

Illinois Human Services Commission

Meeting Summary

Date and Time: June 8, 2010 9 a.m. – 12 p.m.

Location: The Art Institute of Chicago, 159 E. Monroe

Attendance

In person:

Commissioners: Joseph Antolin, Byron Brazier, Denver Bitner, Mary Ellen Caron, Eileen Durkin, Art Dykstra, Julie Hamos, Sen. Mattie Hunter, Anne Irving, Toni Irving, Rep. Naomi Jakobsson, Shawn Jeffers, Charles D. Johnson, George Jones, Richard L. Jones, Maggie Laslo, Ngoan Le, Valerie Lies, Erwin McEwen, Maria Pesqueira, Gregory Pierce, Gladyse Taylor (proxy for Michael Randle), Nancy Ronquillo, Dee Ann Ryan, Kathy Ryg, Michelle Saddler, Nancy Shier, Laura Thrall, Cemere James (proxy for Maria Whelan), David Whittaker, Diane Williams

Technical Support Team: John Bouman, Veronica Cunningham, Bob Goerge, Gina Guillemette, Kathleen Kane-Willis, Jonathan Lavin, Jim Lewis, Suzanne Strassberger, Cheryl Whitaker, Paula Wolff, Tony Zipple

Guests: Valerie Denney, Alicia Huguelet, Susan Locke, Ginger Ostro, Laurel O'Sullivan, Paula Purdue, Amber Smock, Jerry Stermer, Layla Suleiman,

Conference call:

Commissioners: Rep. Sara Feigenholtz, Kurt Friedenauer, Pam Heavens, Gary Huelsmann, Rep. Rosemary Mulligan

Guests: Clayton Fricke

Video conference:

Commissioners: Michele Carmichael (proxy for Christopher Koch)

Guests: Melissa Black, Greg Bradshaw, Clayton Klenke, Kim Schultz, Greg Wass

Commissioners Not Attending:

Damon Arnold, Rosemary Connelly, Sen. William Delgado, Marco Jacome, Mark Klaus, Rep. David Leitch, Soo Ji Min, Sen. Carole Pankau, Sen. Dave Syverson, Ray Vázquez

Staff Support:

Jill Baldwin, Betsy Bowen, Janice Pacheco, Rob Paral, Ashley Rook, Hannah White

Presentation from State CIO Greg Wass – Illinois Health and Human Services Framework Project

Via videoconference from Springfield, State CIO Greg Wass presented a PowerPoint providing an overview of the Illinois Health and Human Services Framework Project. Key points:

- Framework is a modernization of the state's "healthy human services" IT system.
- Seven state agencies are participating in the Framework.
- Reasons for developing this project:
 - Programs and agencies have developed their own processes and systems over time – it is expensive to support these different systems.
 - It will also improve services to constituents if we can break down these silos.
 - System modernization is expensive, involves a lot of state and federal funding. We can't just replace existing systems, we need to transform the way we buy and use technology.

- Objectives:
 - Improve customer service and outcomes, make it easier to apply for and access programs and benefits
 - Modernize and integrate state technology
 - Operate despite reduced staffing and budgetary pressures
 - Expedite and simplify billing and reimbursement processes
- There are two phases of the project – planning and implementation:
 - The state has received federal approval for the planning phase.
 - The state will work on an implementation strategy and develop an RFP and anticipates moving into the implementation phase after about 1.5 years of planning (planning phase complete in March 2012)
- Over the next 6 months, the state will also be working on related initiatives, such as the development of a single client ID.
- This is a truly transformative project.

