

**RE-THINKING THE NIAGARA
COUNTY DEPARTMENT OF
SOCIAL SERVICES
PREPARING DSS FOR THE FUTURE**

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Rochester, NY 14614-1125

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August, 2001



*Research to drive informed decisions.
Expertise to create effective solutions.*

RE-THINKING THE NIAGARA COUNTY DEPARTMENT OF SOCIAL SERVICES PREPARING DSS FOR THE FUTURE

Prepared for:
Niagara County Legislature and Department of Social Services Commissioner

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PREPARING DSS FOR THE FUTURE

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SUMMARY

In a separate report to the County last year on overall Niagara County government operations (*Niagara County Workforce 2000*, March 2000), CGR recommended that County government as a whole should re-think how it functions, and restructure itself in various ways to best meet a variety of changing circumstances impacting on the County and its resources. This report applies much of the same logic in microcosm to the Department of Social Services.

The focus of this report is on the development of a strategic plan to guide the Department's efforts for the next three to five years. While laying out the dimensions of such a long-range plan and guidelines, we also spell out immediate actions which can be implemented along the way. Throughout the report, the focus is on what should be the Department's mission, how that is changing, and what implications those changes should have on how DSS does its business in the future. Recommendations were influenced by many insightful suggestions and comments made by more than 200 DSS employees with whom we met during the study.

In order to best prepare the Department for the needs and goals of the future, the report offers a number of suggestions for DSS to consider which would, we believe, strengthen its ability to meet the needs of its various constituencies in the future. A number of recommendations are made which would reorganize several units of the Department along more rational, functional lines, while at the same time improving services and saving taxpayers money. If the numerous recommendations made in the report were to be implemented, DSS services would be improved, clients would be

better served, the environment in which staff work would be improved, higher proportions of those served by DSS would be more self-sufficient, DSS would have better ways of measuring its impact in the community, and taxpayers would be happier because of greater efficiencies and more cost effective service delivery within the Department

Hopefully this report will be used as the basis of a comprehensive strategic review of DSS by the Department and the Social Services Committee of the Legislature—a review that should result in the development of a strategic plan to guide DSS over the first half of the new decade.

Contributing Staff

Significant parts of the research, analysis, and report generation on this project were carried out by Kimberly Hood and James Fatula.

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I. INTRODUCTION: PURPOSE OF THE PROJECT

The Department of Social Services is the largest department in Niagara County government, both in terms of budget and staff. As of May 2001, DSS employed about 465 people—nearly one-quarter of the County’s entire work force—to carry out the broad mission and wide variety of functions assigned to the Department. The 2001 DSS budget of almost \$89 million represents about 42% of the County’s total 2001 annual budget. Moreover, the County share of the DSS budget, about \$36.9 million, accounts for more than two-thirds of the total 2001 property tax levy for County government.

Despite welfare reform and the resulting significant reductions in expenditures for the costly family assistance and safety net assistance programs—and, despite a reduction of about 4% in the DSS workforce in the past two to three years—the Department’s overall costs continue to increase. The net increases are in large part a function of the continued rapid expansion of Medicaid costs, and of the recently-negotiated County government/labor settlement, which has resulted in substantial increases in Departmental personnel and fringe benefit costs.

Re-Thinking DSS

In this context of a large Department with rising costs—yet with significant *opportunities* created by welfare reform and the myriad changes in funding and expectations that have been created in response to those reform efforts—the County and DSS now have a wonderful opportunity, under committed new leadership, to creatively and strategically *re-think* the Department’s goals and directions, and how it deploys its resources most productively, and for what purpose, in the future. This CGR report, which summarizes an extensive management and strategic planning study of the Department requested by the County Legislature and DSS Commissioner Anthony Restaino, is designed to help the County and the Department engage in that re-thinking process.

In a separate report to the County last year on overall Niagara County government operations (*Niagara County Workforce 2000*, March 2000), CGR recommended that County government as a whole should re-think how it functions, and restructure itself in

various ways to best meet a variety of changing circumstances impacting on the County and its resources. This report applies much of the same logic in microcosm to DSS.

The Project's Focus

We started with several key questions and assumptions. The first assumption, borne out by initial discussions with legislators and Departmental leadership, was that the Department's mission remains extremely important, and that it is changing in a variety of ways. Common sense, and changes in legislation, regulations, the economy and societal imperatives, all suggest that *the Department's primary role is increasingly to help more people become more self-sufficient, and to help prevent or reduce the incidence and effects of costly out-of-home placements and of various dysfunctional and non-productive behaviors among youth and families.*

Given that focus, the way in which DSS allocates its staff and financial resources becomes critical, and needs to be assessed as objectively as possible, leading to the most mission-driven, efficient and productive staffing patterns possible. Fewer staff may be needed in some functional areas in the future, while in other areas, more staff may be needed to make it possible to carry out the Department's mission. *The key is that such decisions should be made not as isolated personnel decisions, but as part of a comprehensive strategic analysis and plan indicating where staff resources are most needed in order to carry out the Department's mission and its existing and changing functions over the next few years.*

Starting from those core assumptions about changes in mission and the resulting need to redeploy resources to best carry out the mission and tasks of a "new DSS," our work on this study, and the recommendations resulting from it, were shaped and driven by four key principles or management concepts, borrowed and adapted from Peter Drucker, respected expert on the management of change in large organizations. These concepts are briefly described here, and continue to reappear as themes shaping recommendations throughout the remainder of the report:

- ❖ **Functional and Systems Approaches:** Across DSS, rather than starting with "what is" and being limited by the current structure, we focused first on the core mission and functions that need to be accomplished, and on what are the desired outcomes or results—and on how those may be changing. With those as the starting

points, it is then reasonable to figure out the best ways to organize and deploy resources to accomplish the functions—rather than the more traditional approach of trying to fit resources and tasks into an existing structure that may or may not be appropriate to changing missions and functions.

- ❖ **Integrated Strategic Planning:** Throughout the study and our discussions with staff, we attempted to focus on planning for the next three to five years. As trite as it may sound, “If you don’t know where you’re going, you won’t know how to get there.” *Too often in the past, decisions have been made about DSS in a vacuum, as isolated decisions with no underlying philosophy or context to guide them. As a result, many of those decisions have not prepared the Department well for its future. The focus of this report is on the development of a strategic plan to guide the Department’s efforts for the next three to five years as it works to meet the goal of preparing individuals and families to become more self-sufficient and less dependent on public assistance. While laying out the dimensions of such a long-range plan and guidelines, we also spell out immediate actions which can be implemented along the way, along with short-term and intermediate payoffs and benefits to the County.*
- ❖ **Empowering People to Do What is Needed:** Throughout this process, CGR staff were reminded again and again of the creativity, ingenuity, talents and overall resourcefulness of the Department’s primary assets—its staff. Too often in the past, those resources have not been called on or challenged sufficiently. *There are clearly substantial numbers of committed, motivated, skilled people in the workforce who are eager to make more of a difference than they have been asked to make in the past—and who simply need to be given the proper leadership and challenges to unleash these often-untapped skills and insights. Already, just over the past few months, CGR has observed numerous examples within DSS of new initiatives undertaken and productive discussions begun about possible new approaches, at least in part in response to questions we were raising during the study. These developments are a healthy sign of a Department willing to engage in change and in improving itself, its services, and its productivity and efficiency.*
- ❖ **Analyzing Information for Better Management:** Far too often during the study, we requested key information that was not routinely collected and/or was not used consistently for managing

the Department or its individual functions. Even some of what is regularly collected is not used in a consistent fashion to help shape management decisions or decisions about the deployment of resources. There are some encouraging signs that this is beginning to change under current leadership, but *more emphasis is needed on the measurement and tracking of outcome measures and of the impact and productivity of units and their individual staff.*

Methodology

To address the types of issues outlined above, CGR focused on what is the core mission of the Department and how that has changed or may need to change over time, and how such changes affect the various core functional units within the Department. We also focused on what factors, internal and external, have affected and/or are likely in the future to affect how DSS carries out its mission and functions. We compared current policies, operations, procedures and practices with what changes might be needed to address the changing circumstances over the next few years. Information about current operations and trends, and suggestions about possible improvements and new directions that should be considered, were obtained from interviews with more than 200 current DSS employees, as well as interviews with those in other agencies that do or might in the future interact with DSS.

Information obtained from interviews was supplemented during the study with such additional information as reviews of appropriate legislation and regulations; review of various departmental memos and internal reports; analysis of trends in budgets and staffing patterns; trends in cases and workload across various units and functional areas; trends in caseloads of individual workers; review of other data appropriate to particular units; and comparisons of staffing patterns, caseloads and practices with those of selected comparison counties.

Remainder of the Report

The remaining chapters of the report focus on a more detailed discussion of the context, internal and external factors, and assumptions affecting the Department and its future operations; a variety of policy, management and structural reorganization issues which need to be addressed at the overall Department level, including specific recommendations for DSS and Legislature consideration; and conclusions and recommendations affecting specific divisions and units throughout the Department. The final

chapter summarizes the major recommendations; suggested timelines for their implementation; and their service, management and financial implications (both short-term, including for the current year and 2002 budget year, and longer-range).

In the interests of making this report as user-friendly as possible for Legislators and Departmental leadership and staff to digest and act on, CGR has made the report as action- and recommendation-oriented as possible. We have chosen to leave out much detailed descriptive information about various functions, and to provide only as much background information as needed by the reader to understand the logic, assumptions and rationale underlying our recommendations. If more details are needed, they can be supplied as background separate from this report.

II. CONTEXT AND UNDERLYING ASSUMPTIONS

The analyses, conclusions and recommendations which follow in the remaining chapters of this report are affected by a number of factors and underlying assumptions. Many factors external to County government, coupled with internal factors under the direct control of the County and/or DSS, already are, or soon will be, having an impact on how the Department of Social Services functions and will need to carry out its mission and functions in the future. These factors, and other assumptions made early on in the study, have implications for each of the issues discussed throughout the report. As such, many of the factors summarized below will be referenced again later in the report, to the extent that they directly affect specific issues and help shape specific recommendations for the future. Among the most significant of these factors and assumptions are the following, highlighted briefly below:

External Factors

The Department of Social Services, and certainly the larger County government, function in the context of an external environment over which local government often has little or no control, but which has a significant impact on how it functions and what it is able to do, is called upon to do, and in many cases must do. What the Department focuses on and is able to do is affected by, among other things, the following external factors:

- ❖ Despite the overall population growth in New York State between 1990 and 2000, Niagara County experienced no population growth during the decade, and indeed lost about 900 people. Thus Niagara County has essentially remained relatively stable in its overall population compared to 10 years ago, but has lost ground compared to the State as a whole.
- ❖ Significant shifts have occurred in the overall population within the county borders. All three cities combined lost a total of more than 10,000 people since 1990: Niagara Falls lost more than 6,200 people, about a 10% reduction, and the cities of Lockport and North Tonawanda lost more than 2,100 and 1,700 residents, respectively. Most of the other clusters of population, in the

villages, also lost people. By contrast, all but two of the towns gained population, led by the towns of Lockport and Wheatfield, each of which grew by about 3,000 people (growth rates of 18% and 27%, respectively), and Pendleton, which gained more than 1,000 people (up 21%). Thus the proportion of the county's residents living in its three cities has declined from 55% in 1990 to just over 50% 10 years later.

- ❖ The county's 65+ population represents 15.4% of the total number of residents in the county, compared to 12.9% statewide. The concentration of older people is among the highest of any county in the state. As the older population increases in numbers and lives longer, this has significant potential implications for future services for the elderly, including growth in demand for services paid for by Medicaid.
- ❖ The local economy, even during the growth years of the 1990s, struggled to hold its own.
- ❖ The rapid advances of technology have made possible improved communications and higher degrees of speed, efficiencies and productivity, but DSS has not taken full advantage of such advances, with significant shortfalls across various functional areas in hardware, software capability, and staff training.
- ❖ DSS operates under significant numbers of state and federal mandates, and indeed virtually all of what the Department does is mandated in some way.
- ❖ Welfare reform has obviously had a major impact on how the Department operates; it continues to have significant implications for changes in the core mission and support services offered by the Department, with ever-increasing needs for new service-provision strategies and expanded support services to make self-sufficiency and sustained employment possible for those still on or recently removed from the public assistance rolls.
- ❖ The 5-year lifetime limits on federally-funded temporary assistance, as mandated by federal legislation, begin to expire in December 2001, with significant potential cost implications for Niagara County, unless people can be terminated from the rolls before they transition after the five years to New York's safety net program, at greater cost liability to both the State and County (more on this issue later in the report).

- ❖ Medicaid rolls and expenditures continue to grow, with significant implications for the State and County budget, and this trend is likely to continue. The statewide implementation of Family Health Plus this fall could further escalate this trend.

Internal Factors

In addition to being affected by external factors over which it often has little direct control, DSS is also directly affected by a variety of factors more internal in nature—a few of which are internal to the Department, but most of which relate to decisions or processes implemented at the overall County government level which have direct implications for how the Department operates, and the resources it has available to carry out its mission. The issues are summarized in one place here, although several will be discussed in more detail in subsequent chapters. Among the most important of those internal factors are the following:

- ❖ The County’s continuing understandable desire to “hold the line” as much as possible on local taxes, especially the property tax levy, coupled with a substantial projected budget shortfall for 2002, gets translated into restrictions placed on DSS (and other departments), and significantly limits the management options available to DSS in many cases.
- ❖ With no County Executive or County Manager or Administrator, policy and, to a great extent, management oversight of DSS resides with the County Legislature and, most specifically, its Social Services Committee. Virtually every decision of significance within the Department, from policy matters to decisions about if and when to fill particular positions, must be approved through the committee structure, meaning, among other things, that decisions rarely historically have been made in a timely manner.
- ❖ Pressures to expand space for local courts and related functions, along with pressures to reduce overall County costs, have compelled DSS to consider ways of consolidating services into a single location, or at least fewer locations than under current operations. This issue is discussed in more detail in the next chapter.
- ❖ Despite a 4% reduction in the number of positions within the Department in recent years, personnel costs have continued to increase—by more than a million dollars from the approved 2000 budget to the 2001 approved budget—in part as a result of the

labor settlement negotiated last year between the Legislature and the Union representing the bulk of the County's employees, including virtually all non-management employees of DSS.

- ❖ More than 20% of the DSS workforce could be eligible for retirement within the next three to four years. This, coupled with significant amounts of turnover and shifting of staff across areas within the Department, has significant potential implications for future planning, staff deployment, cross-training and preparation for future assignments, and opportunities to consider future shifts in resources via attrition.
- ❖ For the past year or so, DSS has been under new leadership. For the first time in many years, the Department has a Commissioner and a Deputy Commissioner who are not "veterans" with previous career experience within the Department. The new leadership, and their commitment and openness to change, offers an opportunity for the Department to consider fresh approaches and new initiatives in response to changing demands and opportunities.

Underlying Assumptions

Beyond the implications of various internal and external factors for the current and future mission and operations of the Department, some other underlying assumptions should be noted that affected CGR's thinking and analyses throughout this study—and the types, timing and potential cost as well as cost-saving implications of our recommendations:

- ❖ *This report and its recommendations are not meant to be a "quick fix" to solve the projected budget shortfall of the County for 2002. It will absolutely help reduce costs somewhat in the short run, as early as the remainder of the current budget year, and is certainly designed to put the Department on the road to greater efficiencies, cost savings and improved services. But the biggest impact of the study, if its recommendations are implemented, will be in the future, as changes are fully implemented concerning how decisions are made, long-range planning is implemented, better controls are implemented over program costs, and changes are implemented through reallocation of staff and via attrition.*

- ❖ This report primarily focuses on planning and organizing the Department to meet the needs of the future. It focuses on setting in motion changes and procedures to respond to what the Department needs to look like, and what it needs to be doing, in 2002, 2003, 2004 and 2005. It suggests what changes are needed, and how and when to implement the needed changes.
- ❖ We committed at the beginning of this study, in discussions with the Legislature and the Department, that we would not make any recommendations that would lead to anyone losing his/her job or being fired as a result of our recommendations. That is, *any elimination of positions we propose would be accomplished through attrition and not through eliminating a position with an incumbent in it.* This has the effect of limiting the potential for immediate, short-term savings resulting from the study. However, even with such limitations, short-term savings are possible, and staff and positions may indeed be reallocated to create efficiencies and to better meet the overall needs of the Department. And new directions can begin to be implemented, with a long-range plan to provide guidance, that will result in significant short-term as well as long-term, ongoing savings and service enhancements, and improved use of existing resources.
- ❖ Because the County benefits from having to pay a relatively small proportion of the overall costs of the programs and administration of the Department—the County share is roughly 20-25% of the total DSS costs, depending on the functional areas and reimbursement formulas involved—the beneficial “County-share ratios” also limit the potential beneficial impact on County taxes of reductions in staff, program or other costs of the Department. Thus, as an example, a reduction in total Departmental costs of \$1 million would only lead to between approximately \$200,000 and \$250,000 in savings to Niagara County taxpayers. Nonetheless, the cumulative effect of the range of changes recommended in this report—on both the expenditure and revenue sides, and on both administration and program costs—can still be substantial across the full range of Departmental activities.
- ❖ Finally, while our report has focused on DSS workforce issues and deployment, the greatest opportunities for significant departmental savings in the long run lie with reducing program costs, in addition to managing departmental personnel/administrative costs.

III. DEPARTMENT-WIDE POLICY & PLANNING ISSUES

Although a number of issues can best be addressed at the functional level, and are specific to individual functions and units within the Department, there are obviously a number of cross-cutting issues that transcend functions and individual units, and that need to be addressed at the Department-wide level. Some of those broad issues need to be addressed first from a policy and strategic planning “big picture” perspective. Once decisions are made at the policy level, a number of Department-wide management issues need to be addressed, including issues related to potential consolidation of services. This chapter focuses attention on the cross-cutting *policy and strategic planning issues*, and how they should be addressed. The next chapter focuses more explicitly on how cross-cutting *management issues*, including consolidation, should be resolved.

This chapter focuses less on resolving specific policy issues than it does on how such issues should be addressed in the future. The discussion, as it must when dealing with policy issues, focuses as much on the County Legislature as it does on Department leadership.

Absence of Strategic Planning Focus

Although DSS has developed a mission statement, this appears mostly to have grown out of the commendable desire on the part of the Commissioner and Deputy Commissioner to develop a coherent philosophy of the Department’s purpose. No one has attempted to take the mission statement and use it as a framework to spark the development of a strategic planning process to frame policies, goals and strategies to guide the Department, its functions and its varied activities over the next several years.

Relation between Mission and Activities

Historically, neither the Legislature, the Social Services Committee, nor the Department’s Commissioner and top-level staff have focused sufficient attention on the mission and overall goals and purpose of the Department. Typically, too much time has been devoted in discussions about the Department to issues related to individual positions and whether or not to fill them—without

placing those discussions sufficiently in the context of the mission and purpose of the Department, and how the presence or absence of the positions will or will not enhance the Department's ability to fulfill its mission and meet its goals. Too often those discussions have occurred in "piecemeal" fashion, looking at the implications for a particular unit or functional area, without adequately considering what the implications, and perhaps unintended consequences, might be for other areas within the Department.

DSS does a lot of *things*; it performs a wide range of *activities*. Most of these activities are mandated by the federal or state government. But too often what gets lost in the discussions about these activities is *why* they are being done in the first place. What is the purpose of these various activities, and how well do they support each other? As one worker said: "I do a lot of paperwork and I don't understand what it all does." What is DSS trying to accomplish? What are the results it is trying to achieve? As discrete activities, they each have a purpose, but which are most important?

How does each activity relate to the overall mission and purpose of DSS, and if choices have to be made between them, how do those choices get made on a rational basis that best supports the overall Departmental mission? How well are the activities being carried out, and how successful are they? What impact are they having? What evidence is there that adding (or subtracting) staff or other resources to (from) a functional area will have any impact on the performance of that unit, and on the overall ability of the Department to successfully carry out its mission? Can certain activities be combined, or in other ways collaborate more effectively, so as to enhance the shared mission of the entire Department? Are there opportunities to collaborate with other County departments, or organizations outside County government, to improve efficiency and performance outcomes?

Rarely do these types of questions get asked, let alone answered in discussions about DSS and the resources it needs. Sometimes they are implicit in the discussions, but rarely are they explicit, and to the extent that they are, the data needed to provide sufficient answers to the questions are typically not available or adequate to

provide the answers that are needed. None of this is anyone's fault. There are no bad intentions in this scenario. But it is the scenario that has evolved over time, and it prevents the best possible decisions from being made about DSS and how it carries out its mission.

Absence of Long-Term Planning Focus

Implicit in this discussion is the reality that DSS, not unlike most other departments and activities of the County, is managed within a one- to two-year horizon, at best, with little evidence of long-term, three- to five-year strategic planning or budgeting. Too often, to characterize planning and management as relating to even a one-year cycle is charitable. Decisions, and how time is spent in support of those decisions, are often made on a crisis basis, with "planning" decisions, such as they are, made on a moment-to-moment basis that bears no resemblance to even short-term "planning," let alone any notion of strategic, long-range planning, policymaking, budgeting, or resource allocation.

If the Department is to have any chance of being successful in "re-thinking" its mission and how it operates, as suggested above, a number of changes will need to be considered and implemented by the Legislature and its oversight Social Services Committee, and by Departmental leadership. Most of these would be procedural and would involve changing "mindsets" more than structure. *They would add no costs to the business of operating the Department.* But they would, we believe, have a substantial positive impact in improving the Department's ability to successfully carry out its mission. And, in the final analysis, we are convinced that *greater attention to a strategic planning approach to managing the Department and setting policy for it would both improve services to the public and at the same time reduce DSS administrative and programmatic costs to the taxpayers.*

Recommendations

- ❖ ***The Legislature's Social Services Committee and the Department's Commissioner and leadership team should collaborate to develop and implement a 3-to-5-year strategic plan to guide the mission, goals, functions, activities, staffing patterns and budgets of DSS during the remainder of the first half of the new decade. This strategic plan would provide the foundation upon which annual Departmental goals and work programs would be based.***

Using this report as the starting point for such discussions, *the Commissioner should present a draft strategic plan for consideration and ultimate approval by the Committee, and should lead the Committee through a series of discussions focused on the specific aspects of the plan, and their implications for the future.* If it would be helpful in facilitating open discussions between the Department and Committee, consideration could be given to having an outside facilitator not connected to the Department or Legislature lead these discussions.

Ideally these discussions would occur over the second half of this year and would result in a clear statement of goals and measurable objectives which would be approved by the Social Services Committee (and/or full Legislature) and which would guide the Department's efforts beginning with the 2002 budget year and beyond. The strategic plan would be the document that would guide future decisions about allocation of resources against the Department's mission of encouraging self-sufficiency, and it would include measurable objectives and outcomes against which the Department's success would be measured, and which the Legislature would use to hold DSS and its leadership accountable for its performance on an annual basis.

The broad strategic plan would be the basis for the establishment of annual work programs that would guide the Social Services Committee and the Department in carrying out an annual agenda, and that would help assure that the long-term plan gets accomplished in an orderly, planned fashion. *The overall strategic plan, and the annual work programs, should be the basis for periodic (e.g., 6-month and annual) reviews by the Social Services Committee and Commissioner of progress against the agreed-upon directions, goals and objectives.* They would also frame the basis for any necessary discussions related to staffing allocation matters, and should provide a more appropriate context in which to have such discussions than the current case-by-case ad hoc discussions.

The existence of such a plan—and the focus on policy issues and how decisions affect the ability of DSS to carry out its mission and to meet the plan's goals and stated objectives—should substantially change the nature of the discussions between Legislators and the Department. By focusing on the policy and strategic directions, there should be less “micromanagement” by Legislators of the Department and more focus on “big picture”

policy issues, how they get addressed, and how they impact on the ability to meet the agreed-upon goals.

