statewide communication platform
9. Printing within state agencies
    a. consolidate printing centers
    b. paperless processes
10. Cooperative Purchasing Opportunities – create and/or join cooperative purchasing venture to allow certain eligible entities to purchase goods, certain services and utilities from state/multistate contracts. Greater volume allows for better price. (see Minnesota)
    a. Requires legislation to define joint powers/governmental entities that may join program. Includes, municipalities, school districts as well as other entities – certain tax exempt, non profits and charitable organizations
    b. and/or join multistate cooperative purchasing organization – see for example **www.USCommunities.org**; other cooperatives allow participating government entities to avoid the time-consuming competitive bid process that involves formulating and issuing requests for proposal, evaluating vendors, and negotiating contracts. Each participating government entity adds an addendum to the original contract, slightly altering the contract's terms and conditions to meet its own purchasing requirements. Since all purchasers are working off one contract, instead of the contractor having to maintain thousands of contracts across the country, they

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only have to maintain one. By us streamlining our side, [vendors] can provide the products and prices at a much lower cost than they could otherwise.

c. Enforce bulk purchasing rules for higher education (see audit)

11. Join Multistate Contracting Alliance for Pharmacy purchases – (see Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP), created in 1985, a voluntary cooperative purchasing group that combines the purchasing power of its members to receive the best prices available for pharmaceuticals, hospital supplies, and related products. MMCAP contracts with over 160 pharmaceutical manufacturers, and also has contracts for distributors (to support the pharmaceutical contracts), hospital supplies, returned goods processing, flu vaccine, and vials and containers. MMCAP's niche is to provide, through volume contracting and careful contract management, the best value in pharmaceuticals and related products to its members - eligible governmental health care facilities. Currently, MMCAP has membership agreements with 45 states and the Cities of Chicago and Los Angeles - 43 Participating Entities and over 5,000 eligible facilities.
12. Create Eastern States Contracting Alliance modeled on Western state alliance created in 1998 by the State of New Mexico. The WSCA are four contracts with PC manufacturers to provide, through volume contracting and careful contract management, the best value in PC's to the participating entities in 41 states that currently use these contracts. In January, 2004, administration and management of these contracts was transferred to the Materials Management Division. Sixteen contracts, based on solicitations issued by Minnesota since February 2004, have become effective at various times since September 2004. All the contracts will expire on August 31, 2009.
13. Sharing services/purchasing with neighboring states (see Minnesota and Wisconsin-savings identified **$10m** each state); see for example backing up each other's databases, investing together in communications systems for law enforcement and purchasing products from each other.
14. Enforce use of p-cards (review audit findings)
15. Implement lean processes in all executive branch agencies
16. Consolidating the "steering" function[1] – across existing state agency lines – for (A) health care, (B) services to persons with disabilities, (C) education and job training, (D) integrating institutionalized persons back into the community, (E) supporting innovation and entrepreneurs, (F) housing.

    This could take the form of adding a "Deputy Chief of Staff" for each function in the Governor's Office, or a "Secretary" of each function, above the Commissioner level, or a divisional head at OPM in charge of each function. Such positions would be supported by a Cabinet composed of Commissioners of relevant agencies, would be empowered to use funding streams to provide services from the most effective and efficient providers, and would facilitate the consolidation of "back-office" administrative functions such as personnel/HR, payroll, affirmative action, fiscal/budget/accounting, and contract management from the relevant agencies. Savings from a back-office consolidation among agencies serving persons with disabilities were estimated by the Program Review and Investigations staff in 2003 at $8 million annually.
17. Providing community services to approximately 1,400 persons in prison with moderate to serious mental illness who are incarcerated ONLY for low-level, non-violent offenses. If community services cost $20,000 per person, vs. $32,000 per incarcerated person, savings would be $17 million annually.

