

A Sampling of Streamlining Activities in Other States

The Office of Fiscal and Program Review

July 22, 2009

State: Washington

Name of Task Force: Government Reform Package

Year: 2009

Type (Legislative, Independent, Executive etc): Governor's Proposals

Purpose:

- Revamp the way programs and services are provided throughout the state

Process:

- Generated "Decision Document": a list of 87 ideas via brainstorming meetings (Budget Office and Governor's staff)
 - Identified whether each idea:
 - Saved money or increased revenue
 - Was a "Mature Idea" (i.e. the time is ripe)
 - Improved Service or Governance.
- Requested all agencies to further screen the ideas among agency
- Performed thorough analysis on remaining items

Note: A copy of the Decision Document was requested under the states version of Freedom of Information. The request was initially refused by the Governor citing executive privilege but was released one month later.

Sampling of Potential Savings Considered:

- Eliminate more than 150 boards, commissions and advisory committees (list is available)
- Merge the Health Care Authority and the Department of Retirement Systems
- Merge the historical societies
- Eliminate the Film Office
- Eliminate the State Library
- Eliminate the Passenger Rail Program
- Combine the Lottery, Gambling and Horse Racing Commissions
- Absorb State Conservation Commission into Dept. of Agriculture
- Privatize state printing

State: Michigan

Name of Task Force: Legislative Commission on Government Efficiency

Year: 2009 (Report Due 10/1/09)

Type (Legislative, Independent, Executive etc): Legislative with some Executive members

Purpose:

- Consolidate, streamline and make more efficient the functions and services conducted by state agencies
- Recommend reforms to reduce the number of position classifications and layers of management positions within state agencies
- Assure greater consistency within state agencies in the application of administrative rules and standards.
- Achieve targeted proposed cuts in several key areas (e.g. Corrections, IT, Medicaid)

Process:

- Met 13 times over two years.
- Created ten work groups to review and investigate ways to make state government more efficient: (such as Corrections, Personnel Practices, Purchasing, Corrections etc.).
- Took a set amount of time at the end of each meeting for public comment

Sampling of Potential Savings Considered:

- Close prisons
- Reduce prisoner healthcare costs
- Establish a single state-wide health care system for local government, public school and state employees with benefits comparable to those in the private sector
- Increase Medicaid co-pays
- Remove Medicaid coverage for 19- and 20- year-olds
- Expand Federally Qualified Health Clinics in underserved areas.
- Eliminate local bargaining on health care for teachers.
- Consolidate school districts
- Cap per-pupil funding increases.

State: Nevada

Name of Task Force: Nevada Spending and Government Efficiency (SAGE) Commission

Year: 2008

Type (Legislative, Independent, Executive etc): A privately funded, bi-partisan panel created by Executive Order of Governor. Members were appointed by Governor based on recommendations from Assembly and the Senate leadership and the Governor's own election.

Purpose:

- Streamline operations
- Improve customer service
- Maximize the use of taxpayer dollars.

Process:

- Requested ideas from cabinet officers
- Reviewed reports made to previous governors and issues previously addressed by the Legislature for which no or incomplete action was taken.
- Established a website for solicitation of ideas and reporting on the work of the commission
- Some agency suggestions were already included in its budget request.

Sampling of Potential Savings Considered:

- Review staffing ratios in state operated psychiatric facilities against private sector and national norms.
- Contract with any digital printer in the State willing to accept preset terms (similar to the US Government Printing Office 'GPO Express').
- Evaluate a four-day work week for all non-critical State employees (Utah's one-year pilot program will end in August)
- Modify retirement benefits for Public Employees first employed after a set date.
- Create a statutory Evaluation and Sunset Commission to make recommendations on overlap and efficiencies of state agencies, boards and commission.
- Require state agencies to review the fees charged for services every two years to insure that the fees cover the cost of providing the services.

State: Missouri

Name of Task Force: 2005 Missouri State Government Review Commission

Year: 2005

Type (Legislative, Independent, Executive etc): Executive Order. Former elected officials, executive branch employees and legislators (20 members)

Purpose:

- Identify opportunities to restructure, retool, reduce, consolidate, or eliminate state government functions
- Obtain the best most cost-effective state services

Process:

- Divided into six task forces.
- The state departments were divided among the task forces according to their missions
- 42 task force meetings were held.
- Conducted several efficiency reviews that are focused on specific issues or policy areas.