- ❖ ***CGR recommends that the Legislature create a plan that would provide incentives for the Commissioner and his staff to efficiently manage the Department with less Legislative involvement in the day-to-day decisions about the Department's operations.***

The Social Services Committee and DSS leadership should discuss ways that enable the Department to manage its affairs *within its overall budget* such that if it needs to move resources around to meet the objectives of the agreed-upon plan, it would have the flexibility to do so without always having to go through the cumbersome and time-consuming Committee process each time approval to fill a position is needed.

Some type of incentive approach might be developed that would reward the Department for meeting performance goals within or under the budgeted allocations, and that would remove the Legislature from some of the “hands-on” decision-making which currently occupies most of their Committee oversight time. For example, as some counties have done, it may make sense to implement an arrangement whereby if the Department saves a certain amount of money in a budget year, half of the savings would go to the County's general fund, with the other half going to DSS for it to test new initiatives, purchase needed technology upgrades, etc. Such an agreement could help free up time needed for the more important policy and strategic planning roles recommended for the Social Services Committee, and for the careful monitoring of performance against documented objectives and outcome measures (see below).

Timelines and Costs

CGR recommends that the development of the strategic plan occur during the second half of 2001, in time for implementation at the beginning of 2002, so that at least some of the plan's short-term implications can be incorporated into the development of the County's 2002 budget. ***There should be no direct costs associated with implementation of these recommendations,*** unless it is decided to pay an outside facilitator to lead the discussions around the development of the plan. But such facilitation could come from within the County and need not cost

taxpayers anything. *More importantly, commitment by the Legislature to such a strategic focus on the future management of DSS activities should lead to both improved service delivery and reduced County costs in the future*, as outlined throughout the remainder of the report.

Establishment of Performance Review Process

A critical element of strategic planning is the development and implementation of a process to objectively determine how successful the Department is in meeting the plan's goals. Such a process, to be effective, must incorporate the ability to have in place measurable goals and outcome measures that indicate how well the goals are being met.

Accountability Against Goals

In recent years the County has begun to require department heads to submit on an annual basis their major accomplishments for the preceding year, and their major goals for the year to come. This valuable exercise could become a foundation upon which to build a more comprehensive approach to assessing the progress of DSS against goals agreed to as part of the recommended strategic planning process. Measures should not only address routine operational goals, such as numbers of people served and maintenance of adequate staffing levels to maintain appropriate caseload sizes (as important as such measures can be), but *even more focus should be placed on measurable, policy-oriented, outcome or impact-oriented goals that help answer the "so what" questions related to "so what happened as a result of certain activities."* Examples of such outcome measures are suggested below. Ideally, such performance goals and measures should not only be the basis for annual and 6-month discussions between the Social Services Committee and the Commissioner, but they should also be used in the process of making expenditure and staff allocation requests during the budget development process (see below).

Measurable Goals and Outcomes

With a few exceptions, DSS at this time does not have in place a process for systematically and consistently collecting and reviewing performance outcome measures and comparing them to stated objectives. Several of the functional units collect and analyze very little information for monitoring or management review purposes, and some of the data which are maintained are rarely used in any systematic way to evaluate unit performance or assess overall

performance against objectives or staffing allocation patterns, budget allocations, etc.

CGR believes that it is important for the Department to be required to compare actual performance on agreed-upon outcome measures against stated objectives, showing the impact of the Department's efforts on the lives of those receiving DSS services. Setting and monitoring performance objectives must of course be a flexible and a dynamic process which allows for modifications in objectives as circumstances change. However, where the County is investing resources in anticipation of some outcome or measurable results, it is reasonable and even essential in the context of good stewardship of resources to have a process and measures in place which enable the comparison of projected vs. actual results.

Recommendations ❖ ***As part of the strategic planning process, the Social Services Committee and the DSS Commissioner should agree upon measurable objectives and outcome measures to track year to year to enable Departmental performance to be assessed on an annual basis—and should establish a formal annual review process for holding the Department accountable for meeting the stated objectives. Review of such outcomes against objectives should also be used as a management tool to assess the adequacy and allocation of staff to enable the objectives to be met.***

This process should help assure that the strategic planning process is taken seriously, and that it will have a direct effect in determining resource allocations for the Department. In such a process, both the Legislature through its oversight Committee and the Commissioner are mutually responsible for establishing and communicating about the goals and any issues that affect their accomplishment. By focusing on the objectives and outcome measures at least annually, and ideally twice a year, the core mission and objectives of the Department are on center stage. Furthermore, the opportunity exists to discuss on a timely basis any possible corrective actions (staffing or otherwise) that may be needed, as well as any possible new initiatives and how they might be expected to impact on the objectives and outcome measures in the future.

The establishment of a formal review process at the Social Services Committee and Commissioner level, and the establishment of measurable performance measures trended over time, should in turn become the basis for creating a similar process for the Commissioner to use in reviewing the performance of his directors, and on down the line, as discussed in more detail in the Department-wide administrative issues chapter which follows.

Examples of Outcome Measures

Some examples are suggested below of possible outcome measures that might be considered for incorporation by DSS into its strategic planning process, for purposes of monitoring the impact of the Department as a whole and/or its individual divisions and functional units. Information on some of these measures is already collected within the Department, but in many cases it is not, and few of the measures are currently used to formally track progress against stated objectives, or to evaluate how various functional areas are doing in carrying out the mission and goals of the Department, or to assess whether staff are appropriately allocated to enable goals to be met.

The suggestions refer specifically to outcome measures, and would be in addition to other basic non-outcome counts of activities such as numbers of intakes, interviews, open cases, caseloads per worker, etc. A reminder that outcome measures go beyond just counting activities, and provide answers to questions of how well DSS and its functional units are doing in meeting specific objectives—i.e., they help assess what difference the activities of the Department are making/what impact they are having. Whichever measures are used, they should be collected and compared from year to year to examine trends in the data. These trends should in turn be compared with trends in staffing allocations to enable better staffing allocation decisions to be made in the future, against Departmental goals.

What follows by no means purports to be a comprehensive list, but it is meant to illustrate the types of measures that could be used to assess the performance of particular functional areas within the Department.

Eligibility and Employment Areas

- ❖ % of TANF and Safety Net cases with employment earnings;

- ❖ # of family assistance cases obtaining employment;
- ❖ # of cases moving off welfare into jobs;
- ❖ # and % of 60-month lifetime-limitation cases who find jobs and move off welfare/avoid shifts to Safety Net;
- ❖ % of cases moving from subsidized to completely unsubsidized jobs;
- ❖ % of cases able to maintain unsubsidized job for specified periods of time;
- ❖ # of new jobs developed and filled;
- ❖ Jobs obtained during Front End process without the person entering welfare;
- ❖ # and % of day care slots filled with people making transition from welfare;
- ❖ % of closed PA cases who successfully transition to Food Stamps and day care to provide needed supports to help obtain self-sufficiency;
- ❖ # successful transitions to SSI, and savings to County, when disability prevents work;
- ❖ % of fair hearings won by the Department.

Services

- ❖ Trends in reported and indicated child abuse and neglect cases;
- ❖ # and cost of out-of-home placements at different levels of care;
- ❖ Average length of stay in various levels of placement;
- ❖ Recidivism rates—reductions in repeat placements;
- ❖ Cases moved from foster care to independent living;
- ❖ Reduction in % of cases dependent on DSS for adult protective services, and # of cases moved to most self-sufficient status possible;
- ❖ # cases freed for adoption/termination of parental rights;
- ❖ # of approved adoptions.

Medicaid

- ❖ Managed care enrollment, and percent of eligible recipients enrolled;
- ❖ Long term care placements made at most appropriate levels of care, and any resulting cost savings to County;
- ❖ # and % of applications processed within deadline;
- ❖ # of individuals assisted in obtaining SSI benefits;
- ❖ % of fair hearings won by the Department;
- ❖ Spousal refusal cases pursued and won;
- ❖ # of “right of election” appeals sought and won;
- ❖ people receiving multiple supports (e.g., day care, food stamps, Medicaid).

Recovery of Resources/Costs Avoided

- ❖ FEDS cost avoidance annual amounts;
- ❖ Repayment collections;
- ❖ Increased recovery amounts;
- ❖ Third party health insurance payments obtained to offset and reduce Medicaid payments;
- ❖ % of cases where paternity has been established in child support cases;
- ❖ % of cases where child support has been established through court orders;
- ❖ # of absent parents located and paying child support;
- ❖ Estimates of TANF cases prevented as result of child support payments;
- ❖ Average child support payments to County on open TANF cases;
- ❖ Child support arrears payments;
- ❖ Fraud recoveries.

Which of the above measures, plus others not listed, are actually selected for monitoring and comparing over time would depend on the goals and objectives that result from any strategic planning process.

Timelines and Costs

As part of the strategic planning process, CGR recommends that within the next six months the process of establishing the performance review process and the outcome measures designed to track Departmental and/or functional unit performance against various stated and measurable objectives be in place. ***There should be no unique costs associated with the implementation of this recommendation.***

Link Performance Measures to Budget Requests

Ideally, as part of the strategic planning process discussed above, the Department and the Legislature, working through the Social Services Committee, would examine the relationship between the performance/outcome measures and the process for determining budget and staff allocations in the future. In CGR's 2000 report, *Niagara County Workforce 2000*, we recommended that the County implement a zero-based budget approach. The idea was to move away from the traditional incremental approach to budgeting, to a more functional approach based on what is needed to meet desired objectives. As it is now, the core budget development process is primarily expense-driven rather than performance-driven. DSS, once it has objective performance measures in place, could be an ideal place to begin to pilot the practice of zero-based budgeting that would link expenditures and programs to specific performance objectives and outcome measures.

Recommendations ❖ ***DSS should work with the County Office of Management and Budget to develop a pilot test of the zero-based budget process.***

This approach should be implemented in conjunction with the development of quantifiable performance measures, which should in turn be linked to the budget and staffing-related requests of DSS and its functional units. Under such an approach, budget submissions should more explicitly reflect the relationship of planned expenditures to the accomplishment of specified goals; the inclusion of key performance measures and trends over time; and the ability to compare staffing and funding patterns over time in relationship to such measures. Adoption of a zero-based

budget approach, at least on a pilot basis, would force the County and DSS to pursue “what if” questions that often can result in better ways to provide a desired function.

Timelines and Costs

Again, if this can be done as a joint effort between the Budget office and key budget-development staff within DSS, there should be only time commitments, but ***no additional costs to the County associated with implementing this model; indeed, there is the potential for significant cost savings over time as a result of this approach.*** We suggest that the experimentation with this approach could begin during 2002, following the completion and approval of the 2002 budget. It seems reasonable, given that timeline, that the approach might be ready for DSS to pilot in conjunction with the development of the 2003 budget.

Controlling Medicaid and Other Program Costs

The Legislature and the DSS leadership tend to spend most of their time attempting to control “administrative” costs of the Department, rather than focusing attention on the much larger *program* expenditures such as the rapidly escalating Medicaid costs; the declining-but-still-substantial temporary assistance and safety net payment costs; and program costs associated with the provision of foster care and other levels of out-of-home placement.

To illustrate, the total DSS budget for 2001 is projected to be almost \$89 million, of which administration costs are projected to be about \$23 million—including about \$19.5 million for personnel and fringe benefit costs. The net County share of those administrative costs is expected to be about \$6.2 million.

In contrast, the Department is budgeted to spend about \$65.8 million—almost 75% of its total budget—on *programs*, such as Medicaid, Family Assistance, Safety Net, foster care, HEAP and day care. ***The net County costs for these programs (mostly to pay for Medicaid) total about \$30.7 million—five times what the County will spend on its DSS administrative costs.***

We frequently heard such comments as: “There is nothing we can do about the program costs; they are unmanageable,” and “The only costs we can actually manage and control are the personnel and other resources devoted to a program area.” However, the reality is that *each of these broadly-defined “program areas” has a price tag*

of millions of dollars associated with it, and yet relatively little strategic attention gets paid to how to reduce or better manage those program costs, except indirectly through better managing the “administrative inputs” or resources responsible for overseeing the programs.

Recommendations ❖ ***As part of the strategic planning process, increased attention should be focused in the future on developing ways to control and reduce the County costs of DSS programs.***

In the appropriate chapters later in the report we will discuss the kinds of focus needed to begin to better control and manage the remaining temporary assistance/safety net program costs and the kinds of preventive and other efforts needed to reduce the foster care and out-of-home placement program costs. In this section, we focus direct attention on the need for the County—through the Legislature, DSS and other affected departments—to directly confront by far the largest program cost area, Medicaid, and particularly the biggest component of those costs, those associated with long-term care.

Need for Long-Term Care Policy and Oversight

Despite the fact that Niagara County has one of the largest proportions of people 65 and older of any county in the state, and despite the fact that the older population is living longer and is likely to be in need of more services over a longer period of time, the County has no long-term care policy or guidelines to direct its actions in this growing program area. Various separate programs in several different departments of County government offer an array of services to the older population, but there are few if any overall policies or guidelines to shape the types of decisions—and how and by whom those decisions get made—about what level of services are most appropriate and most cost effective for which people with which sets of needs, living arrangements, and family circumstances.

Long-term-care-related services offered by the County include, but are not limited to, home health nursing care, home health aide and personal care aide services, home-delivered meals, the Long Term Home Health Care Program administered by the Health Department, the Office for the Aging’s EISEP program, and Mount View Nursing Home, not to mention the County’s share of the costs of maintaining many other Medicaid-eligible people in various other nursing homes not owned by the County.

As pointed out in *Niagara County Workforce 2000*, each separate department responsible for providing particular services, or with oversight responsibilities for part of the system (such as DSS's oversight of aide services), tends to make decisions or represent points of view that are consistent with what appears to be best from the perspective of that department. However, *such positions may not always be best in the context of what is in the County's overall best interests, and/or in the overall interests of the residents of Niagara County.*

The problem is that at this point, no central body exists with the authority to help individual residents or families seeking guidance about the level of care most appropriate to meet their needs, or to help balance the individual/family needs with the needs of and resources available to the County. Some counties have such a mechanism in place. Moreover, in Niagara there is no overall long-term care policy to guide the Legislature or individual departments in sorting out issues and making judgments in the best interests of the County as a whole. As the population ages and more and more people in the future are likely to be looking at long-term care options, and as Medicaid costs continue to escalate, the County should consider developing a long-term care policy to guide its actions in this area in the future.

Recommendations ❖ ***CGR recommends that the County establish a task force to address the future long-term care needs of its residents, and to recommend long-term care policies for the County.***

Among the specific issues the proposed task force should address and make recommendations about are the following:

- ❖ Specific provisions of a long-term care policy to guide the County as the population ages;
- ❖ Whether the County should continue to provide the direct long-term care services it currently offers, such as Mount View Nursing Home and, if so, under what circumstances, and if not, what should replace them;
- ❖ Whether any additional long-term care services are needed in the County and, if so, who should provide them;
- ❖ Whether the County should establish a gatekeeper or central screening and assessment mechanism to objectively

assess and represent the County's overall needs and interests, and to balance them against good advice concerning the most appropriate level of long-term care services needed by the individual; and, if such a mechanism is needed, how it should operate, and with what level of authority.

A similar recommendation was made in the *Workforce 2000* report. It is reiterated here because the need has not disappeared and, if anything, the trends regarding Medicaid expenditures and the aging of the population suggest that the need for a careful assessment of the County's approach to long-term care will continue to grow.

Timelines and Costs

As the population ages, more and more residents and their families will be directly affected, so the service and cost impacts of this issue make it a high priority for direct attention. The need is heightened as Medicaid costs continue to grow and as the County faces a significant budget deficit for 2002. This issue cannot be resolved in time to have much impact on that budget, but the need to begin to address the issue is now, so that any recommendations can be addressed in the next year's budget cycle. Thus we suggest that the recommended task force be established during the second half of 2001, to report back to the Legislature by no later than the middle of 2002. If the work is done by a task force of County staff and perhaps volunteers from the community, ***this effort could occur at no costs to the County. However, the work of the task force could potentially lead to significant cost savings to County taxpayers in the future.***

IV. DEPARTMENT-WIDE MANAGEMENT ISSUES

The previous chapter focused on Department-wide policy and planning issues that transcended individual functions and divisions within DSS. This chapter moves from the policy and planning levels to broad cross-cutting management issues that affect the entire Department. We first address the issue of whether the Department's services and operations should be consolidated into one centralized location. How that question gets ultimately resolved has implications for a number of the other overall management issues addressed later in this chapter and in the rest of the report.

Consolidation of Offices

For years the Department has dealt with the inefficiencies, differential practices and procedures, and management difficulties associated with a substantial staffing and service-delivery infrastructure spread across four different major facilities in three separate cities. Whether such a structure makes sense for the future has been brought to a head by other issues facing the County—primarily (1) the need for more Court space and the domino effect that unleashes as potential displacement of some departments triggers questions about the future location of others, and (2) the potential budget deficit facing the County as it begins to develop the 2002 County budget. As the largest department in the County, and one that takes up a large amount of physical space, DSS becomes an attractive target for consolidation and space-saving discussions. Some of the issues involved in the discussion are noted here, followed by CGR's recommended approach.

Distribution of Staff

Historically, virtually all major functional divisions and units within DSS have been represented by offices and on-site full-time staffing presences in each of the cities of Niagara Falls (NF), Lockport (Lpt.) and North Tonawanda (NT). In some cases this has meant full teams with supervisors operating in each of the three city locations, and in others it has meant allocation of one or two staff people to NT to carry out a function, while that person or persons is supervised by someone in either the Niagara Falls or Lockport

office. In only a few functional areas, such as the Accounting and Resources units, have all services been centralized in one location (in those cases both in Lockport). The management core team of the Commissioner, Deputy Commissioner and several of the directors of divisions have typically maintained separate office hours in Lockport and Niagara Falls on different days of the week.

In recent months, some consolidation has begun to occur, with all eligibility (Intake, Undercare and Food Stamps) and employment-related functions removed from the North Tonawanda office and redistributed to the Niagara Falls and Lockport locations. Currently the only staff and functions remaining in North Tonawanda are: a full Child Protective unit of seven people, and about seven scattered SWEs, Caseworkers and clerical staff providing a combination of Medicaid, Child Welfare Undercare, and Adult Protective services.

Distribution of Clients

Distribution of clients by type of services is shown in the following table. The data indicate that the majority of all cases are handled in the Niagara Falls office. Nearly 2/3 of all Public Assistance cases are seen in NF, as are about 60% of the HEAP cases. About 55% of the Medicaid and Food Stamps cases are opened and monitored in NF. Slightly smaller proportions, just under half of the Services cases, are opened in the NF office.

Geographic Area	PA Cases	MA Cases	FS Cases	HEAP Cases	Service Cases
Niagara Falls Area	66.0%	54.6%	54.5%	59.0%	49.1%
North Tonawanda Area	9.5%	11.1%	13.6%	14.5%	13.0%
Lockport Area	16.9%	20.5%	21.7%	14.4%	24.2%
County Area Served by Lockport ofc.	7.6%	13.8%	10.2%	12.1%	13.7%
Total Cases	2,625	11,665	3,950	6,140	1,348

At the other end of the spectrum, less than 10% of the Public Assistance cases have a North Tonawanda area address; about 11% of the Medicaid cases and between 13% and 15% of the other caseloads are from the NT area. Lockport area residents fall in the middle, between NF and NT, ranging from as few as 14% and 17%, respectively, of the HEAP and Public Assistance cases to almost a quarter of the Services cases. But when all the other areas of the county to the north and east that are covered by the Lockport office are added in, the proportions of the caseloads seen in Lockport range from about a quarter of all PA and HEAP cases to about a third of the Food Stamps and Medicaid caseloads to almost 40% of the Services cases. Clearly any effort to centralize all services in the NF area would need to take into consideration the fact that any such effort would create significant service access issues for substantial numbers of people in the eastern and central sectors of the county. Similarly, centralizing in the Lockport area would create even more problems for even greater numbers of people coming from the Niagara Falls and North Tonawanda areas.

Proposals

At this point, there appear to be two DSS consolidation proposals which have received primary attention by the County's Ad Hoc Building Utilization Committee. One would close the current Davison Road complex in Lockport, sell it, and move all but a handful of DSS staff (primarily a Child Protective unit) to Niagara Falls. But even this "consolidation" option envisions the likelihood that all the functions centralized in NF would actually need to be distributed across as many as three different sites in the area, unless the current Human Resources Building on 10th Street could be sold and a site found which the County could lease which would be large enough to move virtually the entire DSS staff into (with the exception of the CPS unit remaining in Lockport and some staff currently located in the Trott Center who would probably remain there).

The second option considered by the Building Utilization Committee would consolidate some DSS services, including administrative units which don't serve clients directly, in NF, but leave a substantial staff presence in Lockport. Those staff would provide such direct services as Eligibility and Undercare services related to Public Assistance, Food Stamps and Medicaid, HEAP

intake, Employment and Child Welfare services. Such services would be provided in both NF and Lockport locations. This second option also envisions selling the current Lockport facility and leasing space for these services in a building within the city.

Recommendations ❖ ***CGR recommends that the County consolidate selected services in Niagara Falls, while also maintaining core Eligibility/Public Assistance, Food Stamps, Medicaid and Child Welfare services in Lockport. Ideally this would involve selling the Davison Road facility and leasing space in both Lockport and NF. We recommend that the North Tonawanda office be closed, and that selected satellite services be provided perhaps a day a week in an NT location to be determined. We do not recommend full consolidation of all services at this time.***

Frankly, complete or almost complete Departmental consolidation in a single location would be very attractive administratively. There is no question that fully consolidating operations would enable efficiencies, more consistent practices, improved supervision, increased flexibility in use of staff, better communications across staff, and ultimately reductions in staff and supervisory levels over time through attrition and realignment of staff—all of which would be possible under one roof. However, we were persuaded against making such a recommendation for a number of reasons, including:

- ❖ It is hard to ignore the fact that between 35% and 40% of the County's Medicaid, Food Stamps and Services cases are now served out of the Lockport office. Based on DSS figures, consolidation could mean that approximately the following numbers of cases from the eastern and northern sectors of the county would need to come to Niagara Falls for intakes, recertifications or other needs for in-person contacts with DSS staff: about 4,000 Medicaid cases, about 1,600 HEAP applicants, more than 1,200 Food Stamps cases, and about 650 PA cases. In addition, more than 500 Lockport area Services cases would need to be served out of the NF office if total consolidation were to occur.
- ❖ Such dislocations and access problems may be justified in some counties where more effective countywide

transportation options are available, but even most urbanized counties with centralized DSS operations and decent transportation systems maintain outreach/satellite offices. And in a county with as few transportation resources as exist in Niagara, these numbers would represent significant disruption. *Thus we believe that full consolidation could only work if there was a significant commitment to expanding transportation options for those affected.* If that proves to be a viable option upon further exploration by County officials, then consolidation might prove more palatable, but it is likely that creation of adequate transportation options would also considerably increase the cost of implementing the total-consolidation option, thereby undercutting part of the reason for consolidating in the first place. (It should be noted that the Commissioner has had some promising discussions with Rural Transportation concerning the creation of a “transportation loop” which would provide people on a fixed route at fixed times access to DSS services at nominal costs to the users. Such discussions should be continued and could be helpful in addressing this issue, though how to address access issues for those not easily accessible by the fixed route would still need to be addressed.)

- ❖ The Department’s mission statement emphasizes a “customer friendly” approach and helping to improve the quality of life and self-sufficiency of those it serves. This focus, along with the imperatives of welfare reform, suggest that continuing emphasis is likely to be needed in the future on direct contacts and ongoing relationships with greater numbers of clients working to become self-sufficient and reduce their dependency on the public assistance system. Creating a situation that makes it more, rather than less, difficult to do so would seem antithetical to one of the central goals of the Department.
- ❖ If full consolidation were to occur, another possibility to help make services more accessible would be to create satellite or outreach office hours, through which staff could be available in a Lockport or NT setting for certain days of the week to provide specific services. This might have

some merit and is worth considering. However, it seems to us to make more sense instead to *maintain a full ongoing staff presence in Lockport for certain functions such as Eligibility, Undercare, Food Stamps, Medicaid, and Services, and consolidate the remaining units in NF*. Regardless of what happens in Lockport, we strongly recommend that *some satellite/outreach operation should be established on a regular basis in NT (e.g., once a week perhaps) to provide intake and regular recertification services for those for whom it is difficult to get to either Lockport or NF from the NT area*.

