

JOINT FINANCE COMMITTEE HEARING FISCAL YEAR 2022 BUDGET



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DIVISION of MANAGEMENT SERVICES
Department of Health and Social Services
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Virtual, conducted via Zoom

Comments available online at <https://dhss.delaware.gov/>

Good Morning Representative Carson, Senator Paradee, members of the Joint Finance Committee and members of the public. I am Dava Newnam, Director of the Division of Management Services (DMS). With me today is Michele Stant, Deputy Director.

Thank you for the opportunity to speak with you today and present our accomplishments and Fiscal Year (FY) 2022 Governor's Recommended Budget.

DIVISION OVERVIEW



The Division of Management Services 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 .

DMS ACCOMPLISHMENTS – PANDEMIC RESPONSE

Telehealth



Telework



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Supporting the whole department, DMS staff ensure that our colleagues throughout DHSS can respond to the pandemic's health & economic crises.

In February 2020, DHSS submitted a departmentwide **Telework** Plan to the Department of Human Resources for approval. Because of these efforts, DMS was able to deploy over 2,000 employees to work from home within three weeks of the beginning of the pandemic. The plan proved to be both scalable and sustainable beyond the pandemic.

COVID-19 also changed how medical and health services were delivered, and evolved from if **telehealth** could be provided to how. The partnership of the DHSS Office of Telehealth and the Delaware Telehealth Coalition supported temporary legislation to make telehealth services more readily available during the pandemic.

DMS ACCOMPLISHMENTS – PANDEMIC RESPONSE

- **Health Care Relief Funds**
 - \$49+ million to nearly 200 Delaware health & community organizations
- **Housekeeping & Sanitation** in DHSS Facilities
 - COVID compliant practices in 24/7 facilities & state service centers
 - Sanitizers in administrative buildings
- **Reduced adverse actions** against clients receiving benefits via federal waivers



Our teams supported & spearheaded other initiatives such as:

- Management Services & the Office of the Secretary partnered to create and implement the **Delaware Health Care Relief Fund**. 182 applications in 9 distinct categories were approved, and approximately \$49 million in funds were distributed to health care providers and community partners to relieve financial stressors from the pandemic.
- DMS 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 through the pandemic.
- Audit Recovery & Management Services and Quality Control units requested and received **federal waivers** and complied with federal mandates which increased client benefits, allowed review flexibility, and resulted in fewer adverse actions against clients.

LOOKING AHEAD



Along with the pandemic response, DMS staff have continued to work on departmentwide initiatives that will move us into the future.

Earlier this month, our consultant previewed the **Rate Setting Roadmap**, which is the first recommendation from the Rate Methodology Study released in June 2020. The road map will create more transparent, data-driven rate setting and rate adoption practices. We cannot do this work alone and hope that this roadmap furthers the partnership with our community providers.

In July 2020, DHSS released a draft **Strategic Plan** to achieve the goals of focusing on person-centered planning; improving the public health and safety infrastructure; promoting communication; enhancing and integrating data; and supporting continuous improvement and increased efficiency. The results of this draft are pre-pandemic and will need to evolve to incorporate changing times and lessons learned. We consider this to be a living document.

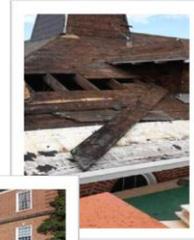
In FY 2020 based on feedback from our stakeholders, we implemented software programs to create **procurement streamlining**. The software implementations resulted in significantly lower turn-around times and more efficient contract processing.

More information is available on our website:

- Rate Methodology Information: <https://dhss.delaware.gov/dhss/dms/rmp/ratemethodologyreport.html>
- Draft DHSS Strategic Plan: https://dhss.delaware.gov/dhss/files/strategicplan_final071620.pdf
- Bonfire eProcurement Software: <https://dhss.bonfirehub.com/portal>

LOOKING AHEAD

Public Safety
Security
Energy
Efficiency



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With 3 campuses and 15 state service centers across the state, DHSS hosts a full range of administrative, public access and residential facilities. Our safety organizational review resulted in a **Public Safety Modernization Plan** with over 200 recommendations to improve safety and security for our staff and clients

In November 2020, Phase 2 of the Department's **Energy Savings Plan** launched. The estimated savings from this project is \$277,000 annually. These savings are reinvested into future energy-saving initiatives.