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[1] The idea is from Osborne and Hutchinson, The Price of Government, chapter 5, "Consolidation." In their view, "steering" – setting policy and direction – focuses on doing the right thing. "Rowing" – service delivery and compliance operations – focuses on doing things right. The best option, according to Osborne and Hutchinson, is to consolidate funding streams and steering authority, but not the organizations that do the actual rowing. Using consolidated funding streams, steering organizations can purchase results from any rowing organization (provider) they consider best equipped to provide them. The benefits: more effective steering and more competitive service delivery.

Medicaid reimbursement for community services could provide additional federal revenue of $10 million or more.

18. Exploring the privatization of Inmate Medical Services in DOC, at a cost of 10% to 15% below the cost of government-provided services.[2]. At the 10% level, that could mean $10 million in savings.
19. Mandating "managed competition" – among both internal state government and external providers – for most services (excluding functions involving state-sanctioned violence (e.g., prisons and police), those which protect due process rights, those which handle sensitive security and privacy issues, and those that require absolutely fair and equal treatment (courts).[3]
20. Using managed competition for certain information technology services, such as email, file sharing, database applications, and forms automation and processing. Potential savings: $20 million.
21. Using the Internet to allow residents to determine the time and place of receiving services from state agencies (self-service) – including applications for licenses and permits – and using the generated data to make services more responsive.[4]
22. Requiring "direct deposit" of all state payroll checks, unemployment compensation checks, and workers' compensation checks, to eliminate printing and mailing costs. Confirming information can be available online through CORE-CT.
23. Consolidate administrative hearings and/or use judge trial referees to provide administrative hearings for all agencies, as is recommended for CHRO. Potential savings TBD (estimated in CHRO alone to exceed $300 thousand).
24. Enhancing community prevention and intervention efforts by DCF, to support and preserve families, keeping children at home when safe, and using foster care, rather than congregate care, when children must be removed from their families. Short-term savings result because foster care board and care payments should be less than per child costs for congregate care. And there should be longer-term savings because kids are far more likely to get adopted out of foster homes than congregate care. Savings TBD.
25. Pursuing a Section 1115 Medicaid waiver for the SAGA program, to save the state about $27 million per year, even while increasing reimbursements to providers by $45 million annually. This action is already required by Section 17b-192(g) of the CGS, but has not yet been implemented.
26. Seeking new federal revenue for existing DMHAS services (ACT, Supervised Housing services, Supported Housing services, Mobile Crisis) as Medicaid rehabilitation services, producing about $28 million in new revenue.
27. Maximizing federal revenue by billing Medicaid, to the fullest extent allowed, for outpatient services by DMHAS state operated and contracted providers (TBD)
28. Facilitating the creation of a statewide, interoperable electronic health records system (EHR) to reduce health care costs and improve quality of service. Such an EHR is available free of charge from the federal Veterans Health Administration.[5] Potential out-year savings in Medicaid costs: considerable.
29. Taking advantage of federal assistance to veterans, by requiring all state agencies to ask clients seeking assistance "Have you served in the military?" and forwarding name and addresses of veterans to the Dept of Veterans' Affairs, which can then seek out all forms of assistance to veterans. Savings TBD.

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[2] See Wall Street Journal, April 8, 2009, p. B7.
[3] See David Osborne and Peter Hutchinson, The Price of Government, chapter 7, "Buying Services Competitively."
[4] See Osborne and Hutchinson, The Price of Government, chapter 9, "Smarter Customer Service: Putting Customers in the Driver's Seat."
[5] See David Osborne, "Memo to the New President: Reinventing Health Care", January 15, 2009, on page 12 of the printed version, available at the website of the Public Strategies Group, specifically at: **http://www.ppionline.org/ndol/print.cfm?contentid=254877**

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30. Leveraging the existing statewide state fiber network to provide training to state agency personnel (such as DCF, DMHAS, DSS, DDS, affirmative action, etc.) by interactive video, rather than by travel to multiple locations with multiple presentations. (savings TBD)
31. Streamline economic development agencies, processes and functions for simpler access, greater focus and reportable outcomes.
32. Controlling long-term health care costs
33. Innovation and prevention, state corrections

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