- ❖ Certainly our thinking was also influenced by the fact that, at least in the proposals made available to us, none of them would have represented true consolidation in a single setting. The primary proposals seemed to envision that the functions being concentrated in NF would still have to be in as many as three different facilities, which hardly represents real consolidation. The scattered staffing that would continue under such a scenario would still leave in place some of the problems with the current fragmented system. It may be somewhat easier to provide consistent management, communication and overall supervision in three sites in one city, without having to bridge the larger geographic distances across cities, but on balance the staffing would still be spread out, thereby negating part of the benefits of consolidating.
- ❖ *The option of consolidating many of the Department's functions such as central administrative staff, accounting, child support, day care, resources, fraud, adult protective services, and others in NF (or, alternatively, in one place in Lockport) does offer substantial benefits under the partial consolidation option.* This seems to us to be a sufficiently attractive option that offers some of the benefits of full consolidation, but without the access and added transportation costs likely to be needed to make that full consolidation option a viable one.

- ❖ We believe the projected County savings reflected in the Building Utilization Committee report are probably unrealistically high. To begin with, the range of projected savings incorrectly includes figures from the County *expense* column in the projected *savings*, which is obviously not accurate. The expenses not only should not be counted in the savings, but they should be subtracted from the remaining projected savings to provide a net savings figure. If this is done, the revised net savings range would be from about \$764,000 to about \$1.154 million—about \$400,000 less than the range shown in the Committee’s report. Moreover, it is not clear whether the potential expenses included costs of wiring and installing lines for new computer hookups and other related technological upgrades needed in the new facility. Also, it was not clear from the projections shown whether these represented *total* savings and cost avoidance, or the *County* share. We suspect, although we are not certain, that the cited figures may have focused on gross savings, and that the actual savings to County taxpayers may actually be only a fraction of the numbers provided, given the favorable reimbursement rates available to DSS, as discussed above. This should be double-checked with Committee representatives.
- ❖ Finally, we believe that many of the efficiencies and workforce savings assumed as a result of the consolidation can also happen without full consolidation. These savings through realignment of staff positions and via attrition are spelled out in more detail in subsequent chapters discussing the various functions of the Department.

Timelines and Costs/ Savings

We suggest that it should be possible to close the NT office by the end of this year, and merge the remaining staff within the Lockport and NF offices. All eligibility functions in NT were closed in recent months, and we believe that it is time to remove the few remaining functions and staff. Some of the cases seen in that office are from the town of Pendleton, and Lockport is as close for most residents to get to from there as is NT. Even though we do not believe there is sufficient business from just the NT office to justify keeping it open, the caseloads are large enough

to justify an outreach presence one or two days a week to help with intake and undercare functions.

Any other transitions, including either partial or complete consolidation of services, should be done in an orderly fashion with as much lead time and as little disruption as possible. Any transitions should be able to be managed in an orderly process over the next year or so, it seems to us. *Assuming the sale of the Davison Road building, it is likely that there would be net savings associated with any form of consolidation. Some of the more significant savings would result in future years,* as attrition and realignment of staff occur over time, and as new arrangements settle in and the opportunities for efficiencies become more clear. Some of the likely savings and realignments that can be foreseen at this point are discussed in more detail in subsequent sections of the report.

Departmental Leadership

The consensus appears to be that for too many years, DSS was allowed to “drift,” without strong, effective leadership. As a result, a number of issues were left unresolved, some key staff positions were left unfilled, and some functions were not clarified or did not adjust in a timely fashion to changing circumstances. With new DSS leadership, as represented by a new Commissioner and Deputy Commissioner, having been hired last year, there is now a willingness and urgency to take on issues that need priority attention. This report and the issues it raises are designed to provide a blueprint to guide the Department and its leadership in their effort to better fulfill the DSS mission and to address the issues that must be resolved if DSS is to become more accountable, more cost effective, and more successful in guiding increasing numbers of clients to self-sufficiency.

Of course, it will be the workers—the examiners, the case workers, the supervisors, the clerical support staff—who actually enable the Department to be successful in helping clients achieve self sufficiency. After interviewing more than 200 staff in the Department, we can confidently talk about the current state of the Department. For many Departmental staff, morale is at a low point. We heard from not a few employees comments such as: “Morale here is terrible.” “There never has been any concern for morale here.” “If you don’t like it, get out—someone else will fill

your job—is the mentality. People don't matter.” A senior examiner noted, “There is a *big* morale problem here. Everyone gets an attitude; none of the workers have any compassion left and that shows in how they deal with clients.” “One of the biggest helps we could have for morale: if people in administration could acknowledge us as doing a good job.”

A number of staff were concerned about their physical environment. One worker said, “I'm hoping to see an improvement—more space for people who are cramped, more fairness in workload.” A number of caseworkers commented on privacy: “There is no privacy here. Our offices are not really private.” Lockport was particularly at issue: “There is no room at Lockport.” “Space is the issue, and we have to breathe air not fit to breathe.”

From a number of child welfare case workers, we heard: “Noise level affects my job. We can hear everyone's conversations.” “We eat lunch at our desks; there is no break room. It's very distracting.” “No private place, ever, the whole day. No room to go to be by yourself, to do your job well, to be diligent.”

Others were concerned about security: “Security/safety are inadequate. When I first started here I was told ‘always come in clothes you can run in.’”

As one worker said, “It feels like we're in a big vacuum and no one listens. It would be nice if the Administration actually did something.” Addressing the morale of the Department's employees will require strong leadership from the Commissioner and from senior staff, and will require investing in them, as we discuss later in the report, through better accountability and performance standards, upgraded technology, and staff development and training.

Increasingly the Commissioner will need to focus his attention on strategic planning matters, on working closely with his directors and other top-level staff to set clear long-range directions for the Department, while reducing the amount of time spent on fighting the “crisis of the moment.” This is far more easily said than done, as each day brings its own new crises. But increasingly, resolution of these crises must be delegated to directors and others within the

Department, in order to enable the Commissioner to focus increasing amounts of his time on making the decisions needed to focus the Department on the future—on strategic planning, which ultimately should lead to fewer crises and, when there is one, to have a context within which to deal with it. In this effort he will need the cooperation of the Legislature and its oversight Social Services Committee, which will need to be in partnership around the development of strategic directions for DSS and focusing on “big picture” agendas for the Department, and assuring that its goals are clear and measurable.

Recommendations

A number of specific recommendations grow out of this overall leadership focus. The Commissioner is committed to taking on the difficult task of making the Department more accountable for its performance, and of having it become both more customer-friendly, productive, cost-effective and efficient at the same time. We recommend the following areas of focus for the Commissioner over the next year or so:

- ❖ *The Commissioner’s primary focus over the next 6-12 months should be the development and implementation of a DSS 3-to-5-year strategic plan approved by the Department and the Legislature’s Social Services Committee.*
- ❖ *The Commissioner and the top leadership “cabinet” of the Department should work closely with the Social Services Committee to develop clear measurable objectives and annual workplans to guide the Department and its functional units in the future. These objectives and plans should be backed with specific outcome measures which will be carefully tracked, analyzed and compared year to year for trends and management implications.*
- ❖ *The Commissioner should work with the Office of Management and Budget to develop a pilot test of the zero-based budget process tied to quantifiable performance measures.*

Each of these priority areas was discussed in the previous policy section, in the context of overall directions the Department needs to be focusing on, in conjunction with the Legislature’s Social Services oversight committee. In the management context being discussed here, the focus is more on how the Commissioner must

find a way to spend his time, and how to use his management team to enable these priorities to be met. *In particular, this means that the Department's top level management must be focusing on issues as a team, and not as isolated individuals running separate functional operations.*

- ❖ ***The Commissioner, Deputy Commissioner and the cabinet of top level directors must continue to meet regularly to take actions on behalf of what is best for the entire Department, rather than focusing on what is best only for individual divisions or units. The Commissioner and/or Deputy Commissioner should also convene regularly (e.g., perhaps quarterly) meetings of all supervisory level staff to discuss common goals, consistent practices, etc.***

For too long in the past, in the absence of strong leadership at the top, directors and supervisors had to learn to “fend for themselves” and make sure they obtained the resources they needed to do what they thought was most important. There was little focus on what was best for the Department as a whole, or even more broadly, what was in the overall County’s best interests. The institution of regular weekly meetings of the top leadership of the Department, and occasional meetings with groups of supervisors, are steps in the right direction, and should become the basis for more focused discussions on how DSS carries out its mission and accomplishes its goals, and how the different units of the Department can collaborate to make such goal achievement possible. This may mean that a particular unit has to make sacrifices for the greater good, but presumably this is done in a way that is not about winners and losers, but about how to meet the overall DSS objectives. Thus the meetings need to be less about just reporting on what is going on and individual needs and activities, and more about in-depth discussions, for example, about what overall efforts are needed to make increased self-sufficiency a realistic goal for the Department—and what Day Care, Food Stamps, Medicaid, Services, Child Support, etc. can do in conjunction with the Eligibility division to make this possible.

- ❖ ***The Commissioner should build on recent efforts to directly involve the Account Supervisor in ongoing discussions about the budget and monitoring progress against the budget throughout the year. The Account Supervisor should report directly to the Commissioner and be a regular participant in***

the weekly directors meetings, reporting regularly at those meetings on the financial position of the Department.

Recent efforts to involve the Account Supervisor as a more regular participant in these meetings make sense. Regular reporting on the status of the Department—comparing overall budget to actual expenditures, and particularly the status of other important budget lines such as overtime, administrative expenditure caps, underuse of day care, generation of revenues, etc.—should enable the Department’s leadership to stay more on top of such issues as the year progresses, and to take corrective actions as needed along the way, rather than waiting too long to attempt to correct a problem, or waiting for a crisis to erupt before action is taken.

❖ *The Commissioner should attempt to be more visible throughout the Department to the extent possible.*

This is a difficult issue to resolve satisfactorily, as the Commissioner clearly needs to be more focused on policy and strategic matters, as we’ve emphasized, and less on the relatively mundane affairs of the Department. Nonetheless, it is also important that he be able to observe directly the “state of affairs” within the Department on a periodic basis, both as a way of maintaining visibility and credibility with the staff in such a large Department, but also as a way of seeing for himself how the various units operate by just dropping by and observing and talking to staff about how things are going. The possibility that the Commissioner may just “pop in” at any time should help keep staff more focused at all times, and such periodic visits could also provide opportunities for staff to offer suggestions to the Commissioner in ways that now too rarely happen. This is admittedly a difficult balancing act for the Commissioner, who cannot spend too much time away from focusing on the “big picture” perspective, but it will be important to find enough time to “visit” that he is viewed as a visible and “real presence” throughout the Department.

❖ *Mechanisms should be established within the Department to encourage staff to offer suggestions for improvements, and to assure that such suggestions are reviewed and processed systematically.*

Having heard a number of significant complaints, as well as helpful suggestions during this project's interviews, we believe that it is important to provide staff with regular opportunities, either face to face, or through suggestion boxes or other means, to offer their suggestions in a formal way—and to have them formally addressed. To the extent possible, it would be good to provide opportunities to seek out staff opinions on various issues before final decisions are made, rather than just getting reactions after the fact. This may involve making more effective use of an existing mechanism such as the Quality Steering Council, but whatever the approach or combination of approaches used, credible efforts must be made to address the legitimate concerns raised by staff in virtually all areas of the Department concerning issues such as morale, space and privacy issues, building/facilities environment, communication, perceived favoritism, inconsistent standards and practices, etc.

To the extent that all, or at least selected functions of the Department are consolidated in the future (see above), wherever possible *the Department should take advantage of the opportunities to re-think space configurations, to attempt to create more efficient and performance-enhancing work environment layouts, and to correct unhealthful, distracting and depressing features of the current work environment.*

Timelines and Costs

All of these leadership-related recommendations should be able to be implemented during the remainder of this year. Indeed, several are already well under way. *There should be no ongoing costs to the County of implementing any of these, but there could be costs associated with potential facility renovations.*

Accountability/ Performance Management

Judgments about the effectiveness of the Department are ultimately in part a function of its ability to (1) state clearly what it does and what it intends to accomplish, (2) to measure what it does, and (3) to hold itself and its staff accountable for meeting specified performance goals.

Recommendations

- ❖ *The Department, through the Social Services Committee, should establish clear and measurable goals against which to assess its performance in meeting the DSS mission, and to establish means of monitoring progress against those goals through the collection and tracking over time of relevant*

outcome measures. These Departmental targets should be used for the Legislature to hold the Department accountable for how its resources are spent.

- ❖ *Appropriate outcome measures should in turn be used by the Commissioner to hold directors of different divisions accountable for the annual performance of their functional areas.*
- ❖ *Outcome measures should be used as a management tool to assess trends and staffing needs, to help make better staff allocation decisions, and to monitor progress against goals and evaluate the impact of new initiatives.*
- ❖ *The Department should establish a formal annual performance review process to assess the performance of each employee throughout the Department.*

More and more, DSS is being asked to judge its performance not just by the numbers of people to or for whom various activities occur, but by what happens as a result of those activities and as a result of the resources invested in the Department. By carefully collecting and monitoring over time the types of outcome measures suggested in the previous chapter, the Department is in a better position to document its work and to prove where it is able to have impact in improving lives and saving dollars. Where outcomes do not improve, the data provide a tool for management to relate the results to the staffing patterns and other investments of resources to begin to ask why results weren't better and what corrective actions might be activated in response.

Beyond the collective accountability which can be monitored against overall objectives and outcome measures, it is also important to be able to routinely assess the performance of individual staff members at all levels of the Department. Indeed, if the overall Department and its directors are to be held accountable for their performance, individual supervisors, staff and units must also be able to be held accountable, as overall goals can only be accomplished through the collective efforts and successful and effective performance at the individual and unit levels.

We heard a great deal of concern from many employees about performance. Here are some of the comments we heard: "The

County does not reward hard work.” “Good work is not recognized.” “Good workers get punished; slackers won’t get difficult work. You put them where they can do the least damage. Supervisors’ hands are tied.”

“I’m not sure people get promoted or maintained on merit.” “So many people thrive on their political connections.” “People are protected by civil service and who they know.” “The issue of knowing judges, legislators who protect their own—leaves a sour taste in people’s mouths.” “It’s political, absolutely. The transfers, etc. It affects morale. Not everyone has political clout.” “There need to be policies and procedures that are actually followed.” It will be important for the Department to restore a sense of professionalism across the board and consistent policies regarding transfers and promotions.

Ideally, the Department would establish a series of rating scales against which each person would be evaluated by supervisors and, preferably, also by co-workers. Under such a system, supervisors could also be evaluated by their workers who report to them, and people who work together could also evaluate each other. Ratings might include such categories as quality and quantity of work, interpersonal working relationships, relationships with clients and the public, amount of supervision required, responsiveness under pressure, communication skills, teamwork and cooperation, and management of time. If DSS is interested in creating such a system, CGR would be happy to share examples of performance evaluation systems with the Department.

The value of such a performance evaluation system is not only in its ability to hold workers accountable for their performance on an annual basis, but also in the opportunity it provides for staff to receive positive feedback for work well done. Over and over during the project we heard people talk about never having good work acknowledged. Rather than having an evaluation system tied to merit pay, the intent here would be simply to establish a system that enables each employee to receive an annual accounting of how his or her work is being perceived by those with whom he/she works. Individual and unit goals would ideally be tied to the Department’s overall goals, and would focus on what the individual could do in support of those goals. *Information gathered*

from such a system could also, if desired, be used to help identify people with particular skills and talents who might be helpful in meeting future workforce development needs of the Department, as discussed later in this chapter.

As a final thought about performance assessment and accountability, the issue of the alternate work schedule was brought up by several of those we interviewed. Most thought the flexible schedule was “one of the best things the County has ever done for its employees,” but some, including both supervisory and non-supervisory staff, expressed concern that some were taking unfair advantage of it. In particular, the concern was that people on an early arrival and departure schedule who have a late afternoon meeting would be able to count the meeting as part of comp time, rather than revising her or his schedule for that day to fit the meeting into a regular day’s schedule. Review of the description of the plan suggests that this should not be an issue if it is interpreted correctly by both worker and supervisor, as the language clearly provides for such situations and clearly states that “Daily schedules may be changed if the employee’s or the unit’s needs so require with consent of both parties.” Supervisors have the ability to exercise more control than many have in the past over such situations, within the terms of the agreement.

Timelines and Costs

The first three of the recommendations related to accountability (beginning on page 38) should be implemented during, or be well underway by the end of, this year. Implementation of a performance review system could take longer, but ideally a “Quality Committee” task force could be created to address this issue and come back with recommendations by the end of the year, or early in 2002. ***There should be no costs associated with the implementation of any of these recommendations.***

Role of the Deputy Commissioner

The Deputy Commissioner position has a key role to play in making a number of the recommendations above possible. Certainly the person in this position needs to be integrally involved in the policy and strategic planning discussions and decision-making process we have described. Beyond that, she has a number of specific functions and responsibilities that can help free the Commissioner from duties and time that would otherwise detract from his primary responsibilities. Frankly, at the beginning of this study we were inclined to wonder if there was a need for

the Department to have a Deputy. However, at this point, we are convinced that the answer to that question is “absolutely yes.”

Recommendations ❖ ***CGR recommends that the Deputy Commissioner focus her efforts primarily on the following tasks: staff development and training implementation and oversight; personnel matters, including disciplinary procedures; workforce planning and allocation issues; development of consistent standards and policies, including developing written interpretations of contract language, implications of previous cases, fair hearings and other decisions affecting the Department and its personnel; and increasing oversight responsibility for computer-related and information processing functions.***

To this point, the Deputy estimates that half or more of her time is spent on staff development and training related matters. With a significant emphasis needed on changing the overall organizational culture of DSS, an ongoing focus on staff development at all staff levels is likely to remain a high priority for the foreseeable future, including training in consistent supervisory approaches and practices. Very much related to staff development in the broadest interpretation of the function is the recommended increasing focus on the development of standards and consistent interpretation of regulations, contract language, fair hearings decisions, and the like. *Increasingly, we suggest that this position be viewed as having a substantial preventive focus, through anticipating issues and taking actions and developing approaches designed to prevent problems from occurring.*

The role of the Deputy can be instrumental in helping to foster and encourage the development and consistent implementation of best practices across units of the Department, rather than the unit-specific approaches that too often exist now. At the same time, to take advantage of the creative ideas that exist among many of the Department’s employees, the Deputy should also encourage innovation, and help create a climate in which innovative ideas can be considered, tested where feasible, and acknowledged/celebrated and replicated where successful.

The new role that we suggest adding to the Deputy’s existing primary roles has to do with overseeing more directly the broad responsibilities for information processing, including computer

oversight, issues related to data entry, records management, effective training related to uses of technology, etc. This issue is addressed in more detail in the following chapter.

Timelines and Costs/Savings

Most of the recommended functions and priorities of this position have already been receiving attention by the Deputy in the first several months of her time with the County. If anything, the staff development/training and standards development/interpretation functions may require even more of her time in the future.

Assuming a greater role in the information area can be a gradual process. As discussed below, the Department needs to place more emphasis on upgrading its technological capacity and making better use of the technology to enhance performance. This needs attention at the highest level of the Department, and this seems the logical place to lodge the assignment. The assumption of the responsibility to carry out some of the tasks discussed below in the technology discussion could begin this year. Beyond that, other organizational responsibilities for oversight of data entry and related units should be phased in over time, to be fully implemented once the Director of Administration retires.

There would be no additional costs associated with the fleshing out of the responsibilities of the Deputy Commissioner's position. Indeed, there is at least the possibility that there could be added reimbursement associated with this position, given the high level of focusing on staff development efforts. In the past, only 10% of the costs of staff development oversight were paid by County taxes, and it may be that that is still the case. This has not been tested in recent years, since there has been no person with primary responsibility for staff development/training on the DSS staff. Although we have not been able to confirm it, and therefore do not count this potential savings among the enhanced revenues which could result from this study, it is true that if 60% of the Deputy's time is allocated to staff development related functions, and the County share is only 10% as opposed to the more typical 25% for administrative positions, this 15% differential could save the County more than \$5,900 annually, in decreased County share of the costs of the salary and benefits of the position. Such savings could be claimed this year, through retroactive claiming. As

indicated, *it is not clear if the reduced County share of staff development oversight remains in effect, but attempting to claim the favorable reimbursement rate this year would be a good opportunity to test whether this potential savings should be built into budget assumptions for 2002.*

Strengthened Customer Focus

Over the years, much of the focus of at least the intake and eligibility units of DSS has been to deny cases, with little emphasis on working with the applicant or ultimate client to help the person become self-sufficient. As one worker noted: “If you delay opening the case, they believe they are saving money.” Another noted: “The rumor is that the Legislature doesn’t care that we are backed up, that we are turning people away.” Furthermore, many of those we talked with during the study acknowledged that even now, there is often at least an implicit bias in favor of denying services to the applicant. Indeed, part of the philosophy underlying welfare reform was the belief that many of those on public assistance never belonged or needed to be there in the first place. Thus numerous barriers have been established to make it difficult for someone to obtain services.

On the other hand, there is also the side of welfare reform that attempts to look beyond the applicant’s current situation and see the promise of self-sufficiency, with the right combination of insisting that eligible clients are engaged in work-related activities and the introduction of supports designed to help a person have a reasonable probability of obtaining success in the work force.

Recommendations ❖ ***From the top down, increased emphasis should be placed by the Department on strengthening the “customer service” focus of DSS, with more emphasis placed on staff sensitivity training and on encouraging linkages to transitional services to support the goal of increased self-sufficiency for more clients, supported by increased allocation of resources and improved, more courteous ways of interacting with clients to make this possible.***

The Commissioner and Deputy Commissioner have placed considerable emphasis on creating a more customer-friendly approach to interacting with the public, from intake through all levels of involvement with people in the Department. The new DSS mission statement focuses on serving the public in “a courteous, professional manner.” And yet, many of those we

interviewed acknowledged that this is often difficult to do, as the old biases remain for many staff of the “welfare cheat” out to beat the system. Notwithstanding the need to have systems in place to prevent fraud and inappropriate use of the system, many workers and supervisors alike noted the need for more sensitivity training to help those who deal with the public on a day to day basis treat applicants and service recipients with greater respect. The creation of undercare “specialty teams” within the Eligibility division, with their increased focus on customer service and services tailored to specific needs of different categories of clients, may also help staff in the future to be more focused on the needs of individual clients.

Furthermore, there was evidence, discussed in more detail later in the report, suggesting that workers denying or closing a public assistance case are not always as forthcoming as they are supposed to be in helping people understand their potential eligibility for other forms of assistance, including food stamps, Medicaid eligibility and day care support. In many cases, not encouraging the legitimate use of such supports may help undercut the goal of self-sufficiency. The Department should consider new ways of reemphasizing both the value and the legal imperative of helping applicants and clients understand their options, again with the goal of helping them become more self-sufficient and independent.

Timelines and Costs

Efforts to underscore the practical value of such approaches, as ways of helping the Department improve on its outcomes, have begun to be put in place through both workers and supervisors, and ***more can be done at no additional costs (other than perhaps minimal costs for additional training)***. Such efforts should be ongoing, and their results measured. ***In the long run, it is likely that policies and practices that emphasize a more helpful approach to clients that enables self-sufficiency will lead to further caseload reductions and program cost savings*** (e.g., through further reductions in temporary assistance costs, savings in out-of-home placement costs, etc.).

