

**JOINT FINANCE COMMITTEE HEARING
FISCAL YEAR 2023 BUDGET**



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ASSOCIATE DEPUTY SECRETARY/
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OFFICE OF THE SECRETARY, ADMINISTRATION
Department of Health and Social Services
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Legislative Hall, Joint Finance Committee Room

Good Morning Senator Paradee, Representative Carson, members of the Joint Finance Committee, and members of the public.

I am Dava Newman, Associate Deputy Secretary/Chief Operating Officer for the Department of Health and Social Services (DHSS).

Thank you for the opportunity to speak with you today and present our accomplishments and Fiscal Year (FY) 2023 Governor's Recommended Budget.

DIVISION OVERVIEW



The Office of the Secretary (OSEC), Administration is responsible for managing all the functions that are centralized across the Department of Health and Social Services (DHSS), including Financial Management and Budget Analysis; Contracts Management and Procurement; Information Resources Management; Quality Control; Audit Recovery and Management Services; and Facility Operations and Public Safety.

DIVISION MISSION STATEMENT

To provide high-quality leadership and technical expertise in DHSS through efficient and cost-effective management of human, financial information, evaluative and facility resources.



Our Mission is “To provide high-quality leadership and technical expertise in DHSS through efficient and cost-effective management of human, financial information, evaluative and facility resources.”

DIVISION STRATEGIC FOCUS

To leverage departmental resources so that our divisions can focus on serving the citizens of Delaware as we work to be the *lifeline to the frontline*.



Our Strategic Focus is “To leverage departmental resources so that our divisions can focus on serving the citizens of Delaware as we work to be the lifeline to the frontline.”

ACCOMPLISHMENTS

- The DHSS Leadership Academy has been set up and will start March 7, 2022.
- Centralization of business functions was initiated.
- Statewide leadership for Public Safety and Security was established.
- Facility Operations & Housekeeping staff continue to ensure that rigorous housekeeping & sanitation standards were maintained in our 24/7 residential facilities, state service centers and other administrative locations.



Throughout this past year, our staff continued to provide critical support to our sister divisions, so that our colleagues throughout DHSS could continue to respond to the pandemic's health & economic crises.

In recognition of the workforce challenges being faced by the department, OSEC Administration has developed the DHSS Leadership Academy to identify and develop future leaders within the department. The first cohort of 19 employees will begin in March.

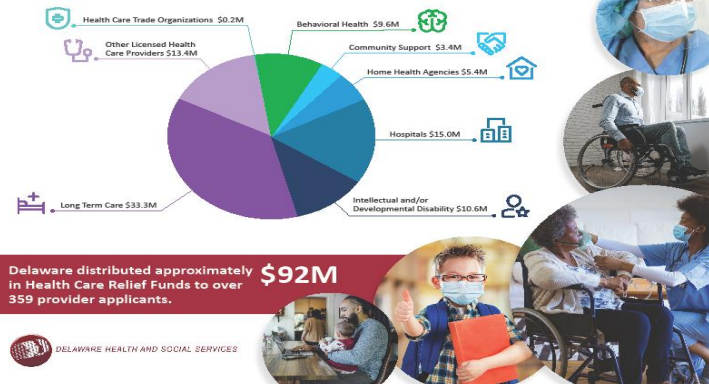
In consideration of the DHSS Reorganization Committee's final recommendations, the Governor's initiatives such as the Family Services Cabinet Council and Government Efficiency and Accountability Review (GEAR) Board, strategic planning initiatives, and staff and stakeholder feedback, OSEC Administration Initiated centralization of the department's business functions, including contracting and procurement, grants administration, and business office operations.

As part of an effort to modernize public safety and security practices, OSEC Administration installed a Chief of Public Safety and Security to oversee and coordinate security policies and initiatives statewide.

Facility Operations & Housekeeping staff ensured that rigorous housekeeping & sanitation standards were maintained in our 24/7 residential facilities, state service centers, and other administrative locations. They will continue this work as long as is necessary through the pandemic.

ACCOMPLISHMENTS – PANDEMIC RESPONSE

Health Care Relief Fund



Our teams supported & spearheaded other initiatives such as:

- The Office of the Secretary & OSEC Administration partnered to create and implement the Delaware Health Care Relief Fund. Through two rounds of funding, there was approximately \$92 million in funds distributed to over 359 provider applicants to relieve financial stressors from the pandemic.
- OSEC Administration distributed funding for an additional initiative using American Rescue Plan Act (ARPA) funds. To date, under the Delaware Hospital Relief Fund and Delaware Healthcare Facilities Fund, there have been 50 payments to support Delaware hospitals and long-term care facilities, totaling \$47 million.

LOOKING AHEAD

- Continue Centralization of Business Functions
- Security Initiatives
- Workforce Challenges



Centralization of Business Functions: We are continuing work towards centralizing business functions across the department using a collaborative approach with each division. Thus far, we have centralized staff from two divisions. Our anticipated timeline for completion is between 18 and 24 months. Benefits of the centralization include: Identifying best practices that can be implemented uniformly; standardizing policies/procedures to ensure consistency; reducing duplication of efforts/streamlining processes; supporting staff through mentoring/training and promoting work/life balance.