Sampling of Potential Savings Considered:

- Create 11 Interdepartmental Coordination Councils for areas that overlap (job creation, lifetime learning, technology and customer service, laboratory services and utilization, water quality, healthy children, rural affairs, state service delivery, state employee career opportunity, mental health services, and offender reentry)
- Transfer the State Milk Board into a unit of the Animal Health Division of the Department of Agriculture
- Encourage the Department of Agriculture to explore public/private partnerships
- Explore ways to allow agencies to keep a portion of General Fund balances to promote efficient use of resources.
- Increase the dollar threshold for public advertising of construction projects.
- Consolidate the private water supply functions to one agency
- Consolidate state help and information lines
- Reexamine the cost formula used to reimburse nursing homes.
- Implement a single point of entry process for senior services and pre-admission determination screenings.
- Reorganize the Department of Economic Development into three areas: Economic Growth, Economic Regulation and Workforce Development, creating results-driven units
- Consolidate information, accounting and auditing of state tax credit programs.
- Consolidate all appeals of administrative decisions of the Executive Branch (with some exceptions) under an expanded Administrative Hearing Commission.
- Centralize investigations of all internal complaints of discrimination originating within state government in the Commission of Human Rights.

State: California

Name of Task Force: Little Hoover Commission “California Performance Review”

Year: 2004

Type (Legislative, Independent, Executive etc): Independent oversight agency established in 1962 comprised of five appointed members of the public two Senators and two Assembly members.

Purpose:

- Investigate state government operations
- Make recommendations and legislative proposals to promote efficiency, economy and improved service.

Process:

- Role of Subcommittees:
 - Identify key issues
 - Oversee public hearings
 - Develop findings and recommendations
 - Submit a draft report to the full Commission for its consideration.
- Role of the full Commission:
 - Edit adopts and releases the final report
 - Work to implement its recommendations either through legislation or administrative changes.
 - Hold follow-up hearings
 - Issue progress reports until the Commission's recommendations have been enacted or its concerns have been addressed.
 - Make recommendations on proposed government reorganization plans.

Sampling of Potential Savings Considered:

- Require audits from entities independent of the executive branch that examine both the performance of the bond project as well as the dollar amount spent.
- Establish bond oversight committees to ensure bond money is spent efficiently, effectively and as voters intended.
- Develop criteria for evaluating the most effective means of problem-solving before any new board or commission is created and institute a "sunset clause" for all boards and commissions in statute.
- Expand the use of prison furloughs
- Enact legislation enabling judges to identify and direct offenders otherwise bound for prison into community-based sanctions and reallocate funding accordingly.
- Move low-level non-violent female offenders to community-based facilities
- Fund more community-based punishments

State: Texas

Name of Task Force: Texas Performance Review “Limited Government, Unlimited Opportunity”

Year: 2003

Type (Legislative, Independent, Executive etc): Legislative Headed by State Comptroller including a team of analysts from various state agencies and the private sector

Purpose:

- Review state agencies and the programs, services and activities operated by those agencies.
- Recommend improvements to increase efficiency and effectiveness

Process:

- Administered a “Beat Waste” telephone hotline and e-mail address.
- Focused on three areas: General Government, Education and Health and Human Services.

Sampling of Potential Savings Considered:

- Combine the Railroad Commission and the Public Utility Commission
- Abolish the Texas Department of Economic Development
- Centralize Customer Services for Licensing Agencies
- Consider an Internet-based, combined application for Human Services programs
- Create budget incentives for state agencies
- Hold the Department of Information Resources accountable for the success of major information technology initiatives
- Create an ‘Affinity Credit Card’ to support public schools
- Require that the K-12 public education system assume responsibility for the cost of developmental courses at Texas public colleges and universities
- Implement a disease management program for Medicaid patients
- Revise the Medicaid disproportionate share formula and work with hospitals to expand its adoption of the Upper Payment Limit program

State: Virginia

Name of Task Force: Governor's Commission on Efficiency and Effectiveness

Year: 2002

Type (Legislative, Independent, Executive etc): Executive Order, non-government

Purpose:

- Identify redundant and ineffective services
- Streamline and consolidate state agencies and program
- Better use technology to improve service delivery and reduce costs
- Employ 21st century management tools to make state services more efficient.
- Find permanent sustainable savings.