Expanded Use of Technology

For a Department so dependent upon and overwhelmed by paperwork and the need to document enormous amounts of information, DSS remains in the relative “dark ages” in its efficient use of technology. Too much work is done manually that should be computerized. In some other cases, even where computerized

data files are in operation, duplicate manual files also continue to be maintained, with no apparent utility. Too few staff have direct access to computers or to the training and software needed to enable them to do their jobs most efficiently. There is considerable waste and inefficiency between workers and the data entry unit that leads to duplication of efforts. Because of multiple case files for the same client using multiple services, multiple copies are made of the same information, and previous studies estimate that 30% of the case files contain unnecessary duplicated information. Professional staff spend inordinate amounts of time making copies on machines that often break down or are insufficient to handle the demand. Mountains of materials are stored in massive files that could be stored electronically much more efficiently and with much greater ease of accessibility for future use. And so on.

The bottom line is that until the Department becomes much more technologically proficient throughout its various operating units, it will never attain the levels of productivity it should be able to expect, or be able to make the best and most appropriate use of its professional and clerical support staff. It will remain limited in its ability to make the most effective use of existing staff and in its ability to realign staff to meet Departmental needs. Moreover, any ability to reduce numbers of staff in various units over time will be severely limited as long as the Department remains so far behind in the appropriate use of technology.

- Recommendations*
- ❖ ***CGR recommends that DSS make a significant investment in upgrading existing computer capability within the Department and in purchasing new hardware, software, and printers to meet the existing needs. Rather than avoiding making such an investment because of an impending budget deficit, it should consider using a portion of the remaining tobacco settlement funds as a one-time investment to cover the local share of the costs of these purchases. Documentation of specific equipment and training needs by division within the Department should be presented by the directors and organized into a specific plan by the Deputy Commissioner, in conjunction with the Director of Administrative Services and the County's Data Processing department.***

Some DSS units have relatively few computer-related needs, but a June 2000 study funded by a State Archives and Records Administration (SARA) grant documented substantial inefficiencies within several functional areas of the Department. It reported that in just the Temporary Assistance/Medicaid/Food Stamps areas, only 57 of what that study estimated as 236 needed PCs were actually in existence, and that out of 100 printers needed, about half existed. Others have access to WMS terminals, and many child welfare workers have the ability to obtain information from WMS terminals, but not to enter data directly into them. Updates of Connections computer capacity may be coming from the State early in 2002, but it is not clear at this point what the implications of that will be for staff productivity. *Decisions made about how much relocation various units of the Department will be doing, and what the configuration of office space will be in the future, will also have a significant impact on the actual needs for computers, copiers and printers.* Thus it is premature at this time to make final judgments about the precise extent of needs.

However, once decisions are made about location, the Commissioner and Deputy Commissioner—along with the operational division directors and technical advice from the Director of Administrative Services and his Sr. Data Entry Operator, plus advice from the County’s Data Processing staff—should *develop and present to the Social Services Committee a comprehensive plan designed to meet the Department’s future needs for computer-related equipment, software and staff training.* The plan should estimate costs needed for the requested investment, and should request that it be funded as quickly as possible from tobacco funds, in order to expedite the process of moving forward on this important agenda. Most of the costs of the investment should be covered directly by the State and federal reimbursement formulas, but the local share should, in our judgment, be covered by one-time tobacco funds.

Frankly, this is not the type of use of tobacco settlement money CGR would normally recommend. However, we make an exception here because at this point DSS staff, nearly all of whom serve and interact with the public directly, are hampered technologically in their ability to efficiently carry out their responsibilities. *We believe such a one-time, relatively small investment of part of the settlement money can be justified because of its implications in the*

long run for improved services, increased self-sufficiency among more residents of the county, and ultimately reduced costs to taxpayers as more residents move from public assistance rolls to taxpaying citizens, and as Departmental costs are reduced over time.

Implementation of a master technology plan across the Department should also lead to changes in some job descriptions for the future, with expectations of computer experience included among requirements for future positions.

❖ ***Expanded use of optical imaging/scanning should be implemented within the Department, with initial investment costs also subsidized through tobacco settlement funds.***

The SARA grant's June 2000 report provided clear documentation of the waste of resources currently rampant throughout the Department, as unnecessary copies are made, and in some cases multiple copies of information such as birth certificates are purchased in order to be part of multiple files for the same case. Our interviews and observations confirmed that report's findings that substantial amounts of time are wasted making unneeded copies, and that the resulting voluminous files require huge amounts of storage space that should not be needed in the future. Also, consistent with the increased emphasis on being responsive to needs of the public and of those applying for services through DSS, this recommendation would be more respectful of applicants' and clients' time and needs by not requiring them to return time and again with the same information supplied previously. This focus on clients' needs, as well as helping to streamline procedures internally, adds in our minds to the justification for using tobacco settlement funds to cover the local share of such an investment.

Child Support is piloting a test of the imaging equipment, but it is not clear that a full test is being undertaken. And, the greatest need and the greatest duplication of materials is more likely to be generated within and between the various public assistance, food stamps and Medicaid areas. We believe more widespread use of the imaging technology would in the long run more than justify the costs of the initial investment. We suggest that the justification of the need, and the amounts of equipment that would need to be purchased, be incorporated into the assessment

suggested above for computer equipment. *We also suggest that an additional SARA grant be sought by the County to provide technical assistance and training for staff in the use of the imaging capability.*

One final thought about the scanning capability: Although not as comprehensive a solution, another possibility to accomplish at least some reduction in the duplication of files and in the amount of materials needing storage would be to simply add a checklist into the computer that would enable the first person opening a case for an individual or family to enter a notation that such and such core information and documentation has been obtained and where it is on file. Other staff who deal with the same case subsequently would simply be able to note the existence of the information, and would not have to seek it again in the historical files or by having to purchase another birth certificate, or by having a client return with the same information multiple times. Such core vital statistics types of information can be stored in a central file (updated as needed) for anyone who actually needs to review it. *If costs prevent the full implementation of the scanning/optical imaging option, at least such an adjustment to the computerized information should offer some help in reducing the required paperwork, copying and storage.*

- ❖ *As the above developments occur—and even now in most units before they occur—staff in units throughout the Department should be encouraged to do more of their own direct data entry, rather than writing out information to be sent to the separate data entry unit for entering. Too often this results in errors being made and data having to be passed back and forth two or three times before final adjustments are approved. Over time, this recommendation will limit the role of the separate DSS data entry unit and lead to restructuring of that unit.*

Many staff in various units are already doing extensive direct data entry, and the data entry unit has already been reduced in size in recent years. We believe this trend should be encouraged, and that within the next two years very few units of DSS should need to have data entered for them by a separate unit. This issue is

addressed in more detail in the next chapter in the context of reorganized functions.

Timelines and Costs/ Savings

Once decisions are made about the future location(s) of DSS, the recommended decisions and processes related to technology upgrades and expansions within and across the Department should begin to be implemented. We suggest that these processes can begin later this year, with final decisions and actual purchase and installation of new equipment occurring in 2002.

Clearly there will be initial costs associated with these recommendations, with the amounts to be determined based on the comprehensive assessments by unit of the computer-related hardware, software and training needs once new configurations of offices and staff locations are clear. As noted, ***we believe that a case can be made for using tobacco settlement money to cover the local share of the costs of this investment, without adding to local property tax costs. In the long run, once these investments are made, annual savings over time will result*** from internal efficiencies, reduced copying and storage costs, the ability to reallocate staff resources more cost effectively, and ultimately the ability to reduce staff through attrition as a result of greater work productivity that will result. ***Thus the initial one-time investment will lead to recurring savings in the future, year after year.***

Appropriate Allocation of Workforce

The Department faces a number of challenges related to changes in its workforce. It has continued to have high turnover rates in some key units, as people leave the Department or stay within DSS but shift positions across units—either way with resulting vacancies that often go unfilled for significant periods of time, while work backs up and the public is kept waiting for longer periods of time for questions to be answered and eligibility decisions to be made.

More aggressive actions are likely to be needed to reduce the turnover in the first place, and to minimize its impact when it does occur. Such actions might include: the refinement in some cases of hiring practices to help enable better hiring decisions to be made in the first place; better evaluation techniques to enable people to be “weeded out” during the probationary period if their skills are not appropriate; more effective orientation and training

to help retain and develop staff; and ways to provide incentives to help retain the skills of staff seeking to move from areas perceived to be less desirable to “promised land” positions, even when their skills may be most needed in the former position.

At the other end of the spectrum, there are a number of employees within the Department with substantial longevity who may be thinking about retiring within the next few years. Using the joint factors of the age of 55 and 20 years or more within the County as potential triggering factors that could, together, lead someone to consider retirement, the Department has 34 employees in 2001 who meet those joint characteristics. *As many as 95 employees (20% of the current DSS workforce) would have reached those twin milestones between now and the end of 2005.*

At this point the Department does not appear to have in place any plan for what will happen, or what should happen if suddenly these positions are vacant. As positions become vacant, are there some that should not be filled? Are some so strategically important that they must be filled right away? Should some be restructured in different ways to carry out new functions? For those that are the highest priority positions to continue as is, is there evidence of any type of logical succession plan in place to replace the incumbent, or has there been any attempt to work with others on the staff concerning transition plans?

Questions also arose during the study concerning the fairness of pay, differential workloads and responsibilities across different levels and units of the Department.

These and other workforce issues typically in the past have been addressed primarily in the context of decisions about individual cases, such as when someone leaves, creating a vacancy that may trigger scrambling by interested workers and staff concerning who should fill the position, with typically little effort made to reassess the bigger picture question of what would be in the best interests of the Department as a whole. And no one appears to have an assignment to look at workforce issues at the big picture level across the Department.

Recommendations ❖ *CGR recommends that the Deputy Commissioner be charged to develop strategic plans to address these ongoing and long-term personnel and workforce allocation issues.*

In the next two chapters of this report, as part of and consistent with the overall Departmental strategic planning effort, we provide a number of specific recommendations that should provide guidance concerning the future of specific positions and how they should be allocated in the future. Decisions about these positions and the functional areas of responsibilities they represent should be made in the context of overall strategic decisions about what priorities and goals and objectives are determined to be most important in guiding the future directions and focus of DSS over the next few years, as discussed earlier in the report. But once such decisions and priorities are established, someone will need to be responsible for monitoring how they get carried out in the context of matching overall Departmental needs and priorities with the skills and availability of the existing workforce, and thinking about what skills may need to be explicitly recruited and promoted for the future. CGR believes the Deputy Commissioner position is best suited to assume this key responsibility, and that this role is consistent with the broad staff development and personnel responsibilities already assumed in the position (see page 42).

Among the issues that are likely to need to be addressed in planning to meet the workforce needs of the future are such things as:

- ❖ changing roles of the Department and how people can best meet those roles in sensitive and helpful ways of relating to the public;
- ❖ how to create incentives to keep staff in high-turnover positions—and how to use the hiring process and the probation evaluation period more effectively to assure “better fits” in the first place;
- ❖ ways of cross-training staff and perhaps developing some “floater” positions or units to help cover peak periods and fill troublesome high-turnover or vacant positions;

- ❖ the need for assuring sufficient opportunities for advancement and “career path development;”
- ❖ better identification, selection and training of supervisory staff to be able to more effectively work with, counsel and motivate staff as a way to improve performance and help reduce turnover;
- ❖ finding ways to use the results of the recommended performance evaluation process, if implemented, to help identify skills and talents that can perhaps be developed to help meet the emerging needs of the Department; and
- ❖ working with individuals considering retirement and those who work with them to consider how to best plan for the future and work out a reasonable transition plan that anticipates likely future needs.

DSS also needs to address the perception of inequities in responsibilities and pay within the Department:

- ❖ ***The Department should work with the County’s Human Resources Department to undertake a study of the responsibilities and salaries of the DSS workforce, focusing on the comparability of tasks, levels of responsibilities, complexity of assignments, and salary levels across units.***

Although it was not the task of this study to do such a salary and responsibility study, our observations suggest that there are some significant imbalances that should be addressed that currently impact negatively on staff morale and filter down to poor customer service in some cases. And, perhaps just as important as whether there are real imbalances, there are certainly a number of *perceived* inequities, and the perceptions lead to frayed relationships across units, difficult working relationships and suspicions in some cases, and, at the other end of the spectrum, create incentives for people to leave certain units to get to “the promised land” in other perceived-to-be-more-favorable positions. This has the effect of frequently drawing strong staff who had been in a unit needing effective people away from that unit to one perceived to offer better pay for less challenging work. Therefore, there are a

number of reasons why such a salary/responsibility equity study may be in the best interests of the Department to undertake.

Such an objective study could be carried out in the context of the work underway with the Title Consolidation Group. CGR generally supports the recommendations resulting from that effort so far. As that group takes on higher level positions than it has addressed to date, it may make sense to link these two projects.

Such a study would be expected to produce some “winners and losers” in terms of current positions. Presumably it could be undertaken in ways that guarantee that incumbents would be held harmless, and that no one’s position would be undermined while they were in the job. However, if it was a position that the study shows should be downgraded in the future, the change could go into effect in the future when the position first becomes vacant.

Timelines and Costs/Savings

Charging the Deputy Commissioner with the primary responsibility for workforce development issues within the Department could take affect immediately. The proposed salary/responsibility study is one that could be done at almost any time, but on the other hand the issues raised about perceived inequities linger and fester, so there would be merit to doing such a study sooner rather than later.

In terms of costs, it would depend on how the County wishes to proceed. If it were to decide to undertake a salary/responsibility study, it could be contracted out at cost to the County. Alternatively, it could be done through the office of Human Resources, with staff time but no additional direct costs to the County.

It is our judgment that over time, the recommendations related to workforce development will have the cumulative effect of making the DSS workforce more efficient and productive, and that they will also ***help the Department reduce employee costs through attrition and careful realignment of work tasks in the future.***

Planning and Evaluation

A large department such as DSS needs to have the capability to plan, undertake comprehensive assessments of needs, do research on issues that arise, monitor the impact of new initiatives, and monitor progress against program and Departmental objectives by

collecting and analyzing data on outcome measures. The Department currently has no such capacity, other than on an ad hoc or special assignment basis, typically set up within particular divisions as needed.

Recommendations ❖ ***CGR recommends that DSS establish a small planning, research and evaluation unit within the Department as a currently-unavailable but needed management tool, to help the Department and Legislature assess needs and allocate resources most appropriately.***

Although this unit could initially be staffed by just one person, to be fully effective we recommend that it have two professional positions, and that it report directly to the Commissioner. We suggest that it share secretarial staff with the core secretarial support available to the central administrative staff of the Department. We propose that the positions would need to be newly-titled positions, probably one at the Grade 10 and one at the Grade 8 levels.

*Timelines and Costs/
Savings*

We suggest discussing the creation of such positions as part of the strategic planning process, to determine if there is a consensus around the need for the function. The County may believe it can do without the positions, and that if research is needed on a special project basis, it can contract it out. Indeed the latter is true, but we recommend that the Department is so large, and so diverse in the issues it needs to address, that it would be well served by having strong research and planning in-house capability. We would recommend that the positions be created as soon as the Department and Legislature believe it is feasible to create them.

The actual estimated costs of salary plus benefits for the two positions would equal about \$85,620. Of that, the County share would amount to only about \$21,400. However, as we are proposing it, ***there would be no net costs to the County of establishing these positions.*** We recommend that they be funded from savings associated with abolishing other positions in other units of the Department, as outlined in more detail in the next two chapters. In effect, we propose to simply shift two positions from other units when they become vacant and move them into these positions, which we suggest funding at the mid-ranges of their grade levels.

Beyond the costs of the positions, we believe that the planning and research work they would do will save money far in excess of what they are paid, and that they will also be helpful in bringing additional grant money into the Department.

V. DEPARTMENTAL REORGANIZATION OPPORTUNITIES

As indicated at the beginning of the report, although we interviewed staff in the context of their existing jobs and departmental units, we were primarily concerned about the functions being provided and how those contributed to the overall historical and evolving mission of the Department. Based on our understanding of the mission—and how it is changing and is likely to change over the next few years—and our understanding of the functions that do or should support that mission, *CGR believes the Department's major divisions and, within them, some of the smaller units, should be reorganized.* In this chapter, we describe the organizational restructuring along *functional lines which we believe will best support the ability of the overall organization to successfully carry out its mission of helping move more individuals and families to independence and self-sufficiency.*

We describe the structural changes in terms of the functional areas that implicitly exist now, but would be more formally acknowledged under our proposals. We describe what the new functional groupings would look like, and how they would differ from the current organizational structure of the Department when fully implemented. In some cases, the proposed reorganization may only occur over a period of years, rather than months. However, in most cases we suggest that the recommended changes occur sooner rather than later. This chapter focuses on how the overall organization of the Department would change, and over what period of time, in terms of the changing interrelationships between units and divisions at the overall policy-making and decision-making levels of the Department. More detailed discussions of internal operations and suggested additional changes *within* each of these areas follow in the next chapter.

Following the descriptions of the proposed changes, the existing and recommended future organizational charts for DSS appear at the end of this chapter.

Medicaid as Separate Division

Historically, Medicaid (and related Managed Care, Nursing Home and Home Care support services) has been part of the large Services division of DSS, more as a result of historical artifact than logic. We believe that is no longer justified.

Recommendations ❖ ***We recommend that Medicaid become its own division, with its own director, rather than continuing to be a separate unit under Services. Both divisions are too important to be combined.***

In light of escalating Medicaid costs, which could be exacerbated by the introduction this fall of the Family Health Plus initiative, Medicaid needs to be its own division and needs to receive the concentrated attention of a director who would also meet regularly with the other directors and the Commissioner and Deputy Commissioner, as broad Departmental policies and directions are being established. Even though Medicaid concerns have been well represented by the Services director, there is no way that a single person can adequately do justice to the complex issues involved in two such significant program areas. Managing the Services area by itself, without having any additional responsibility for Medicaid, is—or at least should be—a full-time job. To have two such large program areas under one director is simply no longer justifiable. To our knowledge, Niagara is the only county in the state in which Medicaid has been a part of the Services area.

In looking at other counties, no one model for Medicaid stands out. In some cases, it is combined with Food Stamps, which we considered as a viable option for Niagara County. In other counties it does stand alone. We believe that, particularly with the potential need for a broader community discussion about Medicaid and the directions of long-term care in Niagara County, Medicaid needs a full-time, visible director presence and advocate.

Timelines and Costs

We recommend that this shift of Medicaid from Services to its own division should occur as soon as possible. ***There would be no cost implications of creating a new director position***, as the incumbent A Supervisor overseeing the Medicaid program area under the Services director currently earns as much as a director would anyway, so there would be no new costs associated with creating this division or a new director's position. And, in the future, when a new director would need to be hired, presumably

the person could be hired at a lower end of the salary range than the salary of the current incumbent.

Develop Youth Services Division

The most important shift in the overworked and over-committed Services division involves the separation of the Medicaid unit into its own division. But the Services division also oversees a number of other preventive-oriented, community-based outreach services in schools and Head Start settings that the Department has provided the leadership to establish, but which have not been able to receive the needed leadership to help them thrive once up and running. With the Youth Bureau now at least nominally a part of DSS, with a loose reporting relationship to the Commissioner, other more formal options for the provision of youth services become viable possibilities.

Recommendations ❖ ***The Youth Bureau should be formally incorporated into the DSS structure, and should be broadened in scope to be called the division of Youth Services (or the Youth Development division). Either way, we recommend it be given DSS division status, and recommend that the head of the division be considered a DSS director reporting directly to the Commissioner. The director would also be appointed directly by, and have access to, the Legislature, to meet State requirements assuring the importance and visibility of the unit. This division would ultimately incorporate responsibility for the Department's youth outreach programs, as well as the TASA program, and would immediately focus on broad prevention, youth advocacy, program expansion, and youth development and asset building activities.***

This proposal would leave the focus of the remaining Services division on traditional DSS child welfare (child protective, undercare, foster care, adoption and home finding) and adult protective services. Although a new director position within DSS would be created by this proposal, it is simply the existing Youth Bureau director position, with no difference in total costs.

The Youth Services division would immediately be responsible for traditional Youth Bureau oversight (including liaison with its traditional Youth Board), broad youth advocacy and leadership in the community, development of youth assets throughout the county, the TASA program, youth program expansion, grant

development, and coordination with the Workforce Investment Act Youth Council. It would be important for this new division to set clear goals and directions with a strong focus on broad preventive youth services, and then to develop a structure to accommodate the mission, rather than focusing on the structure first. We recommend that there be a ***strong emphasis on preventive services for all youth***, an ability to expand what either the Youth Bureau or DSS could otherwise do by themselves, and ultimately improved and expanded services for the youth of the county.

Ultimately, this new division should also incorporate responsibility for current DSS youth outreach programs—the collaborative programs based in schools and Head Start centers in various locations around the county. As discussed in more detail in the next chapter, clear working agreements and expectations still need to be worked out between DSS and the schools and Head Start sites, and we recommend that these issues be resolved, tested and monitored before the shift of responsibilities to the new Youth Services division formally occurs. We recommend that the assumption of these school outreach program responsibilities by the new division be phased in over time, after these agreements and expectations are clearly and firmly in place, and after other working relationships between the new division and the Department and the other directors are clearly established.

Timelines and Costs/ Savings

CGR suggests that the integration of the Youth Services division within DSS be approved immediately. Much of what is proposed here is already beginning to happen, at least informally, including the development of broader youth initiatives and grant opportunities in the community. The sooner the approval, the sooner the role can become apparent in the community and the sooner the greater emphasis can begin to be formally placed on *broad preventive youth programming*.

It is CGR's contention that this proposal, properly implemented, will save the County substantial local tax dollars, as well as generating new grant-funded services. Because the services and function of this proposed unit are consistent with, and strengthen and go beyond, traditional DSS preventive services, and help strengthen youth and families and prevent out-of-home

placements, we believe the full range of Youth Services staff administrative costs (not including the costs associated with the federal summer youth program or other state Youth Bureau traditional grant programs) should be covered under the traditional DSS Services reimbursement schedule, which would mean about 20% County funding, rather than the almost 50% County share of traditional Youth Bureau funding. Preliminary indications are that the State is willing to consider this reasoning as long as the strong youth development focus described here is maintained and visible in the community, pending their review of the full approved proposal submitted on behalf of the Legislature.

If approved as recommended, the direct savings to the County would be about \$81,150 per year. Such savings could be anticipated in the 2002 County budget (plus any COLA increase), and a prorated portion of that amount could potentially be saved this year, depending on when the affiliation were to begin. Thus, if the agreement were in effect by September 1, for example, additional savings of about \$27,000 could occur against the current year's budget. Additional savings, or further expansion of services at no additional costs, could occur in subsequent years, as discussed in more detail in the following chapter.

Modifying the Eligibility/Income Maintenance Function

Under CGR's proposals, the Eligibility/Income Maintenance division would add a unit (HEAP), continue but expand an existing unit (Day Care), and contract out responsibility for a third unit via a memorandum of understanding with another County department (Employment Unit with Employment and Training Department). All three of the recommended shifts in units are designed to strengthen the focus of each of the functions they are responsible for, to enable each to collaborate more effectively with other units, and to make more efficient use of staff across units. Each of the proposed shifts in reporting relationships is outlined below, with more details about the internal workings of each unit covered in the next chapter.

Contracting the Employment Unit Function

The DSS Employment Unit (EU) is currently part of the Eligibility division. The County also has a separate Employment and Training Department (E&T), with similar responsibilities for helping find employment, as well as training opportunities, for

individuals meeting various criteria. Although the primary target audiences differ for the most part, there is some overlap in core functions, and there are opportunities to work together on various tasks more effectively. Both units maintain Job Developer positions. Also, although the job titles are different, there are some similarities in functions between the Employment Specialists and Work Experience Aides of the DSS Employment Unit and the Counselors and E&T Assistants of the Employment and Training Department.

As TANF and Safety Net cases have declined, so have the caseloads of the Employment Unit's Employment Specialists, although they argue that the cases they are working with are more complicated now, and have fewer employment-related skills. CGR believes there are opportunities for the County to save money by linking the Employment Unit and the E&T Department, as well as opportunities for more efficient delivery of services between the two organizations.