Security Initiatives: We are committed to increasing the overall safety of our DHSS community for our clients, staff, and business partners. Throughout this year, we will be focusing on completing safety assessments of various DHSS locations. This includes reviewing safety policies and procedures and access control features in place, as well as CCTV camera systems; and evaluation of life-saving equipment. We will also be coordinating training for DHSS staff covering topics such as Workplace Violence, Access Control, and Fire Safety and conducting town hall-style discussions with an emphasis on safety.

Workforce Challenges: I would like to thank Governor Carney and the Joint Finance Committee for their consideration around pay policy particularly as it relates to lower paygrades. OSEC Administration is stood up by a workforce that is comprised of 22% at a paygrade 7 or lower-earning as little as \$13.25 per hour. Many of these hardworking state employees qualify for DHSS services themselves even in full-time employment.

FY 2023 GOVERNOR'S RECOMMENDED BUDGET

FY 2023 Governor's Recommended Budget (\$ in thousands)

	GF	ASF	NSF	Total
FTEs	467.4	17.0	68.3	552.7
Dollars (\$)	45,487.0	8,225.4	10,532.2	64,244.6

**Budget Definitions:**

GF – General Funds
ASF – Appropriated Special Funds
NSF – Non-Appropriated Special Funds
FTEs – Full Time Equivalent Positions

The slide above shows the budget included in the FY 2023 Governor's Recommended Budget (GRB).

Our Division's FY 2023 GRB is:

- \$45,487.0 [Forty-Five Million, Four Hundred Eighty-Seven Thousand dollars] in General Funds (GF);
- \$8,225.4 [Eight Million, Two Hundred Twenty-Five Thousand, Four Hundred dollars] in Appropriated Special Fund (ASF) spending authority; and
- \$10,532.2 [Ten Million, Five Hundred Thirty-Two Thousand, Two Hundred dollars] in Non-Appropriated Special Funds (NSF).

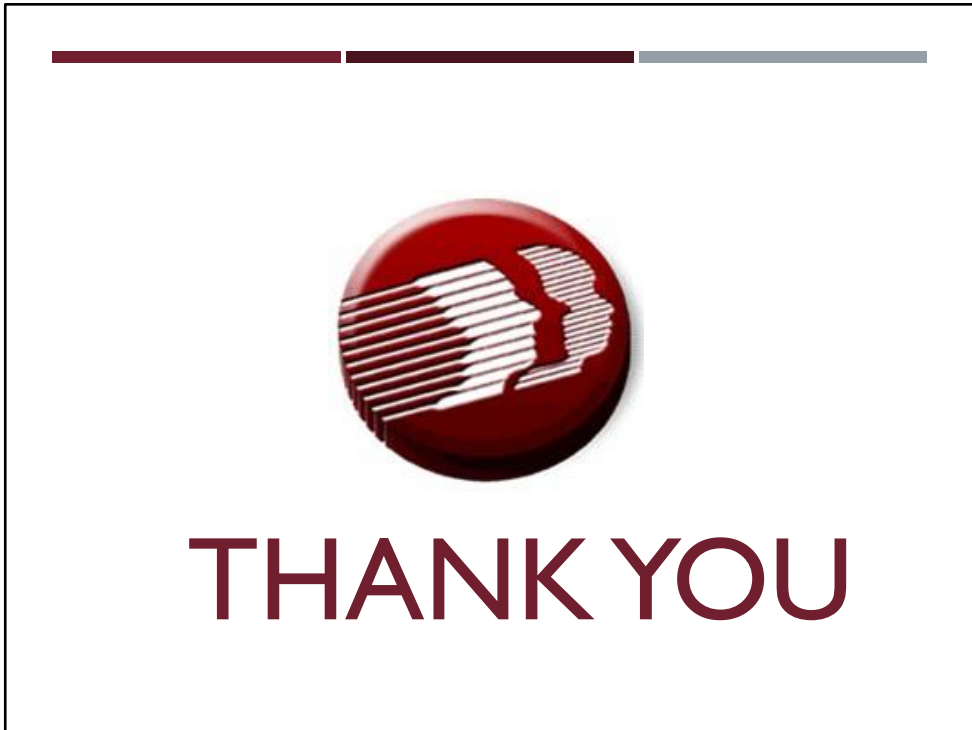
FY 2023 GOVERNOR'S RECOMMENDED BUDGET

- \$500.0 – Annualization of the Health Care Provider Loan Repayment Program
- \$3,127.0 – Information Resource Management Support (One-time)
- \$400.0 – Security Initiatives (One-time)



We are grateful for the support in the Governor's Recommended Budget, which includes the following items:

- \$500.0 [Five Hundred Thousand dollars] to annualize funding for the Health Care Provider Loan Repayment Program. This program will award education loan repayment grants to qualifying clinicians of up to \$50,000 per year for a maximum of four years and will be administered by the Delaware Health Care Commission.
- \$3,127.0 [Three Million, One Hundred Twenty-Seven Thousand dollars] in one-time funds for IRM Support. These funds will be used to replace a Cisco Blade Server Chassis, as well as PCs greater than 5 years old throughout the Department.
- \$400.0 [Four Hundred Thousand dollars] in one-time funds for Security items, which includes a centralized security command center and purchase of additional security cameras on various DHSS campuses and State Service Centers.



Thank you for the opportunity to share with you the challenges and opportunities facing our division.

I am happy to answer any questions you may have.