FY 2022 GOVERNOR'S RECOMMENDED BUDGET

FY 2022 Governor's Recommended Budget (\$ in thousands)

	GF	ASF	NSF	Total
FTEs	435.6	17.0	68.1	520.7
Dollars (\$)	\$41,706.1	7,875.4	10,532.2	60,113.7

Budget Definitions:

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



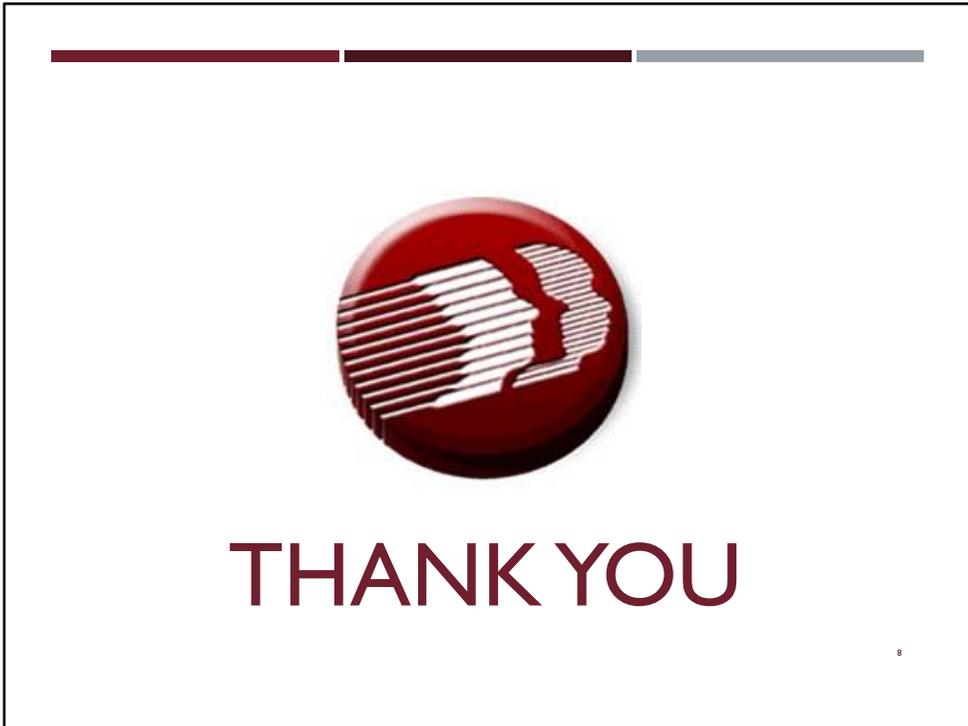
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This slide shows the DMS budget included in the FY 2022 Governor's Recommended Budget (GRB).

Our Division's FY 2022 GRB is:

- \$41,706.1 million [Forty-One Million, Seven Hundred Six Thousand, One Hundred dollars] in General Funds (GF);
- \$7.8 million [Seven Million, Eight Hundred Seventy-Five Thousand, Four Hundred dollars] in Appropriated Special Fund (ASF) Spending Authority; and
- \$10.5 million [Ten Million, Five Hundred Thirty-Two Thousand, Two Hundred dollars] in Non-Appropriated Special Funds (NSF).

We are grateful for the support in the Governor's Recommended Budget, which includes \$500.0 [500 hundred thousand dollars] to establish a 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.



Thank you for the opportunity to share with you the challenges and opportunities facing the Division of Management Services.

I am happy to answer any questions you may have.