- Recommendations** ❖ ***CGR recommends that the DSS Employment Unit become a separate unit of the E&T Department, and that it continue to be responsible for the same functions it now provides DSS clients. DSS would hold the EU accountable for performing its current functions and responsibilities to DSS clients through a memorandum of understanding (MOU) between DSS and E&T. Some of the EU positions would be funded through 100% federal funding available to E&T, at cost savings to County taxpayers.***

There are two primary reasons for the proposed formal affiliation between these two entities of County government. (1) The first is to strengthen core employment-related services by forcing extended contact, communications, coordination, and sharing of approaches between the employment staff in the two different departments. Although there is some coordination already, especially between the Job Developers, we believe that this can be improved through more routine contacts, and that both units are likely to improve their performance against outcome measures as a result of better sharing of information, follow through on leads, comparison of approaches that work, sharing of information about occasional common clients, etc. We also believe that by holding the EU accountable for its performance via an MOU, the

unit will be forced to develop better outcome measures to document its performance in the future, which DSS has not always been insistent on in the past. (Further discussion of issues related to the future performance of the EU function can be found in the next chapter.)

(2) Beyond the service enhancement we believe will occur in both groups of workers as a result of the “cross fertilization” between the two, there are also financial incentives to linking the two units as proposed. Because E&T receives its funding from the federal government, the County contributes nothing to the administrative costs of running the department. The E&T department has some flexibility in how it uses its funds, and should be able to cover the entire costs of probably four of the DSS EU positions at this time, with perhaps more in the future. Thus the County would benefit from having the same core tasks performed by the same unit of staff, but those EU services in all probability would be enhanced by greater efficiencies and collaboration with E&T staff, and at least some of them would be provided at no cost to the County.

It should be noted that some concerns have been raised about this proposal, especially about the possibility that the County, in this realignment of functions, could lose the almost \$1 million in New York Works Block Grant funds Niagara County receives. At least portions of those funds could be lost if the County were to reduce its local share of support for the block grant. The fear is that if local dollars are reduced, as they would be if some of the position costs were absorbed by federal funds, the block grant funds could be threatened. Clearly it would not behoove the County to save some money through the proposed collaboration and lose more than that in the block grant and the services and supports it provides for low-income residents.

CGR has investigated this concern with State DOL representatives, and is assured that the block grant funds are not likely to be threatened, even if the County share declines in absolute dollar support. This is because of a provision in the regulations concerning the block grant funds that allows the County total share of support to decline if the TANF caseloads also decline, as long as the *average amount of local support per TANF case is not reduced*. As caseloads continue to decline, it seems

reasonable to conclude that even if the County's total level of support declines somewhat, the *average* contribution per case will remain sufficient to meet the block grant test. (Between 1999 and 2000, the TANF caseload declined, and the average County share of support per case actually increased.) There appears to be a fair amount of flexibility regarding how the local match is defined anyway, and as long as the County is able to justify that its support per TANF case has not been eroded, it is not likely to lose the block grant, and certainly not as a result of having some County funds picked up by federal funds.

It should be noted that the MOU between DSS and E&T should be very precise about spelling out the exact roles and functions the EU must carry out, acting on behalf of DSS as a unit reporting to E&T. The MOU should include precise language about what is expected as a result of the agreement, to assure that all responsibilities are carried out as planned, and that the EU meets the criteria established by DSS. (Other issues regarding staffing and responsibilities of the Employment Unit will be discussed in more detail in the next chapter.)

Timelines and Costs/Savings

There appears to be no reason why this proposed agreement should not be implemented as soon as possible during the remainder of this year. The sooner the agreement can be reached, the sooner the collaboration and any service enhancements can begin between the units, and the sooner the financial benefits can begin to be realized by the County.

For purposes of calculating the financial savings to the County, we assumed that E&T would assume responsibility for covering the costs of one of the eight EU Employment Specialist positions and for the three lowest paid positions, the Work Experience Aides. We believe this to be a realistic assumption, based on our discussions with the heads of both the DSS and E&T departments.

Factoring in the 2001 salary costs plus benefits, at 100% federal funding, those costs would all be absorbed by federal dollars, thus resulting in direct savings to the County of \$45,000 per year. Such savings could be anticipated in the 2002 County budget (plus any COLA increase), and a prorated portion of that amount could be

saved this year, depending on when the affiliation were to begin.

Incorporating HEAP Under Eligibility

In the past, the HEAP unit has been the responsibility of the Director of Administrative Services for DSS. Like Medicaid under the Services division, HEAP's being under the overall direction of the Administrative Services division, rather than under the Eligibility function that it most resembles, seems to be more a historical artifact than a logical arrangement. It seems to have worked under this arrangement over the years, but as the Department looks to the future, it seems to make more sense to have it linked functionally with another intake/eligibility unit.

Recommendations ❖ ***CGR recommends that the Eligibility/Income Maintenance division begin to assume responsibility for the HEAP unit in time to prepare for the beginning of the 2001 heating season this fall.***

This arrangement would seem to better prepare the HEAP unit for the anticipated continued demand for its services that it experienced this past year. By being formally linked to the eligibility/intake division, it should be easier to anticipate the possible need to shift resources to meet peak demands across similar units, rather than borrowing resources from "hither and yon" as happened the past year. It seems to make sense to shift the unit to a division where there are common tasks, and where similar approaches, training, procedures and consistent supervision are more likely as a result of similar responsibilities for intake and understanding of eligibility issues.

This approach is also consistent with the organizational arrangement in most other comparison counties we reviewed. In the next chapter, we provide further details about the specific organizational arrangements being proposed, and the staffing and cost savings implications.

Timelines and Costs

As noted above, we recommend that this restructuring be approved for implementation as soon as possible, so that preparation can begin for the fall heating season. ***There are no County costs as a result of this recommendation.*** Indeed, there are both ***immediate and longer-term savings which will***

Single Day Care Unit Under Eligibility

accrue to the County, as spelled out in the more detailed discussion of the HEAP function in the next chapter.

Day care monitoring services are currently provided by various units within the County. The Eligibility division maintains a small unit of two people and a supervisor to oversee day care payments for people on public assistance. The Medicaid unit currently under Services has a larger unit of four people responsible for non-public assistance day care, with no full-time supervision. While a DSS client is working with the Employment Unit, an Employment Specialist is responsible for helping the person obtain day care, and then for monitoring the payments to providers. CAP Specialists also work with their clients in helping them link up with day care providers, although payment of providers is handled through one of the day care units.

It would be hard to imagine a more inefficient, fragmented approach to overseeing the day care operation. The ability to use day care as a transitional support to help move a person to self-sufficiency is compromised by the way in which the day care function operates—or fails to operate—in the County at this time.

Recommendations ❖ ***CGR recommends that the Public Assistance and Non-PA Day Care units be merged into one office, to be supervised under the Eligibility division. Particular attention should be given to getting payments caught up, to opening new cases, and to facilitating the transition from PA to non-PA day care when a PA case is closed.***

Other than expediency at some previous point in time, there is no logic to having responsibility for monitoring non-PA day care done on a part-time basis, at best, under the Medicaid unit, which has no primary responsibility for day care. This non-PA unit has been behind in payments for some time, and has been receiving borrowed staff support from other units off and on, but no one has attempted to deal with the long-term implications of operating the unit without real supervision, while at the same time, the separate PA day care unit operates with a supervisor and a small staff of two. Procedures vary considerably between the two units. In short, change is desperately needed.

Merging the two units under one full-time supervisor will help improve the performance and effectiveness of the function. Once the basic organizational issues are dealt with, and the backlog begins to be brought under control, then the larger issues of promotion of transitional day care, and using day care as an aggressive tool to encourage work and self-sufficiency, can be addressed. Also, the issue of how the unit should more appropriately support the Employment Unit can also be addressed. In the meantime, just getting the joint operation up and running, and operational procedures in place under strong supervision, will be an important step by itself. Further discussion of additional details about day care and how the unit should be functioning in the future are discussed in the next chapter.

Timelines and Costs

Formally merging these two units should happen immediately. Not doing so will simply increase the backlog of cases behind in their payment, and delay the opening of new eligible cases. Since a supervisor is already in place, supervising only the small PA unit, it will be a far better use of her time to be supervising a larger merged unit in desperate need of strong supervision. ***There would be no additional costs to the County of establishing this new combined day care unit, and once the operation is operating efficiently again, it may actually save money*** by working as it was intended to do, to help move and keep people off welfare by providing them with sufficient needed child care support to make sustained self-sufficiency a realistic prospect.

Create Resources Recovery Division

Currently three separate units within DSS have significant revenue generation responsibilities: Child Support, which is currently its own division with its own director; and Fraud and Resources, both of which are currently separate units under the Administrative Services division and its director. Recently, the Administrative Services director and the heads of those three units have begun to meet regularly, along with a few others, concerning issues of mutual interest and concern to all. It may make sense to take the next step and formally incorporate these informal discussions into a new functional unit.

Recommendations ❖ ***CGR recommends that the Child Support, Fraud and Resources units be formally integrated into a single Resources Recovery, or Revenue Generation, division of the***

Department of Social Services. Since one of these units is already headed by a director level position (Child Support), this would not represent an additional director position.

Although there are clear differences in approaches and responsibilities between the three units, there is probably more in common between the units and their responsibilities, and how they are carried out, than differences between them. There is already coordination and communication between the units. But there appear to be untapped opportunities for collection and investigation efficiencies, and shared resources in some cases, if the units are formally merged under one division working together. Under this proposal, the three units would continue to be maintained as separate entities, but responsible to an overall director focusing on the common mission and resource utilization opportunities across units. More details are provided about specific opportunities, potential changes, and cost savings and revenue generation potential under each of the units in the next chapter.

Timelines and Costs/Savings

Establishment of a Resources Recovery division ideally ought to occur by the end of 2001. Because two of the three affected units currently report to a second director—the director of Administrative Services—initial efforts to put these resources together in a workable new division should include the Administrative Services director as an integral part of the discussions and planning.

Because the supervisory positions to create this new division are already in place, ***there would be no additional costs to the County of implementing this proposal. In the long run, additional cost savings to the County, as well as additional revenues, are likely to result,*** as spelled out in more detail in the next chapter.

Administrative Services Function Redistributed

The Administrative Services division currently includes a number of important functions: Accounting, HEAP, Resources, Fraud, and Data Entry. As indicated above, we have recommended restructuring HEAP, Resources and Fraud into what appear to us to be more logical and ultimately more efficient and more productive functional groupings. We propose to also recommend restructuring the remaining two units over time. As such, in the

future, there would be no Administrative Services functional division.

- Recommendations*
- ❖ *We recommend that DSS strengthen the focus and influence of the financial functions of the Accounting unit, with expanded emphasis on budget preparation and on year-round careful monitoring and reporting of expenditures and revenues to the Commissioner and directors on an ongoing basis. The financial function of the existing Accounting unit would be separated from the non-financial functions and would become a new Financial Management unit. This unit would in the future report directly to the Commissioner.*
 - ❖ *We propose that the Data Entry unit be reduced in scope, consistent with recommended increases in direct data entry across most units of the Department. We recommend that the unit be restructured to incorporate the non-financial functions of the Accounting unit (the portion of Accounting that includes records management, courier service, and mailroom services). We suggest that this integrated unit, including these services plus a reduced data entry focus, be reconstituted as an Information Processing unit, and that it eventually report to the Deputy Commissioner.*
 - ❖ *At whatever time the current director of Administrative Services retires, the position, and the entire Administrative Services division, should be eliminated, given that the important functions of the division will all have been redistributed.*

It is important to note that this redistribution of functions should in no way be viewed as any negative reflection on any of the incumbents in the various units or positions affected. Indeed, it is precisely because of the importance of these functions that we propose restructuring the division. The functions are all important, but they ultimately make more sense when distributed into reporting relationships where there is greater affinity of functions, rather than the rather loose assortment of important, but relatively unrelated functions, that currently make up the Administrative Services division. Thus, from CGR's objective perspective of assessing the overall system, the Department's needs will be best met in the future under the recommended

revisions in the structure, even though the current arrangement has served DSS well over the years.

Timelines and Costs/ Savings

We believe that it makes sense to go ahead at the first convenient time to restructure the Data Entry unit into an Information Processing unit, including the recommended portion of the Accounting unit. Over time the data entry portion of this unit may become less important, as other units throughout the Department do more direct data entry. Timing of some of those changes, and the long-range implications for staffing patterns, are discussed in more detail in the next chapter.

In the meantime, the expanded importance and focus of the financial portion of the Accounting function have already begun to be put in place, and the formal reporting relationship could be implemented at whatever time it makes sense to the Department to make it official.

The Commissioner should consider the best ways of maximizing the services of the Administrative Services director in the meantime, prior to his retirement. He and his advice and counsel should be integral to the various transitions being proposed for his units, and he should continue to be responsible for building maintenance and problem-solving. Depending on what the County decides to do about the future of consolidating some or all of the DSS functions and units, his role could be essential in planning and working out the logistics of any move.

In the short term, there are neither costs nor savings to the recommended restructuring of the Administrative Services division. However, a number of savings and revenue enhancements within the various restructured units are outlined, both short-term and longer-term, in the next chapter. And, when the director does retire, his salary and benefits will not be continued, at a savings to the County of approximately 25% of the total costs of the position.

Summary

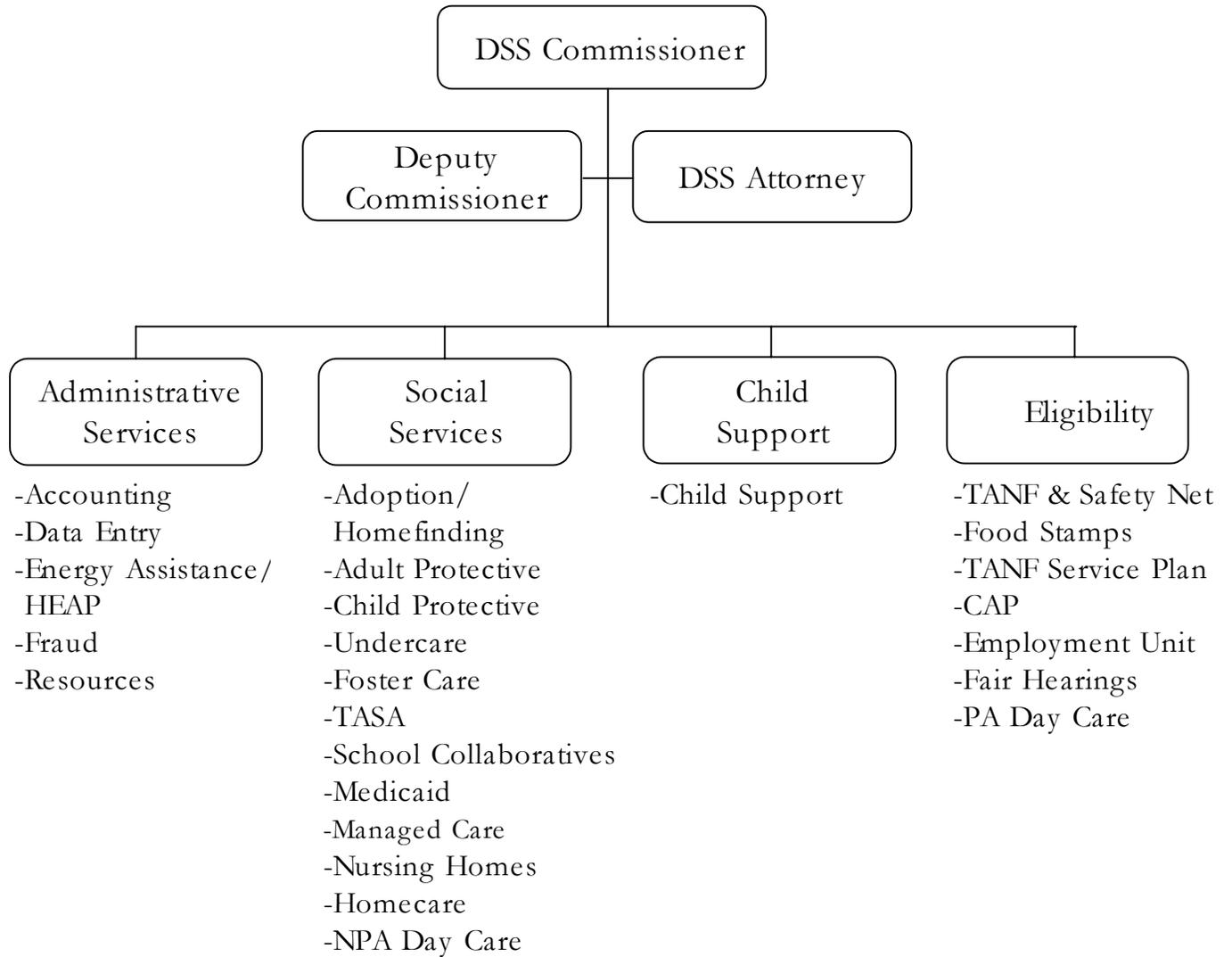
The next two pages present the DSS organizational chart at the top administrative and divisional levels, as it currently exists (page 72), and the organizational structure and

functional alignment as it would exist if the proposals outlined in this chapter are implemented (p. 73).

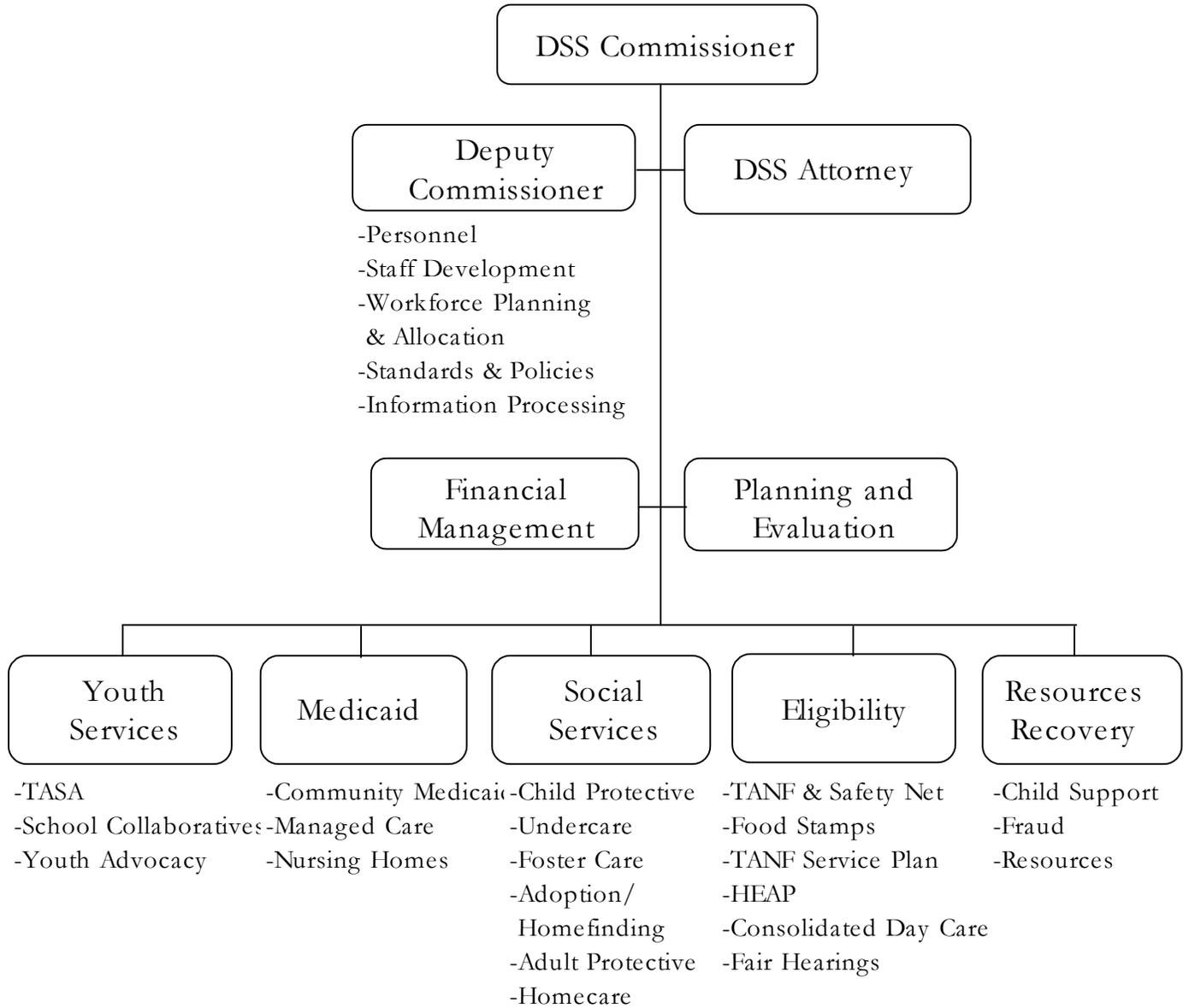
A surface comparison of the two charts may suggest that all we have done is proposed adding layers of functions, divisions and units, and high-level staff positions. However, as emphasized in the preceding pages, what we believe the proposed new structure would do instead is to create several tangible, substantive benefits for the Department and the County as a whole, including:

- ❖ Improved delivery of these core functions, and increased focus on important services;
- ❖ A more logical grouping of units and services along functional, rational, complementary lines;
- ❖ A more equitable distribution of responsibilities across directors and divisions;
- ❖ Strengthened management functions which should enable the Department to be run in a more businesslike, cost effective manner while at the same time being more customer friendly and conscious of staff needs and suggestions;
- ❖ Better accountability for performance; and
- ❖ Added units and functions at no added costs to taxpayers and, indeed, significant savings to result immediately, with even greater savings to follow (see next chapter).

Current DSS Organizational Chart



Proposed DSS Organizational Chart



* Employment function to be carried out through MOU with Employment & Training Department.

VI. ISSUES BY DIVISION

Having addressed the strategic and policy implications facing DSS, the overall management issues that cut across all units of the Department, and the opportunities to restructure the Department along more functional lines, we now turn to a more detailed discussion of opportunities that exist within the individual divisions and the units within them. We start with the central administration and work our way through the various other divisions. As an organizing principle, we will refer first to the existing divisions and their units as they stand today, but also refer to any changes that have been recommended in the previous chapter to realign any of that division's units. This should help any reader who chooses to read selectively and only look for selected units of interest.

The focus of this chapter is primarily on the opportunities CGR recommends for productive change. There are many things in each of the divisions and units that seem to work fine, and/or where our analyses couldn't come up with anything better than the current way of doing business. We do not take time in this chapter to cite all of those positive efforts. So the chapter may seem one-sided in its emphasis on what can be done better. But since that is what we were asked to focus on, we will do so without apology, but with the understanding that the reader should realize as a result that if something isn't mentioned, it's probably for good reasons.

Some of our recommendations need explanation and some discussion of the rationale underlying what we recommend and why. In other cases, we believe the recommendation stands on its own, with little or no supporting rationale needed. And in still other cases the recommendation may simply be to raise a question that needs someone to pay attention to it, without a specific solution suggested. In such cases, we will simply offer our recommendation without explanation and move on, in the interest of being as concise as possible.

A caution: What follows represents CGR’s recommendations, based on our detailed review of DSS over the past few months. We believe the recommendations each make sense and that they would improve services and significantly reduce net costs to the County. However, we caution the Legislature and Department not to simply react to our individual recommendations out of context, or to adopt or reject our recommendations just because they may save—or not save—money, or because they do or don’t sound logical for some other reason. Instead, *we believe the Social Services Committee and the Department, before making any firm decisions, should engage in the strategic planning process described earlier in the report—and to make decisions about the issues raised in this chapter in the context of what results from that strategic review of the Department and its mission.*

DSS Central Administration

Most of what needs to be said about the Department’s central administration has been said before regarding policy issues, central management issues, and the roles of the Commissioner and the Deputy Commissioner. A reminder that we also recommended in those earlier discussions three new or realigned functions to be added to the specific responsibilities of central administration:

- ❖ The creation of a two-person planning and research unit to be part of central administration, at a cost to the County, after outside revenues, of \$21,405. Even this modest cost could be reduced further if this new unit were to be staffed by only one person, as some have suggested. This would be better than no unit, but we believe that the proposed unit would be much more effective with two staff, as proposed in the previous chapter. This would help assure that the unit would be able to provide full value for the Department and County, as a management tool that would help assess how DSS is doing against its objectives and desired outcomes, help assure that staffing is allocated most appropriately to meet the objectives, help expand best practices throughout the Department, improve services while reducing costs to the County, and expand grant revenues. Either way, 100% of the costs of the proposed unit, if most of our other recommendations are followed, will be offset by savings from other reductions

shown later in this chapter, so that *this unit would have no net cost to County taxpayers.*

- ❖ The fiscal portion of the Accounting unit would report directly to the Commissioner, at no new costs. Actual future savings associated with that unit are described in more detail under the Administrative Services discussion below.
- ❖ The non-fiscal portion of the Accounting unit would be combined with a smaller Data Entry unit to form a restructured Information Processing unit, which would report directly to the Deputy Commissioner, at no new costs. Actual future savings associated with that unit are described in more detail under the Administrative Services discussion below.

