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Rep. Brian Hasler
Rep. William Crawford
Rep. Susan Crosby
Rep. John Day
Rep. Win Moses
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Sen. Allie Craycraft
Sen. Billie Breaux
Sen. Earline Rogers
Sen. Vi Simpson



HEALTH FINANCE COMMISSION

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MEETING MINUTES¹

Meeting Date: September 17, 2002
Meeting Time: 10:00 A.M.
Meeting Place: State House, 200 W. Washington St., House Chambers
Meeting City: Indianapolis, Indiana
Meeting Number: 2

Members Present: Rep. Charlie Brown, Chairperson; Rep. Brian Hasler; Rep. William Crawford; Rep. Susan Crosby; Rep. John Day; Rep. Vaneta Becker; Rep. Mary Kay Budak; Rep. Gary Dillon; Rep. Randy Borrer; Sen. Greg Server; Sen. Beverly Gard; Sen. Steve Johnson; Sen. Connie Lawson; Sen. Marvin Riegsecker; Sen. Allie Craycraft; Sen. Billie Breaux; Sen. Earline Rogers.

Members Absent: Rep. Win Moses; Rep. Scott Pelath; Rep. Peggy Welch; Rep.

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

Timothy Brown; Rep. David Frizzell; Sen. Patricia Miller, Vice-Chairperson; Sen. Ron Alting; Sen. Vi Simpson.

Representative Charlie Brown called the meeting to order at 10:15 a.m. Representative Brown stated that the Commission has been charged to study the structure of the Family and Social Services Administration (FSSA). Representative Brown said that the Commission has been invited to have its next meeting at Indiana University's School of Medicine in Indianapolis on October 8, 2002. A quorum will be needed for this meeting in order to vote on the Commission's final report and any proposed legislation. Representative Brown asked that members turn in ideas for proposed legislation to staff by September 24, 2002.

Susan Robison, Connexus, Inc., and NCSL consultant for the Human Services Reform Project

Ms. Robison introduced herself, explaining that she is a consultant for National Conference of State Legislatures (NCSL), working on the Human Services Reform Project which studies states' human services programs. (See Exhibit 1 for a copy of Ms. Robison's presentation and handouts.) North Carolina and Wisconsin have county-operated and state supervised programs. Field staff are county employees while the state agency focuses on oversight and assistance for the counties. In comparison, state-administered systems vest more responsibility and authority in state-level staff, have more state employees, and less direct connection to communities. Ms. Robison informed the Commission that Oregon's Department of Human Services is currently being internally reorganized by order of Oregon's legislature.

Ms. Robison discussed states that have highly consolidated health and human services agencies (most of which have a smaller population than Indiana), and the benefits and detriments of having a highly consolidated agency. Ms. Robison explained that consolidated departments have multiple divisions that function fairly autonomously, dealing with different programs or populations. Benefits include a common vision, policy direction, the ability to serve multiple-need clients and coordinate across divisions, and the consolidation of administrative functions. Potential challenges include the unmanageable size of the department, competition among divisions and programs for funding or visibility, and inflexible funding streams.

A recent trend in organizing human services programs is focusing on changing the system at the community level. County-based systems may have an advantage over traditional, state-administered systems because workers know each other and are accustomed to working together. Another trend is to have one entrance level program (sometimes referred to as "no wrong door" or "one-stop centers") that will direct the client to programs that will meet that individual's specific needs.

Dr. David Hilton, Medical Director, Evansville Psychiatric Children's Center (EPCC)

Dr. David Hilton discussed how he feels FSSA and the Division of Mental Health and Addiction (DMHA) are doing in serving the state of Indiana. (See Exhibit 2 for a copy of Dr. Hilton's comments and handouts). Dr. Hilton commented on FSSA's decision earlier this year to close EPCC and the Indiana General Assembly's reaction by passing legislation during the 2002 special session that prohibited the closure of EPCC unless legislation is approved by the General Assembly. Dr. Hilton expressed concern that FSSA is making efforts to thwart the successful operation of EPCC and continuing in its attempt to close EPCC. Dr. Hilton provided the Commission with an Account Narrative from the state's Budstar computer software that states that legislation would be needed to allow a

gradual phase out of EPCC with an anticipated closure date of June 30, 2003. (See Exhibit 2). Dr. Hilton stated that he feels that DMHA and FSSA have failed Indiana's mental health consumers and taxpayers with their recent efforts to close EPCC.