Process:

- Organized its major recommendations into three areas:
 - Proposals to streamline, consolidate, and outsource approximately 15% of existing state agencies and departments.
 - Specific identification of savings totally \$750 million annually that can be achieved by changing the way the state performs some of its business operations
 - Proposals for continuous improvement.

Sampling of Potential Savings Considered:

- Consolidate the Charitable Gaming Commission, Racing Commission and Lottery into a single department
- Utilize a return of investment criteria for consultant engagements and implement periodic external reviews of consultant utilization and renewal procedures.
- Authorize legislation to enable the use of reverse auctioning as a permanent procurement tool.
- Strategically manage the lease expiration and renewal process, including the leases that will expire in the next year
- Explore beneficial sale-leaseback opportunities for the property that the Commonwealth presently owns.
- Standardize collection management across agencies
- Shorten the time period for declaring accounts delinquent
- Develop better collections agency strategies and provide settlement guidelines to agencies
- Use "debt sales" to raise dollars from its uncollectible receivables.
- Change the budget cycle so that an incoming Governor would offer modifications to the second year of a biennial budget upon taking office.
- Revisit the actuarial assumptions of the retirement system and consider whether it would be appropriate to have a partial or whole conversion to a defined contribution plan.

State: North Carolina

Name of Task Force: Governor's Commission to Promote Government Efficiency and Savings on State Spending

Year: 2002

Type (Legislative, Independent, Executive etc): Executive Order, non-government members

Purpose:

- Identify long-run efficiencies (personnel, information technology, program duplication)
- Elimination of programs that are not part of the government's core mission.
- Find \$25 million in savings

Process:

- Organized into three subcommittees: The Processes of Government subcommittee; the Structure of Government subcommittee; and the Capital Management subcommittee
- Subcommittees received input from state agencies, local government associations and officials, representatives of the business community and other members of the public.
- Towards the end of the process, most of the work was done in full Commission meetings due to staff and member conflicts

Sampling of Potential Savings Considered:

- Prospectively eliminate longevity pay and fund additional pay for excellent service
- Change eligibility standards for retiree health insurance and retirement benefits to mirror practices in the private sector (increase amount of service time to be eligible, establish minimum age etc)
- Broaden the risk pool for the state health plan by using employee contributions to their own health care premiums to partially defray the cost of dependent coverage.
- Modernize legacy applications and systems (IT)
- Centralize the collection of revenues in a single agency
- Create public defender offices in lieu of using the private bar.
- Privatize child support collections
- Consolidate workforce development programs
- Reduce frequency of services such as trash pickup and lawn services
- Focus on the core mission of each agency. Require agencies to identify their core activities and priorities and describe the implications and cost savings of eliminating other activities.
- Establish incentives to control costs by allowing agencies and departments to retain a portion of unused appropriations.

State: Iowa

Name of Task Force: Program Elimination Commission

Year: 2002

Type (Legislative, Independent, Executive etc): Legislative

Purpose:

- General Fund Savings (2%)
- Review state and local government programs and functions
- Consider selling public assets
- Provide for performance of public functions by nongovernmental entities

Process:

- Held 11 meetings between August and December
- Conducted a high level overview of government services then focused on selected core areas.
- Core areas were: Strong families, public safety, workforce and economic development, agriculture, natural resources, education and internal functions.
- Focused on pilot projects or demonstration programs for particular attention. Asked agencies to provide information on programs desired results, data and funding.
- Requested written materials in advance with agency representatives available for questions rather than a set presentation.
- Gathered demographic information on school enrollment trends, birth rates and optimum size for high schools.
- Members submitted reform proposals by a given deadline) for discussion by full committee.

Sampling of Potential Savings Considered:

- Establish a Blue Ribbon Commission to look at converting underutilized mental health institutes to alternate uses.
- Collocate and coordinate all programs dealing with early childhood care and education in the Department of Education
- Look at role of mandatory sentences in growth of prison population.
- Consider applying for a “frail elderly waiver” under Medicaid Program
- Screen for veterans benefit eligibility during nursing home intake
- Put more resources into substance abuse intervention and treatment to reduce the need for corrections and human services expenditures.
- Merge Economic Development and Workforce Development
- Establish a pilot program to enable parents/schools to use special education dollars to utilize alternate programs.
- Require monthly income reporting for Medicaid eligibility
- Consider extracurricular programs in public schools that do not offer credit hours to be clubs with no tax dollars used to support the program, staff or equipment.
- Consolidate marketing functions in various agencies (such as agriculture) to the Department of Economic Development