Beyond these issues, the other issues to be discussed concerning central administration have to do with the DSS Attorney's office and clerical support in central administration.

***Recommendations:
DSS Attorney's Office***

In addition to the full-time lead DSS Attorney, the Department also hires a full-time Assistant Attorney and eight part-time Attorneys. In general, these attorneys are viewed by those who work with them as being competent and effective, but serious questions have been raised about whether they are sufficiently accessible to staff, and whether overall they provide sufficient legal guidance on a timely basis to meet the Department's needs. The following recommendations should improve services provided by the attorneys, improve coordination on cases involving the County Attorney's office, and save local taxpayers considerable money:

More Full-Time Attorneys at
Less Total Cost

- ❖ ***CGR recommends that over time, the ratio of DSS Assistant Attorneys should shift from eight part-time/one full-time to four part-time and three full-time attorneys. Ideally, in the future as current attorneys leave, in addition to the existing full-time attorney and the remaining part-time attorneys, there would be one full-time attorney assigned to child support services and an additional full-time attorney covering the child welfare area.***

It is important for the Attorneys assigned to represent the Department to be competent, experienced, sufficient in numbers to be able to cover several courts in session at the same time, and to be accessible to DSS staff who need their legal counsel in advance of court cases. With eight part-time attorneys, what suffers in this equation is accessibility to staff. In virtually every division and unit of the Department, concerns were raised during our study from supervisors and line staff about their perceptions of the following: the lack of adequate and timely access of line staff and supervisors to part-time attorneys, an inability to be able to count on seeing attorneys when their advice and support is needed, staff having to do work they perceive to be better and more appropriately done by attorneys, the inability to pursue cases and/or to make strong court or fair hearing cases because of insufficient time from the attorneys, etc.

The mix of current attorneys involves four who have arrived since 1997, so there is already a mix of more and less experienced. A more varied mixture of a total of seven, rather than nine, full- and part-time attorneys should be sufficient in the future to adequately cover the courts while also providing additional full-time coverage that should enable staff to have access to attorney counsel on a more consistent and predictable basis.

It is our suggestion that as the next few part-time attorneys leave the Department in the future, they be replaced on a 2-for-1 basis by full-time attorneys. That is, for example, the next two part-time attorneys in the child support area who leave would be replaced by one full-time attorney. This would not only increase access to staff, but it would also be more cost effective, as the costs of hiring one full-time attorney are less than what the County pays two part-time lawyers. And, the County would be assured of receiving full work weeks from the full-time attorneys, which is frequently not the case with even a combination of two of the part-timers.

It should be noted that other comparison counties similar to Niagara all had a higher ratio of full- to part-time attorneys than does Niagara. Some have only full-time attorneys, and others are closer to a 50-50 split, but *Niagara is clearly the exception in its almost exclusive reliance on part-time attorneys.*

Timelines and Costs/Savings

It is recognized that this recommendation would take time to fully implement, but this should ideally be the plan that governs future attorney hires for the Department.

There would be modest cost savings associated with this proposal, although the primary reason for the recommendation is to improve the County's legal advice on its cases. Current part-time attorneys are paid about \$33,500 a year; we estimate that a good full-time assistant attorney could be hired for about \$48,000 a year, and perhaps less.

Doing the math involving salaries and benefits, shifting four part-time for two full-time attorneys in the future would save, once the shifts were fully implemented, about \$11,875 per year in County costs. Such savings would only begin to accrue once the changes have occurred, so this would not be a factor in the 2002 budget.

Contract with County Attorney at Reduced County Costs

A considerable portion of the time of some of the Assistant County Attorneys is spent on prosecuting cases involving DSS clients. Often decisions get made in those cases which are not in the long-term best interests of either the County or the family involved, as often the adversarial process breaks down without the opportunity to negotiate a favorable resolution for all concerned. Moreover, the Assistant County Attorneys, although working substantial portions of their time on Family Court matters affecting DSS clients, are paid strictly by County taxpayers, and have not historically claimed any of the more favorable DSS reimbursement formulas. We suggest that that should change:

- ❖ ***DSS should enter into a memorandum of understanding with the County Attorney's office to purchase prosecutorial services affecting DSS clients. The time purchased would assure that, even within the adversarial process, discussions routinely occur between DSS Attorneys and Assistant County Attorneys to attempt to reach decisions in the best mutual interests of both the County and the child and family involved. The costs of the County Attorney staff would be eligible for 80% reimbursement available for services cases.***

This recommendation could lead to considerable savings to County taxpayers in terms of administrative cost reimbursement,

but perhaps more importantly, the process improvements should lead to better, more reasoned decisions made concerning the lives of families. Moreover, those decisions may themselves have substantial financial implications favorable to the County, as just one or two decisions could save a hundred thousand dollars or more in money the County would otherwise have to pay for a placement that might be avoided, or might be made at least to a facility that minimizes County costs.

Timelines and Costs/Savings

A memorandum of understanding should be drafted as soon as possible to implement this agreement between DSS and the County Attorney. The savings to the County would be substantial. We assumed one full-time equivalent Assistant County Attorney working on DSS-related court cases, with half the time of one confidential secretary and 10% of the County Attorney, and reimbursing for those costs at the 80% state and federal rate.

Beginning in 2002, County taxpayers could save \$98,500 a year (plus future COLAs) as a result of entering into the recommended agreement. We would also suggest that claims be processed for this year as well. Thus, if this could be in effect by September, an additional reimbursement of about \$32,800 could accrue to the County's benefit in the current 2001 budget year.

For planning purposes, we estimate that an additional \$100,000 in County dollars will be saved annually once this agreement is in place, as a direct result of more appropriate placement decisions.

Enhanced Medicaid Recoveries

The DSS Attorney plans to place more of a concentrated focus on reducing Medicaid expenditures through legal challenges of long-term care payments.

- ❖ *The Attorney and his lead staff for Recovery should work closely with Medicaid staff to develop the necessary forms and procedures to expedite the most promising cases to ensure that people receive the appropriate levels of care and appropriate reimbursement, but that the taxpayers interests are also protected and inappropriate use of Medicaid funds are returned to the County. Staff have estimated that*

between 25 and 50 of the most promising cases a year should be taken to court for prosecution.

Timelines and Costs/Savings

This is an ongoing process that is likely to evolve over several months, but the effort has begun and should be pursued aggressively, just as a similar effort has been successfully undertaken between the same Assistant Attorney and the Fraud unit.

Estimates from both the DSS Attorney and Medicaid are that the County should be able to recover an additional \$100,000 or more a year in revenues that would otherwise have cost taxpayers Medicaid dollars. In future years, when the deterrent effect of the prosecutions has worn off, the effect should simply be reflected in reduced claims against Medicaid for inappropriate institutional coverage.

Clerical Support

The DSS Attorney is not currently making significant use of the four clerical staff who provide support for the central administrative staff and three of the current directors. Responsibilities can be shuffled between the four to enable support to be provided both for the DSS Attorney and the proposed new planning and research unit.

- ❖ ***The assignments of the four clerical support staff in the central administration should be realigned to provide direct support for the DSS Attorney, and to provide needed support for the new planning/research unit.***

Efficiencies anticipated from consolidating central administration in one location, and from other anticipated redistribution of responsibilities, should make it possible for the needs of all in central administration, including the Attorney and the new planning unit, to be met.

Timelines and Costs/Savings

This reallocation of staff resources should be able to begin during 2001. ***The additional responsibilities can be absorbed at no additional costs to the County.***

Assistant District Attorney

DSS pays the full costs of an Assistant District Attorney ostensibly assigned to the Fraud unit to exclusively prosecute DSS fraud-related cases. Although the full costs of the position, including fringe benefits, are paid by DSS (including state and federal

reimbursement), DSS staff are frustrated that they receive only a small proportion of the time of the ADA that they have supposedly paid for. Ideally, they would like to have access to that money for other purposes, rather than having it “wasted on a position that gives DSS so little direct value.”

- ❖ *CGR recommends that no change be made in the reimbursement formula, but that DSS receive credit for this “contribution” when budget cuts are required.*

The ADA position is needed in the DA’s office, so from the overall County perspective, it is better to have the position funded 75% with non-County tax dollars as a result of the DSS “contract,” compared to 100% County dollars that would otherwise be required to fund the position. So we suggest that DSS should “continue to take one for the team.” However, it does seem fair that since the Department receives so little directly in return, it should receive credit in the “budget reduction process” for the more than \$71,500 in DSS funds counted as District Attorney revenues.

Administrative Services Division

As discussed in the previous chapter, we recommend that this division be eliminated, as the various units get realigned and redistributed to other divisions more consistent with the functions they provide. As a reminder, the position of director of this division would be eliminated upon the retirement of the incumbent at some point in the future, and the savings associated with that were identified in the previous chapter; responsibilities for HEAP would shift to the Eligibility division, and further issues related to HEAP are discussed below in that context; and the Fraud and Resources units would shift to a new Resources Recovery division. Issues related to those units are also discussed below in that new proposed context.

The other proposed changes affecting this division were to reconfigure portions of the Accounting unit and a reduced Data Entry unit into a new Information Processing unit reporting to the Deputy Commissioner; and for the fiscal elements of the Accounting unit to receive increased visibility and attention through a direct reporting relationship with the Commissioner. Recommendations related to the staffing and operations of these

last two units in the Administrative Services division are discussed briefly below.

***Recommendations:
Proposed New
Information
Processing Unit***

As described earlier, this proposed unit would be a combination of the existing, but scaled back, Data Entry (DE) unit, and the non-fiscal component of the Accounting unit.

- ❖ *Five positions from Accounting (stock clerk, records management clerk, courier, and two mail clerks) would combine with DE to create the proposed new Information Processing unit. It would process basic information throughout the Department. In addition, the Sr. Data Entry Operator would work closely with the Deputy Commissioner in formulating approaches to technology upgrades across all units of the Department.*
- ❖ *One of the remaining six typist positions within the existing Data Entry unit is vacant, and we propose that it be abolished. We also recommend abolishing a second typist position, the BICS operator, and merging it with an account clerk position in the Accounting unit (see below). This would limit the Data Entry unit to four typists, which we believe to be sufficient for the future as more units move to direct data entry. Some of these positions have already been shared with other units during slow periods, so we believe that four positions should enable the unit to continue to meet the demand for its services.*

Part of the important collaboration that would need to occur between the Sr. Data Entry Operator and the Deputy Commissioner is to be the catalysts with the directors to develop a Department-wide plan for technological improvements, as discussed earlier in the report, and to provide leadership with the County's Data Processing Department and the State in getting the attention needed to get the plan implemented.

***Timelines and
Costs/Savings***

As suggested earlier, the sooner this collaboration can begin to occur, in terms of movement on the implementation of computer expansion and upgrades and training, the better off the whole Department will be.

If the two positions are eliminated, the annual savings to the County would be about \$16,300. These savings could be reflected beginning with the 2002 County budget.

***Recommendations:
Accounting/Financial
Management Unit***

The Accounting unit currently has two vacancies: a Principal Account Clerk and an Account Clerk. The work of the latter position can be accomplished on a half-time basis, as can the work of the Typist/BICS position that we recommend abolishing in the Data Entry unit.

- ❖ *We propose combining the Account Clerk and Typist functions into one position, and filling the vacant Account Clerk position to accomplish those tasks.*
- ❖ *We recommend not filling the vacant Principal Account Clerk position. Efficiencies and increasing computerization of operations in Accounting have made it possible to function without that position being filled.*

***Timelines and
Costs/Savings***

The first action should be taken as soon as possible. The cost savings implication of that action was covered in the previous recommendation to abolish the Data Entry Typist position. Since the Principal Account Clerk position is currently unfilled, there is no urgency about taking any formal action on the position. It does not currently have an allocation against it in this year's budget. Nonetheless, we believe that it is important to show the savings associated with not filling the position, as it is a viable position that would need to be filled if not for efficiencies within the unit.

By not filling the vacant Principal Account Clerk position, the County's share of annual savings equals about \$10,400.

**Eligibility/Income
Maintenance
Division**

The number of issues facing the Eligibility/Income Maintenance division is large; many changes in the division are already underway or under consideration; and many other opportunities for change and reallocation of resources are recommended in this section. We first set the stage by setting the context and defining some of the most important trends that will need to be taken into consideration in determining the future directions and allocation of resources within the division and perhaps between the division and other functional areas of DSS.

The following table compares comparable counties in changes in numbers of Family Assistance recipients and Safety Net recipients (from 1997 – 2000), and Non-Public Assistance Food Stamp recipients (1996 – 2000).

County	Family Assistance % Ch. (& Rank)	Safety Net % Change (& Rank)	Food Stamps % Change (& Rank)
Niagara	- 41.0 (4)	- 40.3 (8)	- 34.0 (2)
Albany	- 33.6 (6)	- 9.1 (9)	- 20.0 (6)
Broome	- 43.2 (2)	- 54.7 (3)	- 32.2 (3)
Chautauqua	- 37.7 (5)	- 41.4 (6)	- 21.0 (5)
Oneida	- 32.4 (7)	- 41.8 (5)	- 17.8 (7)
Orange	- 24.5 (8)	- 61.7 (2)	- 15.9 (8)
Rensselaer	- 41.6 (3)	- 40.8 (7)	- 38.0 (1)
Rockland	- 21.8 (9)	- 73.4 (1)	+ 4.1 (9)
Saratoga	- 70.7 (1)	- 50.0 (4)	- 28.4 (4)

Comparisons Raise Questions

The first column of the table suggests that Niagara County has been aggressive in its proportionate reduction of the number of TANF/Family Assistance recipients over the past several years, compared to eight other comparable counties. However, although its rate of decline in number of Safety Net recipients (column 2) was comparable to its Family Assistance decline, all but one of the other counties reflected a higher rate of reduction during the same period of time.

By contrast, Niagara had the second highest proportionate reduction in Food Stamps cases (column 3), with most other counties showing much lower rates of decline. Thus, *in the area where it costs the County the most, Safety Net, Niagara was one step from the bottom in rates of decline, whereas in the area where there is no programmatic cost to the County, Food Stamps, it was one step from the top in reduced*

caseloads. Readers should be cautious about drawing interpretations from only partial data, without knowing overall rates of assistance per population and other relevant data, but the data at least suggest questions that the County should raise. For example, the data at least suggest that the County may not have been as aggressive as it might have been in urging the use of Food Stamps as a means of helping with the transition from welfare rolls. The question is why are these patterns the case? Do they reflect attitudinal patterns in how the County has worked with people on welfare rolls over the years, and are there ways of changing these patterns now, to create different comparison outcomes in the future?

NYS data showing monthly DSS transactions of various types indicate that the number of applications for public assistance in the first four months of this year were down by 28% compared to the comparable period in 1996—a reduction of about 200 applications per month. Average caseloads per undercare worker have declined from 150 or more in 1994 and 1995 to about 115 in 2000 and early 2001. And yet, significant numbers of applicants are being turned away each day in both Niagara Falls and Lockport (especially NF).

Intake Standards Not Met

Perhaps most troubling in this context is the fact that, in the Niagara Falls office, despite the numbers of people not being seen each day, *very few intake workers in NF were meeting the expected quota of 12 completed intake interviews per week.* Through early April of this year, against the expectation of 12 interviews per week (not counting workers on screening day assignments, and adjusting for 4-day work weeks), 76% of the possible “worker-weeks” fell short, often far short, of that goal. Collectively, the intake staff fell 34% short of the number of interviews that would have been completed if all available staff had met their expected quota.

If the goal of 12 interviews a week (9 for screeners and for short weeks) had been met consistently by available intake staff, an average of an additional 43.5 interviews would have been completed each of the first 14 weeks of this year, thereby reducing the numbers of people turned away each day. This reflects the shortfall based on just existing staff not completing their expected quota of interviews. In several of those weeks, intake staff were not operating at full strength due to vacancies,

people away for training, sick leave, etc. Had the NF intake staff been operating at full strength during this period of time, and had everyone been interviewing to expected standards, 61.5 additional interviews would have been completed in an average week. In several weeks, had staff been completing their quota of interviews, the backlog of turnaways could have been completely eliminated.

Comparable data for Lockport indicate a very different pattern. There, over the same period of time, 97% of the quota was met, and most turnaways were over and above the interview goals for the week being met, suggesting that in Lockport the question was more one of not having sufficient staff, whereas in NF the issue was at least as much the performance of available staff. Also, with different procedures in place in the two locations, these data suggest the need for careful analysis of what works well and not so well in each location.

Thus the Eligibility division, which to be fair has only recently had its director position filled for the first time in three years, needs to address twin issues: how to stay as much as possible at full strength, and how to assure that staff are held accountable for meeting expected performance standards at all times (even on weeks when staff were at full strength, few if any NF intake staff met the standards, and most fell significantly short of doing so, in part because of training new staff).

Given all this, what should DSS and the Eligibility division be doing to address these issues and to build on initiatives it has begun to develop? CGR offers the following recommendations:

- Recommendations:**
- The Intake Process***
- ❖ ***The division and overall Department must give priority attention to addressing the intake problem at several levels: making sure that sufficient numbers of staff are available to carry out the function, making certain that those who are available are operating to at least minimum productivity standards, and taking steps to reduce the number of people turned away each day. This means in part a careful analysis of the strengths and limitations of the intake process at each site, and developing corrective actions accordingly.***
 - ❖ ***To the latter end, CGR supports the development and implementation of the pilot project in Niagara Falls designed***

to provide a single intake interview for people not interested in opening a temporary assistance case, but who are interested in applying for both food stamps and Medicaid, and perhaps day care subsidies as well.

It makes sense to have this pilot project jointly staffed from both the Medicaid and Food Stamps intake areas, since both areas should benefit from the single intake, which should help reduce the numbers of return/turnaway cases each day at intake, thereby reducing the imposition and inconvenience for the applicants, and potentially saving both Medicaid and Food Stamps staff, as well as basic assistance intake staff, some subsequent intake time as well. The impact of this pilot project should be carefully monitored, so that its value can be clearly documented, and/or any problems spotted and corrected as quickly as possible. If it proves successful, ways should be found to apply the plan, or an appropriate version of it, to Lockport as well.

Another way to potentially reduce the numbers of people for whom intake interviews must be done, and therefore the numbers of turnaways, is to assign Undercare workers, rather than Intake workers, to be responsible for interviews to “reopen” cases that have previously been closed within the past 30 days. This approach, being considered by the division director, would reduce some of the current burden on Intake workers.

In order to assure that sufficient numbers of staff are available to carry out the intake function, ways must be found to keep experienced Intake staff, as currently many staff who start in Intake attempt to transfer out at the first opportunity, given the high stress and perceived unpleasantness and pressure of the job. There are no apparent easy solutions to this continuing problem, but any way of providing creative incentives to encourage people to stay in the Intake function would be helpful. For example:

- ❖ It might be worth considering the possibility of periodically rotating some staff between Intake and Undercare functions, to keep the job fresh and to vary the pressures and job demands over time.
- ❖ It may also be worth considering the establishment within the Eligibility division of “floater teams” of staff who

would be cross-trained to come in and cover for a unit short of staff (such as while new staff are being trained).

What does *not* appear to be a viable solution is to reduce the quotas/expectations of 12 interviews per week, which is within the range of what other comparison counties expect, and in fact is lower than many. To reduce the expectation would mean potentially needing to hire more Intake workers, which does not seem appropriate as overall applications and caseloads decline. Instead, increased emphasis should be placed on reducing the time needed for training new employees (by reducing the turnover through approaches just suggested), thereby enabling more interviews to be completed. Moreover, supervisors of Intake staff should be working more closely with their staff to reiterate the *expectation* that at least 12 interviews are to be completed per week, and to help find solutions to problems that prevent that from being routinely accomplished. Most importantly, the Department needs to focus on improving the overall intake process, and on ways of making it more customer-friendly and also more efficient, through such things as better use of scanners, single entry, etc.

- ❖ Finally, it is suggested, at least for the time being, that the Principal SWE who oversees the Food Stamps function be given an added interim assignment of “trouble-shooting” the Intake problem, observing it, and working with the Eligibility director and the supervisors who oversee Intake workers to develop practical solutions that best meet the future needs of the division staff, and the public, in this difficult area.

Timelines and Costs/Savings

The intake process, and how people are treated in it, should be viewed as a priority by the Department, consistent with its mission statement urging a new way of working with the public. All indications are that it is treated seriously. As such, we believe that each of these recommendations should be considered as quickly as possible, along with a careful process of assessing the impact of each effort and taking corrective actions as needed.

Unless a decision is made to offer “incentive pay” for Intake workers, there should be no additional costs associated with the implementation of these recommendations. Even such incentive pay, if implemented, would probably be minimal in its County share.

*Recommendations:
The FEDS Process*

Despite the fact that the Lockport intake workers are interviewing at close to, and in some weeks in excess of, their expected quotas, they have by their own admission been reticent to use the Front End Detection System (FEDS) that is at least in theory mandated, and it is likely that opportunities to save the County money are being missed as a result.

- ❖ *The division should remind Intake staff in Lockport of their obligation to make use of the FEDS system, as part of the intake process, rather than unilaterally deciding to ignore it. Intake staff should be held accountable for carrying out the process as designed, and the Fraud unit should in turn be held accountable for carrying out their FEDS investigations in a timely fashion, in order for intake staff to feel that their efforts in activating the process are justified.*

*Timelines and
Costs/Savings*

It is suggested that a reactivated and aggressive FEDS effort in Lockport be instituted as part of a three-month pilot project to assess its impact. If during that time, there is no significant difference in costs avoided, the future focus should be reduced, or adjustments should be made based on analysis of the circumstances under which the approach does and does not seem to work.

Estimates from the Fraud unit, compared with actual data, suggest that an additional 10 cases a month may be denied or have their grant amounts reduced if FEDS were practiced consistently throughout the Lockport Intake staff.

Over the course of a year, that could lead to about \$360,000 in denials or reductions (assuming avoidance of costs for a three-month period per denied case). Of that, through use of existing staff, at no additional costs to taxpayers, the County could be expected to generate an additional \$90,000 annually, beginning in 2002, through public assistance payments avoided.

*New Specialized
Undercare Process*

Employment Unit caseloads are down, consistent with overall TANF and Safety Net caseloads, and their individual caseloads at any given time are also lower than in previous years. Despite lower caseloads, in the midst of all this, numerous individuals are facing the 60-month limit for lifetime stays on TANF rolls, which

means the County is facing the prospect of having to cover half the costs of an estimated \$1.5 million SN expenditure during 2002 for those who cannot be diverted from the welfare rolls before their 60-month time expires. In response, to the Department's credit, it has set up a revised approach that groups types of Undercare cases into categories enabling them to receive specialized attention, depending on their degree of employability and such other special factors as substance abuse and other types of disabling conditions that may be hampering their ability to find jobs.

The Undercare process has been specialized in the past two months, with four different specialized caseloads established: employables, grantees, work exempts, and drug/alcohol team. Caseload sizes per SWE range from about 75 in the drug/alcohol team to 150 or more for the grantees team. So far, this approach seems to be working well, and is designed in large part to help move the hard-to-place off public assistance and to either help them find employment, to find the supports needed to make self-sufficiency ultimately more likely, or to assist in making a transition to SSI, at reduced costs to County taxpayers.