In response to a question concerning how FSSA should be organized, Dr. Hilton stated that the DMHA is not functioning well and that a possible consideration may be to include mental health professionals as part of the DMHA's structure. Responding to a question concerning the number of children currently treated at EPCC, Dr. Hilton stated that EPCC currently has 18 children who are patients and two additional children who will be admitted soon. Before FSSA announced the closure of EPCC, 24 or 25 children were patients at EPCC.

Carole Davis, Child Advocate, Evansville, IN

Ms. Davis asked the Commission to review a document entitled Indiana Child Welfare - State of our Child which was published by the Center for Urban Policy and the Environment in 1997. Ms. Davis stated that this report accurately depicts the status of Indiana's children. Ms. Davis opined that Secretary Hamilton should be replaced.

Kathy Williams, Indiana Coalition for Human Services, and Indiana Association on Area Agencies of Aging

Ms. Williams stated that the Indiana Coalition for Human Services and the Association on Area Agencies of Aging represent children, seniors, and poor people who receive FSSA services. Ms. Williams remarked that because FSSA is such a big agency, there is little opportunity for meaningful input in policy making. As an example, Ms. Williams stated that the Division of Disability and Rehabilitative Services' Advisory Commission has not met in a year. Sometimes, policy changes are announced in training sessions without prior notice. Ms. Williams further commented that FSSA needed to be fully staffed so that the agency could better perform its duties.

Ms. Williams told the Commission that relocating the office of Medicaid policy and planning (OMPP) to the Department of Health causes her great concern because she does not feel that the focus of Medicaid should be on a medical model.

Sharon Pierce, The Villages of Indiana, Chair, IARCCA Public Policy Committee

Ms. Pierce stated that she supports FSSA for its coordination of services for individuals in need. (See Exhibit 3). Ms. Pierce opposes moving OMPP anywhere, including to the Department of Health. Ms. Pierce commented that FSSA should be fully staffed and that continuity in executive leadership is important.

The Commission discussed whether one of its recommendations should be to have an outside entity perform an independent review, and make recommendations on how FSSA should be structured.

Ms. Pierce was asked to provide the Commission with a written list of FSSA successes. Ms. Pierce responded that she would do so and mentioned that some successes include the Title 40 Initiative, Special Needs Adoption Initiative, and the Healthy Families program.

Jim Jones, Executive Director, Indiana Council of Community Mental Health Centers, Inc.

Mr. Jones stated that his remarks would focus on mental health issues and services in Indiana. Mr. Jones commented that it was easier to focus attention on mental health issues when the Department of Mental Health and Addiction was a separate agency and not part of FSSA. Mr. Jones remarked that the same issue, funding, exists in providing mental health services in the community or in an institution. The challenge is how to coordinate the use of funds to serve the most people. A group of people that are at the highest risk of not receiving mental services are the medically indigent who are not Medicaid eligible.

Mr. Jones stated that it would be hard to separate OMPP and DMHA since so much of the funding for mental health is tied to Medicaid. The Commission asked Mr. Jones to submit in writing the accomplishments and problems of state mental health programs.

Responding to a question concerning whether the Director of DMHA should be required to have a mental educational background, Mr. Jones stated that while this may be a good quality, such a requirement would limit the applicant pool and it is important to have someone who is a good administrator and who manages resources effectively in this position. In response to a question concerning whether a Director of DMHA who does not have a mental educational background should make clinical decisions about the placement of an individual, Mr. Jones stated that these decisions should be made with medical input.

Mr. Jones further stated that it is hard to find qualified psychologists in rural areas. Another problem is finding minorities to service the non-English speaking population.

The Commission asked staff to contact county auditors and find out how much counties spend on mental services for juvenile and adult incarceration, and how much is spent on out-of-state placement. Staff was also asked to find out how much casino revenue is used at the county level for gambling addiction services and how much of that money is reverting back to the state.

The Commission requested that Mr. Hamilton attend the next Commission meeting in order to respond to whether FSSA will be pursuing the closure of EPCC. The meeting adjourned at 12:45 p.m.