Recommendations: ❖ *Obviously, DSS and the Eligibility/Income Maintenance division are focusing on moving as many of the lifetime-limit people as possible into situations that will avoid their having to remain on public assistance/convert to costly Safety Net status. One incidental piece of initial good news that will be helpful in budget planning is the fact that the estimates of the budget deficit overstated by at least \$375,000 the worst case scenario for added County Safety Net costs. Thus \$375,000 can be subtracted from the projected County deficit for 2002.*

The projections correctly indicated that \$750,000 could be the County share of the SN costs, but they assumed that these would all be *additional* costs if the clients were not removed from public assistance rolls. Actually, the only additional costs would be half of that amount, as the first \$375,000 was already in the assumed budget amounts.

❖ *DSS should begin to phase out the CAP program, which has operated successfully for several years. Since it no longer will*

qualify, as of 2002, for enhanced reimbursements, the County will receive no financial incentives to continue the program, and many of those in the program will be reaching 60-month limits anyway. As the program is phased out, we recommend that the two SWE positions assigned to the program be shifted to Medicaid over the next few months to help the Medicaid division reduce its average caseloads if possible or, at the least, help it cover the anticipated increases in workload as a result of the expected increased requests for Medicaid services through Family Health Plus (see Medicaid discussion below). Even if the CAP Specialists are used in other ways in the future, as discussed next, we anticipate that they would be working with existing SWEs in the new Undercare specialty teams, and that as a result, these two CAP SWEs could be better used in the Medicaid program area in the future.

- ❖ *Similarly, we anticipate transitioning the roles of the CAP Specialists as they phase out of the CAP initiative. We recommend that ideally these Specialists become available to work with the larger TANF and SN caseloads to supplement the efforts of the specialty teams and their SWEs. We recommend that this happen in one of two ways: through the creation of a TOPS program in the County to aid in transition of people from welfare rolls to self-sufficiency, or through use of TANF block grant funds in the future to enable them to work as “case managers/supports” to the SWEs to help the cases focus in a more personal way than the SWEs can on what they need to do to become more self-sufficient. Either way, we believe that the CAP specialists should be able to obtain 100% enhanced reimbursement through one or the other, or a combination of both, of these funding options.*
- ❖ *To aid further in the focused approach to helping further reduce the remaining TANF and SN caseloads, we suggest that the Employment Specialists in the Employment Unit be assigned to specific specialty teams and SWEs, to work with specific teams and caseloads to help them in their job acquisition and placement process. We believe the creation of such teams will enable greater collaboration between staff functions, to the benefit of the clients, while holding staff*

more accountable to each other for achieving positive results on behalf of their mutual caseloads. Such working relationships should be built into the language of the MOU between DSS and the Employment and Training Department, assuming that the transfer of the EU function occurs as recommended above.

- ❖ *Also, through attrition, we recommend that the Job Developer position assigned to CAP be eliminated. As useful as that position has been to CAP, there are enough Job Developers in the County that, without the specialized CAP program, there is no need to add to the overall County JD pool that will now reside within the Employment and Training Department if our earlier recommendation is approved.*

Timelines and Costs/Savings

The previous four recommendations are ones that, for the most part, will take some time to fully implement, as CAP begins to be phased out, and other shifts begin to occur as that transition evolves and/or through attrition. However, it is important to begin the process as soon as possible, as the phaseout of CAP needs to be done over a one-year period, with that much lead notice given to clients. The one exception to the phase-in aspects of these recommendations is the recommendation to blend the Employment Specialists in with new specialty SWE teams. This should begin as soon as it is feasible to coordinate, and could even be established in advance of any transfer of the EU function to E&T. To the extent that that happens, we suggest that the E&T Director be part of the planning, in anticipation of ultimately having to oversee the process in operation.

Assuming that the JD position were to be phased out, the County would save about \$13,960 in salary and benefit costs. Assuming the costs of seven CAP specialists were to be covered by other funding streams, that would represent an additional reduction of about \$90,000 in County taxes. Consideration should be given by DSS to what happens if such alternative funding/program options do not materialize. CGR suggests that consideration should be given to eliminating via attrition any unfunded positions under that scenario, and hope that the strengthened SWE specialty teams, working closely with Employment Specialists, can provide sufficient support to meet most agency and individual goals. We

suspect that this latter unfounded-position scenario will not be necessary to contemplate.

In addition to these significant savings, the proposed shifts of the two CAP SWEs to Medicaid could also save the County a small amount of money, given the difference of 5% in lower County share of costs for Medicaid staff. With salaries and fringes included, this could lead to a reduction in County costs of about \$4,100 across the two positions.

In summary, the potential value of these recommendations related to the CAP staff is a cumulative savings to County taxpayers, to be implemented over time (though not in enough time to count on for the 2002 budget), of about \$108,000 annually. That figure could be increased in the future, if reduced TANF and Safety Net caseloads lead to reductions through attrition in the number of Employment Specialist positions needed, and possibly further reductions via attrition in Job Developer positions.

***Recommendations:
Other Realignments of
Eligibility Staff***

CGR recommends that several other positions within the Eligibility division be eliminated or have their responsibilities realigned over time through attrition. These shifts are exclusive of Food Stamps and HEAP, which are discussed later in the chapter.

- ❖ ***We recommend that the two Chief SWE positions eventually be abolished through retirement/attrition. Similarly, the Head SWE position should be eliminated through attrition. We believe that over time, the two Sr. SWE positions overseeing the TANF Plan and the Case Supervisory Review process can be merged into one, once the roles of these positions have become more clear and routine. It is possible that the incumbent in one of these Sr. SWE positions could double in the short run as one of the planning and research positions recommended earlier, thereby saving the costs of adding the new position in the short run, since it is envisioned that one of those positions would ultimately become one of the research positions anyway, through attrition (see below).***
- ❖ ***We recommend that a new (third) Principal SWE position be established, in effect replacing one of the Chief SWE***

positions. We recommend that that person would oversee the overall Eligibility operations at the Lockport site, assuming that a substantial intake and undercare process would be maintained there. If not, this position would not need to be created in lieu of a Chief SWE position. We recommend that the second Chief position be used to create the lower-grade (Grade 10) Planning Coordinator position, at less costs, as described previously. The Head SWE position would not be replaced when the incumbent retires. In the meantime, that position would be responsible for overseeing the new integrated day care unit, as described earlier. As noted above, the second Sr. SWE position would become the basis for the new Planning Associate position at Grade 8.

- ❖ *The two existing Principal SWEs would continue, but each with broadened responsibilities: the Principal SWE overseeing Food Stamps would also assume “trouble-shooting” responsibilities for the Eligibility intake process, at least on an interim basis, as noted above; and the Principal SWE with responsibility for Fair Hearings would also assume oversight responsibility for the day-to-day operations of the NF facility, under the Eligibility Director. This assignment would be combined with a reduction in the fair hearings responsibilities currently assigned to this position.*

This Principal SWE position would continue to be responsible for some Niagara Falls fair hearings, but some hearings for which she is now responsible would be delegated to those responsible for such areas as day care, HEAP, etc. Such delegation is predicated in part on the belief that assigning responsibility for the hearings to the responsible supervisors should ultimately help reduce the need for hearings in the future as supervisors hold staff more accountable for the actions that in the past have resulted in the hearings.

Timelines and Costs/Savings

All of these proposed changes would occur through attrition. Because these positions help contribute to DSS exceeding the state administrative caps, and because their County share rate is 30%, the potential impact of these realignments is substantial. The reduction in salaries and benefits associated with the future elimination of the two Chiefs, the Head SWE and a Sr. SWE would amount to savings of about \$115,930, which would be

partly offset by the added costs to taxpayers of the new Principal position, which would add about \$23,735 in County costs, because of the cap being exceeded.

Thus, once these changes are fully implemented, the net effect of the realignments within the Eligibility division would be to save County taxpayers a net \$92,195 each year (in addition, another \$21,405 has previously been shown as the added costs to taxpayers of creating a new planning/research office). These net savings would show up on an annual basis in the future, but only at such time as the changes have been implemented via attrition. Thus it is unlikely that any of these changes would occur in time for incorporation in the 2002 budget.

Food Stamps and HEAP

As noted above, the number of Food Stamp recipients has declined over the past several years, perhaps more than expected or desirable from a needs assessment and self-sufficiency perspective. It is not clear whether this is a function in part of poor communication between public assistance Undercare worker and client concerning transition options, or whether the need for such services in Niagara County may have actually declined. We do know from State data that the proportions of cases which were denied during the intake/ eligibility process increased from 17% to 28% from 1996 to early 2001. Are these figures an accurate reflection of better economic conditions, or tougher standards in place in recent years than five years ago?

Food Stamps SWEs do both intake and undercare, and in recent years the number of intakes per week has gone down, though the caseloads per FS worker have been relatively stable—around 200 at a time. These caseloads are generally perceived to be manageable, and are at the low range of caseloads in comparison counties we examined.

That perception of caseloads being relatively manageable may be one reason why Food Stamps is being looked to by the administration of the Department to help conduct HEAP intakes this fall during the peak heating season. Last year the workload and number of applications for HEAP exploded to record levels, and the two small HEAP units in Lockport and NF were not adequately prepared for the onslaught. As a result, the units were

borrowing resources from other areas throughout the Department in order to cope. It is believed that if Food Stamps SWEs can absorb intake interviews for HEAP applicants who are already receiving food stamps, it may help to control the HEAP caseloads more effectively this year, and avoid the long waits for intake interviews, and the borrowing of staff from multiple units across the Department—borrowing which may have also negatively affected productivity in the lending units. That is the kind of “big picture” analysis and question that rarely was asked in the past, but which is beginning to be raised now, so that it becomes possible to more easily put resource allocation questions on the table *before* final decisions are made.

While in general adding to a caseload across units may not make sense, in this case it may, if the numbers of joint HEAP/Food Stamps cases are manageable (about 5,000 this past year, about half basic and half emergency cases). It is probably worth experimenting with having Food Stamps SWEs do HEAP intake for existing FS cases, as long as the County is reimbursed with HEAP funds for all the time spent on the cases, and as long as the option remains in the future to modify that decision and hire additional HEAP staff instead, if needed.

Because HEAP is 100% federally funded, and finally has a large enough administrative support fund to cover all its costs without exceeding the administrative cap (in which case the County would have to pick up the entire overage), this approach does provide the County with a way to cover some of the administrative costs of Food Stamps staff—which have themselves exceeded their separate state administrative cap for FS, Eligibility and Medicaid administrative costs (at added cost to the County). Therefore, in part to maximize the ability to receive legitimate reimbursement from HEAP and in part to find ways to improve services to HEAP applicants, CGR offers the following recommendations concerning both FS and HEAP:

- Recommendations:** ❖ ***Public Assistance and Food Stamps staff should discuss the linkage between their two services, and assure that people leaving, or not eligible for, PA are being encouraged to apply for FS wherever appropriate.***
- Food Stamps/HEAP***

- ❖ *Leadership within the Eligibility division should make sure that there aren't inadvertent actions being taken which have the effect of limiting the numbers of people applying for food stamps.*
- ❖ *The Chief SWE in Niagara Falls should, as soon as possible, assume primary responsibility for monitoring the operations of the two HEAP units, as a way of assuring that adequate resources are in place, and that consistent procedures are being used across the NF and Lockport sites. Prior to the elimination of this Chief SWE position in the future via attrition, this interim assignment would be very helpful in addressing a number of issues affecting HEAP, while at the same time enabling the funding for this position to be covered by 100% federal HEAP funds. This would also reduce the extent to which the state administrative cap is exceeded, since the HEAP funds would replace not only the local but also the state share of the Chief SWE's costs.*
- ❖ *We estimate that the Principal SWE overseeing Food Stamps will need to spend about a quarter of her time on HEAP matters during the year, given the changes noted above, and that a quarter of her salary and benefits should therefore be charged to HEAP. This would also reduce the extent to which the state administrative cap is exceeded, since the HEAP funds would replace not only the local but also the state share of a quarter of the Principal SWE's costs.*
- ❖ *We recommend that a currently vacant SWE position in Income Maintenance in Lockport be shifted to FS and be allocated to working on HEAP cases for the next program year, with reimbursement exclusively from HEAP. This should also help spread some of the burden of HEAP/FS cases across an additional SWE. Furthermore, the equivalent of an existing FS SWE should also be reimbursed from HEAP funds for 6 months of the year to cover expected additional FS SWE time spent on HEAP cases.*

Timelines and Costs/Savings

These recommendations should each be implemented before the fall heating season begins. The recommendations related to the relationships between HEAP and FS SWEs need to be acted on so that procedures can be discussed, any necessary training done, and everything put in place before the 2001-2002 heating season starts

and applications begin to pile up this fall. We believe that implementation of the recommendations should help to reduce the long wait for interviews that often occurred last year, while also minimizing the extent to which additional staff need to be “borrowed” from other units of the Department.

If the Chief SWE becomes responsible for HEAP, and one quarter of the time of the Principal SWE overseeing FS is spent on HEAP matters, and expenses exceeding the state administrative cap expenditures can be reduced as a result of HEAP covering the appropriate costs, the County would receive about \$39,825 in revenues it would not otherwise receive.

Furthermore, HEAP reimbursement for the salary and benefits of the position we recommend shifting from PA to FS, plus HEAP funds for the equivalent of an additional .5 FTE of an existing FS SWE would generate approximately an additional \$30,675 of federal funds to cover dollars the County would otherwise be paying directly.

In summary, assuming that the administrative cap for HEAP beginning this fall is similar to what it has been this year, the bottom line is that the recommendations advanced here would save the County an additional \$70,500 each year they were in place, effective with the 2002 budget if these recommendations are implemented.

***Recommendations:
Reimbursement for
Prior HEAP
Expenditures***

In addition to time charged against HEAP on a comp time basis, significant additional time was spent by Fraud unit staff during regular hours helping HEAP cope with its demand during last winter. Such time was never billed for; nor apparently was the virtual 100% time of one of the data entry typists, who worked almost exclusively on HEAP data.

- ❖ ***We recommend that Data Entry and the Fraud units both charge HEAP for their legitimate time spent last winter focusing on HEAP matters, which limited their availability to do other DE and Fraud tasks for significant periods of time. Discussions with staff in those units suggest that the amounts of time involved would result in additional reimbursement of about \$10,000 that could be used to reduce County expenditures for the current 2001 budget year. It***

would also seem reasonable to include reimbursement in the 2002 budget for the data entry function.

*Timelines and
Costs/Savings*

Charges can be made retroactively up to two years later for such matters. If accepted, and if the data entry item is included in the 2002 budget, the net effect will have been a \$10,000 additional revenue item for 2001 and an additional offset of \$5,000 in the budget for 2002 that would otherwise be covered by local tax dollars.

Recommendations: ❖ *Overall, using traditional 100% HEAP monies at no costs to Traditional HEAP Hires County taxpayers, and assuming the staffing described above, we suggest four full-time Energy Assistance Workers in the Niagara Falls office, and three in Lockport, with a full-time and a seasonal temp clerk in Lockport, and two full-time clerks and a seasonal temp clerk in NF. This assumes that both offices would be maintained, regardless of consolidation decisions, each with a Sr. Energy Worker providing supervision.*

❖ *It is possible that these two offices could be merged into one, if consolidation occurs, given that a number of the applications can be done by phone. This should be assessed more carefully during this next heating season, to determine how many new vs. repeat applications there are, and what implications that has for in-person vs. telephone applications and renewals.*

Timelines and Costs

No county costs are associated with this set of recommendations. The ultimate decision about whether the two units should be combined should be made after the next heating season, and one of the key tasks of the Principal SWE overseeing the operation should be to provide an objective assessment of this question.

**Day Care:
Recommendations**

The final functional area to be discussed under the Eligibility division is Day Care. As noted earlier, we recommend merging the Public Assistance and Non-PA Day Care units together under supervision within the Eligibility division.

❖ *Having a Head SWE in charge of this unit for the short run makes good sense, as it is an area that needs considerable attention. Attention is needed not only on the basic*

monitoring and bill paying going on within the units, getting caught up on overdue bills, and fully computerizing more of the office functions, but also on what level of aggressive promoting of opportunities is needed to help bring more people into day care coverage, again consistent with the theme of providing the resources needed to help move people toward self-sufficiency. One of the tasks of the Head SWE during the next several months will be to establish a work plan for the unit which includes better transition of more people from public assistance to non-PA day care. Now it appears that many people do not make the transition, and every year large amounts of available state block grant funds go unused. Ways of tapping more of those funds by working poor families should be one of the agenda items of the unit in the future. Once the units are fully integrated and core functions are under control, an assessment should be made concerning possible increased future staffing needs.

Timelines and Costs

This is an ongoing process to get these two separate groups working together, and finding a common location together where they can begin to do that. *For now, there should be no additional costs to the County.* But over the next few months, additional staffing may be needed to enable the unit to fully carry out its mission. If more staff is/are ultimately needed, there appear to be available funds from previous block grant carryover funding to enable any positions to be funded at no cost to the County.

Future Staffing Recommendations

- ❖ *In addition to the specific staffing recommendations made in this section on the overall Eligibility division, we suspect that additional staffing realignments will be called for in the future. Assuming continuing declines in caseloads, and more effective uses of teams to focus on the transitional and self-sufficiency needs of clients, fewer SWEs and clerical support staff are likely to be needed in the future. This will be particularly true if such advances as optical imaging and expanded use of direct data entry become the norm in units not now doing so. Firm estimates are not possible at this point, and ultimate determinations will certainly be influenced significantly by the future of the economy in the county. But as things stand now, it would be reasonable to*

predict that over the next three to five years, as many as 15-20 or more SWEs, Employment and CAP specialists, and clerical positions may no longer be needed as a result of efficiencies and declining caseloads, and implementation of the types of recommendations made in this report and initiatives already underway by the Department.

Timelines and Costs/Savings

Monitoring staffing patterns on an ongoing basis is a key responsibility of Departmental management. With the tools recommended in this report in place, decisions about future staffing needs, and how those needs should be addressed, should be more easily made, and should certainly be made more in the context of overall needs, rather than on ad hoc, case by case bases. It seems quite likely, for example, that if indeed the Eligibility division can function well with 15 (or more) fewer people in the future, in addition to the other personnel realignments suggested in this report, at least some of those positions may need to be shifted to other areas of the Department, such as Medicaid, depending on what happens with new initiatives such as Family Health Plus.

Resources Recovery Division

A reminder that we recommended in the previous chapter the creation of this new division, which would bring together the three separate units that are now separately responsible for the Department's primary efforts to generate revenues from those who for the most part are resistant to making payments. The Fraud and Resources unit, currently under the Administrative Services Division, would be combined with the Child Support unit, which already has division status under its own director. In effect, in conjunction with other alignments discussed earlier in the report, two directors would be reduced to one through the process of attrition.

We believe that this new configuration, which builds on formal meetings which have been occurring between representatives of the three units, will enable efficiencies and sharing of staff where appropriate between the units, and will help improve procedures used by each unit. By more efficient grouping and efficient use of staff, we believe the units individually and collectively will increase the revenues they generate annually.

CGR makes the following recommendations for the individual and proposed collective units:

Recommendations: ❖ ***Ideally the separate units would be consolidated into a single Full Unit location.***

The Resources unit is already grouped together in one location, in Lockport. Fraud and Child Support are both split between Lockport and Niagara Falls. However, since Child Support (CS) does most of its work by phone and computer, it could probably be as effective in either the Lockport or NF office. We recommend that the CS function be brought together in one location. Finally, Fraud is in both locations, although most of its work, with the exception of two SWEs who spend much of their time in the field, is done in an office without direct meetings with most clients or adversaries. We are inclined to recommend full consolidation of the three units (CS, Fraud, Resources) in one place if possible, whether the rest of the Department consolidates or not. We believe being together would result in sufficient advantages in terms of efficiencies, shared clerical support, cross-training, etc. to justify the effort. If this happens, there would need to be some field work and potentially a small field office out of which staff could operate as needed.

- ❖ ***Representatives of the three units should spend considerable time understanding their separate procedures and what can be learned from each other. Such discussions should occur before any formal merger takes place, and continue on an ongoing basis. Such discussions should also consider ways that tasks that each unit does to some degree might be shared or ultimately delegated exclusively to one or the other unit.***
- ❖ ***Over time, as the units work together, we anticipate that improved efficiencies and procedures will lead to reductions in, or realignment of, a number of staff positions, at cost savings to the County, but it is too early to determine what those realignments might be before the units have even come together.***

Timelines and Costs/Savings

How quickly any of this can happen is hard to determine. Presumably, no decision about merger of these units will be made until it is known about the status of consolidation of the entire

Department. Beyond that, given that there are two directors involved, and that one position will not be replaced until retirement at some time in the future, the pace of the efforts to consolidate should occur with appropriate sensitivity. There is no sense of urgency as to when such a merger should occur.

We expect that ultimately this combined unit will generate at least \$200,000 annually in additional collections to offset County costs. That is, we estimate that this would be the County share of additional revenues raised.

Furthermore, we expect that these increased revenues will ultimately be raised with fewer net staff in place, although again, the specifics of staffing adjustments await time for the units to begin to work together and make needed adjustments.

- Recommendations:*
- Child Support*
- ❖ *Assuming that the current director of Child Support becomes the director of the new expanded division, that person would presumably continue to have primary oversight responsibilities for the Child Support function as well. Fraud and Resources will continue to have their own unit heads. Within CS, we suggest that the current Systems Coordinator position continue in the interim to assist in the day-to-day management of the CS function, including systems issues*
 - ❖ *Since there is a need for more Support Investigators—and since it is difficult to make a compelling case for maintaining three Supervising Support Investigators plus four Sr. Support Investigators for the number of SIs and Account Clerks that exist—we recommend that the three Supervising SIs continue in the CS program supervisory roles, and that, through attrition, the four Sr. SI positions be eliminated, with three of them being converted into Support Investigator positions. This would enable the average caseload per SI to be reduced from about 1,300 per worker to about 1,000 each, a caseload that staff feel would be much more productive and lead to better case resolutions, and enhanced revenue generation through reduction of the arrears cases, etc. The fourth Sr. SI position should not be filled initially until the unit has experience with the three additional SI positions. If*

those prove to be extremely effective in increasing revenues, the fourth position might eventually be filled in the future.

- ❖ *SI staff also need to be challenged to be more productive by making more effective use of clerical support staff.*

Timelines and Costs/Savings

By converting four supervisory positions to three Support Investigators, the savings for the County is relatively small—about \$11,850 per year when fully implemented—but we expect the increased productivity to result in substantial increases in revenues generated for the County.

Recommendations: Fraud/Resources

Earlier we recommended the broader use of the FEDS program by all intake workers. The projected cost savings for that were spelled out above. Beyond that, although we recommended the need for a broad study of salaries and responsibilities to rectify any imbalances that exist within the entire Department, we have completely shied away in this report from recommending specific adjustments for specific positions. However, we make one exception in this case.

- ❖ *We recommend that the head of the Fraud Unit be upgraded from a Sr. SWE level, presumably to a Principal SWE (Grade 10, consistent with the head of the Resources unit). We do so because of the responsibilities of this important unit, because this would make the position at a comparable level with the Resources unit, and because the incumbent in the Fraud position currently supervises 14 separate individuals, by far the most of any Sr. SWE we know of anywhere in the Department.*

Given the incumbent's top step within her current level, there may be little difference initially in terms of salary, but the promotion would at least give recognition to the responsibility of the position, and create the opportunity for salary adjustments in the future. Questions have also been raised about other positions in this unit, and they should be addressed as part of the larger salary/responsibility study we recommended.

- ❖ *CGR recommends substantially scaling back the role of, and investment in, the Sheriff's fraud unit. Now made up of a Criminal Investigation Chief, four deputies and a typist, the unit is completely paid for by DSS dollars. Serious questions*

have been raised as to whether the Department gets a half million dollars a year value out of the unit, and whether it may be possible to accomplish as much or more with a reduced investment in the unit. We believe DSS and the community would get far more return on a smaller investment with more strategically employed staff, more flexibly assigned, to accomplish the goals of the Fraud unit. We recommend limiting the Sheriff's unit to two deputies, and reinvesting some of the savings in a clerk and two other Case Investigators, who would report directly to the Resource Recovery director. This shift of resources would yield a substantial savings for the County.

- ❖ *We recommend the creation of a new title with a new job description: Case Investigator. This would apply to the two new positions just described above, and we suggest that the two Fraud SWE positions that are currently more like field investigators be eliminated and reclassified under this new Case Investigator title, which would more accurately reflect the field work and non-SWE primary activities of the positions. We suggest that these positions be classified at Grade 10, given their field work and complexity of tasks, subject to a review by the County's Human Resources and Civil Services staff.*

Timelines and Costs/Savings

We suggest that the Commissioner give notice to the Sheriff of the intent to downsize the unit, as soon as this proposal is approved. We assume at that point that the four eliminated Sheriff's positions will be phased out through attrition, and that they would not be replaced. These positions are not viewed as part of the Sheriff's road patrol deputies, and they are not counted on for other purposes, so once the positions are gone, they are gone and do not remain on the public payroll. Thus it can be said that any savings to the DSS budget would represent real savings for County taxpayers.

Under our proposal, as it is phased in through attrition, only two of the six original Sheriff's positions would remain—two of the four deputies—and their work would be supplemented by the hiring of two additional Case Investigator positions, and a much needed clerical person to help the Niagara Falls Fraud staff. Thus we would replace four investigators/deputies with four combined

investigative positions (the two remaining deputies + the two new Case Investigators), eliminate a separate and costly supervisory position, and gain on-site clerical support—all at fewer County dollars, due to the differential salary structure and the elimination of many of the “perks” included in the Sheriff’s contract. Having access to more flexible staff at the direct control of DSS supervision would enable the unit in the future to add to its duties, if it chooses, investigation of such things as verification of water bills before they are paid, to assure that DSS is in fact responsible for their payment, and that the payment is for the client only, and not other apartments as well, thereby saving additional money for the County.

Thus, once attrition allows this proposal to be fully operational, the new division would have more staff over which it has direct control, access to a needed clerical person to support the Fraud staff, and additional staff to do field work—all at a real savings of about \$76,325 in County taxes.

Services Division

We have recommended that this division be reconfigured, to spread out what has historically been an inordinate amount of responsibility for both child and adult protective, preventive services, and Medicaid. By separating out the Medicaid function into a separate division, and by moving some of the early intervention/outreach services under the control of a newly created youth services division (in effect, linking with traditional Youth Bureau responsibilities), this division will finally be able to devote full attention to its primary focus, which most counties have done all along.

The most critical component of this division is the Child Protective unit, with its responsibility for investigating abuse and neglect reports and acting on them. CPS cases were up during the first five months of this year, to the highest levels since 1997, and May was the single highest month of intakes of any month in the last four and a half years. Comparing the most recent 12 months to the comparable period a year earlier, total cases were up 9%, or an average of 16 more cases each month. Also, in 10 of the last 12 months, open investigations for the County had exceeded 500, compared to reaching that level only twice in the previous six

months. During that 12-month period, open investigations were up an average of 47 per month.

Fortunately, as the trend of both CPS cases and the numbers of out-of-home placements resulting from them increase, numbers of CPS workers have begun to keep pace, although there is no margin for error if a person leaves or goes on extended leave. Now, if the caseload levels off, the existing number of staff could handle the caseload at the outer end of acceptable numbers of intakes and investigations. These levels are generally comparable with the range we discovered in comparison counties.

Within Undercare, State standards (which do not exist for CPS) suggest a maximum caseload of 25 children per caseworker. Niagara DSS figures are well within the standards. In contrast to CPS, the number of Undercare (UC) cases has declined since 1997, and the number of children and families per caseworker has also declined significantly. The number of families has declined from an average of 13 per caseworker in 1997 to 10 in the first five months of 2001. Similarly, the average number of children involved per worker dropped from between 20 and 21 in earlier years to about 17.5 this year. Niagara County's numbers appear to be slightly lower than in the comparison counties for which we had similar information.

Meanwhile, the recent initiative to establish more community-based partnerships in schools has grown, but needs considerable attention in terms of pinning down clear expectations, monitoring performance, and the like. And progress is being made in streamlining some of the Adult Protective tasks, helping to create opportunities for different approaches to core services in the future.

Out of these and related information grow the following recommendations for the Services Division:

Recommendations: ❖ *We recommend closing the CPS unit in North Tonawanda and moving it intact to either Niagara Falls or Lockport. This would also result in removing the two Undercare caseworkers and the single Adult Protective caseworker from that office.*

- ❖ *To address, and provide flexibility to handle the growing CPS caseload, we recommend that two or three of the existing Undercare caseworkers be reassigned to CPS work for the time being at least. This would enable CPS to handle the growing number of cases, as well as to do a better job of managing ongoing cases, and disposing of long-standing ones. At the same time, given the reductions in Undercare caseloads, the shift of two or three UC workers should not create a major problem, since the caseloads could be redistributed, and the resulting numbers for remaining UC workers will still be well within acceptable limits and still lower than even the levels from a couple years ago for Niagara County itself.*
- ❖ *We suggest more effectively linking the traditional Undercare program and the evolving school-based program now in Head Start and several school districts in the area. We specifically recommend that the school workers be able to maintain responsibility for a few Undercare cases, in addition to their outreach responsibilities, as a way of helping to cover the proposed shift of workers from UC to helping to cover the proposed shift of workers from UC to CPS, and to help prepare for the pending expansion of PINS cases likely this fall. This would also be a good way to keep workers in the schools program more productively involved during the summer months.*
- ❖ *The schools program needs to be clarified. Conceptually, the ideas behind the program remain sound, but clearer working agreements and understandings between DSS and the schools are needed. Measurable goals, mutual expectations, standards, target populations, how people will be referred to the program and on what basis, and levels of involvement with families are among the issues that need more careful resolution as the program moves forward.*
- ❖ *One Sr. caseworker in Undercare should be shifted to the one CPS unit in Lockport which has no Sr. position.*

These recommended changes would enable the division to strengthen the focus on CPS at a time when the need in that area continues to grow. At the same time, by strengthening the future linkage between the school-based program and the Undercare

area, better use of staff in both areas becomes possible. There is a concern about reducing staff in UC too much, given the possible increase in numbers of cases as a result of the pending fall expansion of the age of PINS eligibility from 16 to 18. The possible implications of that shift in eligibility need to be monitored carefully, but we believe these recommendations, along with others that follow related to TASA, offer the Department the flexibility to cover any likely increases.

Timelines and Costs/Savings

The implementation of the recommendation to close the NT programming should be done in conjunction with overall consolidation plans for the entire Department. Proposed shifts of caseworkers from UC to CPS should occur as soon as feasible, and as soon as an orderly transition plan can be developed.

Strengthening the operations and expectations of the schools program, and working out the relationship of the workers in the program to the Undercare program should be done now, before the new school year begins. By developing closer relationships between the two areas, it may also help remove some of the suspicions and concerns UC and CPS caseworkers have about the school-based program, and may enable potential movement back and forth between the program areas in the future, as a means of keeping workers fresh and excited and motivated in both program areas, thereby helping reduce burnout in the high-pressure child welfare area. Finally, the recommendation to shift one Sr. Caseworker position from the UC area to CPS should be made at the appropriate time through attrition, or it could be accomplished sooner through direct transfer.

Other than overall savings from the closing of the NT office, the other recommendations should improve services, but with *no direct cost implications for the County*.

Recommendations: ❖ *The responsibility for the oversight of the schools-based program should eventually be shifted from the Services division to the newly-created Youth Services division, but only after addressing and carefully working out the types of agreements noted above. This would eventually mean shifting responsibility for that program to the division which would be specifically charged with, and held accountable for,*

preventive and early intervention programming for the entire community, and not just those at risk of placement.

- ❖ *As that transition occurs, it provides the opportunity to sort out the responsibilities between the Youth Bureau oversight staff and the B Supervisor who currently has responsibility for the school-based/outreach program area, along with the TASA program. We recommend that the B Supervisor position be phased out and ultimately eliminated through attrition.*
- ❖ *Related to the TASA program, we suggest reducing the three caseworkers in the program to one, having the one maintain responsibility for the full caseload (which would be consistent with caseloads in similar counties), and using the other two caseworker positions either to cover Undercare needs, especially if PINS caseloads expand rapidly, or to address the need for staffing an independent living program for older youth in the future.*

Timelines and Costs/Savings

Shifts of responsibilities should occur in the future, after agreements are in place and tested. Shift of staff from TASA to new responsibilities should occur as needs occur. Elimination of the B Supervisor position should occur through attrition and retirement, at whatever time that would naturally occur.

Savings to County taxpayers of about \$12,225 a year would result from the elimination of the B Supervisor position, beginning at the time of the person's retirement from DSS. This is based on the Services reimbursement rate of 80%, leaving a 20% County share.

Recommendations: Adult Protective Services

The recent addition to APS responsibilities of following through on (often inappropriate) referrals from utility companies threatening shutoffs has caused considerable confusion and concern about where the primary responsibility for such followup action should lie. Clearly for those persons who fall within the normal purview of APS, that unit should be responsible, but that appears to represent a relatively small proportion of all the referrals.

- ❖ *We suggest that the long-term solution to this problem may be to have the referrals come to, and the initial response*

come from, the HEAP office, since HEAP ultimately often provides routine follow-up with the utilities to avoid shutoffs anyway, and much of the traditional response to the threatened utility actions involves a referral to HEAP to open a heating case. The recommended supervision of the Chief SWE suggested above would add further strength to HEAP's being able to handle and help resolve this issue.

- ❖ *As the APS unit has creatively moved to have SWEs take over much of the bill-paying and clerical support function for caseworkers in the APS unit, this should enable caseworkers to get control of their pending caseloads and to become more aggressively involved in doing more direct field work with existing cases, and also to more aggressively promote the program for those who need it in the future.*
- ❖ *The caseloads are quite manageable within the APS unit, especially now that SWE assistance takes over much of the time-consuming functions of the staff. Average caseload size is on the lower end of what we found in comparison counties. Thus we recommend that as the NT office closes, through attrition, one caseworker position within the unit be abolished.*
- ❖ *We recommend that the Homecare unit currently under Services/Medicaid stay within Services, and be combined with Adult Protective to create an Adult Services unit, with Adult Protective and Homecare subunits. Currently APS and Homecare are each headed by a B Supervisor. Through attrition, we suggest eliminating one of the two B Supervisor positions. The remaining position would head the overall Adult Services unit, and the two subunits would be supervised by existing Sr. Caseworker positions that already exist within each of these units. In addition, one recently-vacant Homecare Caseworker position should be eliminated.*

Timelines and Costs/Savings

By having HEAP take over responsibility for the primary follow-up on utility referrals, it would help remove a burden from the APS unit, and therefore make it easier to contemplate the loss of a position in that unit. Similarly, the initiative to beef up the SWE capability and thereby free up more of the caseworker staff time also makes it more feasible to eliminate an APS position.

The savings to the County associated with the elimination of the APS caseworker position would equal about \$10,135, to begin at the time of the person's natural retirement. The elimination of a B Supervisor position through attrition would save about \$12,225 in County dollars. The elimination of the vacant caseworker position would save about \$10,425.

In summary, the elimination of the proposed positions would save the County about \$10,425 in the 2002 budget, and an additional \$22,360 annually in subsequent years, via the attrition/retirement of two additional positions.

Medicaid Division

Medicaid represents a critical growing area of costs to the County. It needs significant attention on the part of top-level management of DSS, and by the Legislature. Such attention needs to be given not only to the administrative expense and employee side of the costs, but also to the broad program costs, and how they can be controlled more effectively in the future. Accordingly, CGR has recommended that Medicaid be separated from the Services division and become its own separate division, with its own director.

In contrast to the declining caseloads of public assistance and food stamps, Medicaid caseloads have continued to increase. During the first four months of this year, compared to the comparable period in 1996, applications were up 9.5%, an average of 37.5 additional applications per month. Medicaid-only recipients exceeded 10,000 for the first time in May of this year, and total recipients were up 7.7% from the previous year at that time. Earlier this year, total enrollment in Medicaid Managed Care, one of the most effective such programs in the state in terms of enrollment proportions, exceeded 11,000 for the first time.

As demands continue to be high, significant numbers of people are unable to be seen during the intake process each day. Moreover, state data suggest that numbers of applicants denied Medicaid services have increased from 16% of all applicants to 24%, even as the total number of people on Medicaid goes up. As with food stamps, this raises the question of whether more people are in better economic shape than they think when they apply, or whether staff are at least subconsciously applying stricter standards

which are making it more difficult for someone to make it through the requirements to qualify.

Medicaid will be faced with a potential huge expanded burden this fall, when eligibility for the state's Family Health Plus program opens. Estimates from the State Health Department are that as many as 2,900 Niagara County people might qualify this year, rising to 3,900 county residents by 2003. Although it is not likely that this will represent the actual demand or the numbers who actually sign up, these numbers could certainly suggest a rapid and substantial expansion in already-high caseloads.

Caseloads have often hovered at or above 300 per Medicaid SWE, with some months averaging closer to 350, especially when there is a vacant position resulting in caseloads being distributed among fewer staff. For example, in April of this year, the average was 334 cases per worker, but just two months earlier, with similar total numbers of cases but two additional SWEs available, the average was only 267. Regardless, it is true that the caseloads are high, certainly compared to caseloads of public assistance undercare workers or even food stamps. But relatively little processing of the cases is needed, and some of the work is shared by Medicaid Managed Care workers as well. Compared to other comparison counties, the Niagara County average caseloads for Medicaid are at the middle to low end of the caseload spectrum. Nonetheless, with the prospect of Family Health Plus looming, this is not the time to be looking for opportunities to reduce staff in this important area.

***Recommendations:
Medicaid***

Recommendations for Medicaid follow:

- ❖ ***To help with existing caseloads, and in anticipation of substantial increases in the number of applications as a result of Family Health Plus in the fall, we have recommended that two SWE positions be shifted from Public Assistance/CAP to Medicaid, effective within the next few months. These additional staff should help keep caseloads at a reasonable level between now and the fall, and will certainly be able to help reduce the burden of processing large numbers of new cases, should that eventuality occur. We have also suggested that there may be need in the future to transfer other staff from Eligibility to Medicaid, depending***

on what happens this fall, but it is too early to make that final determination.

- ❖ *Medicaid should be a fully participating partner in the planned pilot test of a joint intake process for Medicaid, food stamps and day care. The effects and value of that pilot project should be carefully monitored to determine whether to continue it, expand it to Lockport, modify it, or discontinue it.*
- ❖ *Leadership of the division should review the data on increasing numbers of cases being denied/not accepted for services to see what are the explanations and whether any corrective actions should be taken—or if those denials simply represent the economic circumstances of the applicants.*
- ❖ *More Medicaid SWEs should be given computers that would enable them to enter data directly, rather than having to write out information and then have it separately entered by the Data Entry office.*
- ❖ *In addition to Medicaid's efforts to control management costs, more and more attention needs to be given by the director, in conjunction with other Department leadership and support from the Legislature, on examining the various program costs associated with Medicaid to see if there are opportunities to reduce Medicaid costs in the future. This would mean an active review, for example, of the County's long-term care approaches, including the County Nursing Home, and whether there may be alternative service delivery options available to the County that might control costs and improve access to appropriate services at the same time. This review should also include reviews of other program areas where the expenditures are significant, such as Medicaid costs which show up in the Health Department and Mental Health budgets as revenues to those departments, but are significant costs to the County as a whole. Working with other department heads and other appropriate people to help understand and perhaps make changes in those program areas should be a priority for the Medicaid director in the coming year.*

- ❖ *An additional priority should be to work closely with the DSS attorneys and with Fraud and Resources units to help investigate and if necessary prosecute cases where it is likely that someone is attempting to take unfair advantage of the County. Earlier estimates were provided of the additional revenues/payments the County is likely to obtain from such more intentional aggressive followup actions on the part of the Department.*
- ❖ *We recommended earlier that the nominal responsibility for Day Care which is now under Medicaid be under Eligibility.*
- ❖ *Under current circumstances, we would probably have recommended some staffing reallocations involving the Managed Care unit, but given the pending Family Health Plus initiative, we caution that no shifts should be made in that area until the impact of the new initiative can be determined. However, we would simply suggest that the Department over the next year review whether the Managed Care and Nursing Home units each need to have both a Principal SWE and a Sr. SWE in each unit, or whether there might be better ways of using some of those positions within the Medicaid division. This should be viewed as a question, and not a conclusion on our part at this point.*
- ❖ *Similarly, we suggest that the staffing and best allocation of staff involved in the AD/DCAP unit under Medicaid should also be reviewed as part of a strategic assessment of the division.*

Timelines and Costs/Savings

With Medicaid, most of the changes at this point await the more strategic review of the new division, predicated in part on changes forthcoming with the initiation of Family Health Plus this fall. Other than creation of the division, which can occur immediately, and beginning processes suggested above, few final decisions are ready to be made at this point.

VII. RE-THINKING DSS: CONCLUSIONS AND FUTURE OUTLOOK

In the past, the operations and functions of DSS have typically been carried out as discrete activities and, in the absence of a clear Departmental Mission, often without a central purpose, with the end result being a Department comprised of disconnected units and no “big picture” view of their role within the Department.

The recommendations laid out by CGR in the preceding chapters are intended to be a point of departure for re-thinking DSS. While many recommendations are intended to move the Department towards its goal of being a mission-driven organization and offer new ways of doing business, from this point forward the Department and its policy-makers, the Legislature, must continually re-think how it does business, using this report as a guide, but not being captives of it or beholden to it. A key component of re-thinking DSS hinges on the Department’s ability to engage in strategic thinking and planning which uses this report as a tool, but does not use the report as a substitute for the Department’s and Legislature’s careful and independent thinking and decision-making.

The diagram on the following page suggests various dimensions that the Department ought to consider as it develops its strategic plan. Each of these must be considered as part of the process, but as they help shape the overall mission and future directions of the overall Department, and not as discrete, isolated dimensions. This report has attempted to show the importance and interrelatedness of these various components: For example, it is not enough for the Department to consider the needs only of one set of stakeholders without considering the needs of others, or to focus on performance measurement without first setting goals, or to only consider human resources without also considering technology and physical resources. Keeping these interrelated needs and issues in mind is key to making effective decisions as the Department and Legislature attempt to re-think and re-shape the DSS of the future.

In one sense, the dimensions listed on page 119 serve as indicators of the role of the Legislature in shaping the future of the Department, and the characteristics of what the Organizational Culture, Workforce, and Management of the Department of the future should look like.

Potential Savings to County Taxpayers

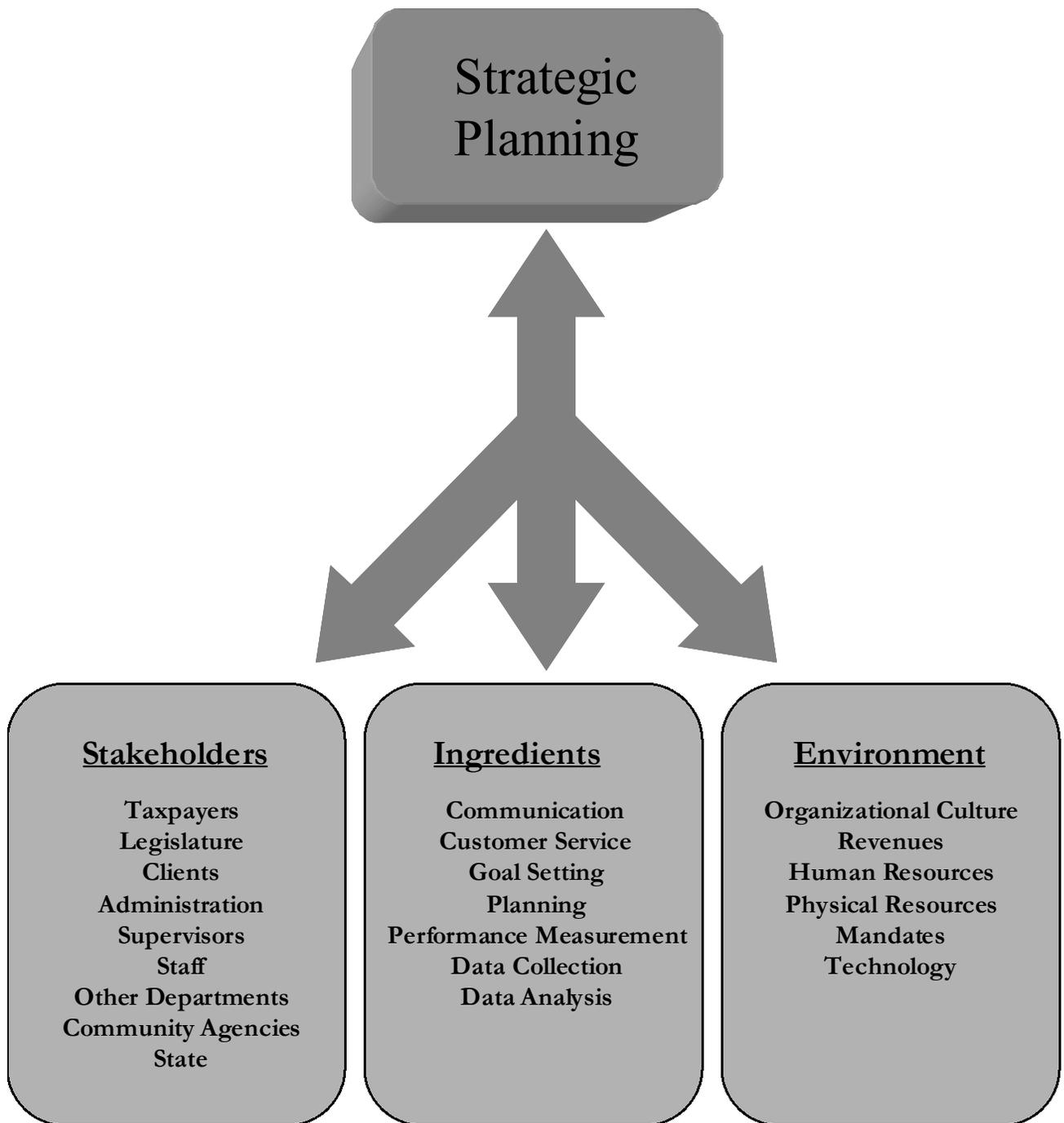
Although only very preliminary until ratified and decided upon by the type of strategic planning process described in the report, it is worth noting that if the recommendations in the report were to be ultimately implemented as proposed, County taxpayers and the Legislature would see the following impact on future County budgets:

\$1,200,000: reductions in County taxes possible in the 2002 County budget.

\$379,000: subsequent possible reductions in County taxes per year when all future-oriented recommendations take effect, *mainly through attrition.*

Substantial additional savings are also possible, depending on what investments are made in technology and what decisions are made in the strategic planning process.

Re-thinking Niagara County DSS



Characteristics of a New DSS

<u>Legislature</u>	<u>Organization Culture</u>	<u>Workforce</u>	<u>Management</u>
<ul style="list-style-type: none"> · Mission driven · Setting broad policy goals · Monitoring Departmental performance · Minimizing micro-management of the Department 	<ul style="list-style-type: none"> · Mission driven · Functional and systems approach · Working toward common goals · Competence · Professionalism · Performance orientation · Team work · Minimizing turf · Information driven · Customer service · Communication · Having the right technology to accomplish the mission 	<ul style="list-style-type: none"> · Mission driven · Empowerment · Continuously trained · Sufficient numbers to do the job/meet goals · Have the necessary tools to do their jobs competently · Performance orientation 	<ul style="list-style-type: none"> · Mission driven · Working toward common Department goals · Empowering of employees · Managing programs as well as people · Strategic Planning · Functional and systems approach · Information driven · Performance measurement