The presentation was followed by period of comments/questions and answers. Key points:

- Several commissioners remarked that the Framework project is exciting, innovative and long overdue.
- In response to a question from Diane Williams, Greg stated that the state plans to get input from providers through an advisory committee and will use this input to understand their data needs for the system.
- In response to a question from Joe Antolin, Greg stated that through the advisory committee, the state hopes to engage with other local governments get a sense of how to bridge the Framework with other local data systems, such as the City of Chicago's HMIS system.
- Michelle Sadler added that during the extensive planning process, the state will solicit input from many parties; DHS is working with Greg and others on this process. Michelle stated that it should be a priority of the Commission to have integrated human services delivery. Human services should be person centered, rather than program centered. Unless some resources are devoted to this in the budget, integrating human services will keep getting pushed to the back of the list.
- Nancy Ronquillo suggested that at some point the Commission should make a motion of if the Commission supports this project, to go on the record.
- In response to Nancy's suggestion and a question from Kathy Ryg, Greg stated that he believes the creation of the Commission was an ideal match for the need to create an advisory committee. Greg introduced Susan Locke of DHS as the key manager for this effort across agencies and is working on the advisory committee.
- Susan Locke – explained that the plan is to start forming the advisory committee this fall and begin an extensive stakeholder outreach, including people seeking services, providers, professional associations, providers and so on around the state. In addition to the system change, the state believes there will be benefit to the people seeking services as well as cost savings and greater efficiency. Susan and her team have been wondering how to best integrate the Commission's work with the work of the advisory committee.

Discussion of the Commission's First Report

Report editor Jill Baldwin briefed the meeting attendees on the report drafting process to date and process for finalizing the report. Key points:

- After asking for commissioners to submit their final feedback on first draft of the report at the May 3 meeting, 68 sets of comments and revisions were received.
- All state agencies who are on the Commission submitted detailed comments and revisions, which was appreciated; additionally, Department of Commerce and Economic Opportunity (DCEO) reviewed the appendix and the Governor's Office of Management and Budget (GOMB) provided new budget data.
- In addition to the feedback from commissioners and state agencies, comments were received from many other people on agencies represented on the Commission as well as other organizations.
- Jill was able to incorporate most of the feedback that came in; when it was not possible, there were a few main reasons:
 - In some cases comments or suggestions were not insertion ready and required subject matter expertise and research beyond our resources.
 - Some comments were outside the scope of the report (i.e. national data)
 - There were some requests to restructure the report, but it would have been very hard to do at this stage since we already decided to use the 211 taxonomy
 - The methodology section was moved to the front of the report to make it clear how the report was structured and to describe the benefits and trade-offs of this approach
 - The resulting report represents the best effort under the circumstances

Jill outlined several challenges that the Commission and the report's editing team faced in drafting the report:

- Balancing a system-level approach with a population or programs approach. This challenge led to the report being 300 pages rather than 50 or 60 pages. It raises the question of whether a report of this length can be absorbed by a broader audience.
- Getting a clear narrative on the system is challenging because of the system's diversity. The various parties (state agencies, providers, advocacy groups) have not always agreed. There have been points of contention but we believe the report is an adequate picture of the system.
- Many people who contributed to the report expressed difficulty writing about the system as it is; many are eager to advocate for programs, especially during the budget crisis.
- We recognize that the report has demanded a lot of time from many people and we appreciate your attention to it over these months. Many agencies loaned staff, which was important since the commission is understaffed. The acknowledgements run 3 pages long, which shows how many people were involved.
- The copy edit of the report has not yet been completed. If the report is approved, the copy edit will not alter the substance of the report.

Consultant Rob Paral spoke about the process of gathering budget data from the state agencies for the report. Key points:

- To gather the budget data, we surveyed all state agencies on the Commission and asked them to provide us with FY 10 budget amounts by programs. We received info on 600 programs and filtered it to about 300 programs relevant to human services.
- We received unique, in depth info by program from the state agencies, allowing us to sort them in various ways, including by the 211 taxonomy.
- Budget data can be presented and discussed in many different ways, based on the source, the extent to which programs are collapsed, requested versus enacted amounts, etc.

- In the report, Appendix D uses categories from GOMB and provides dollar amounts that are General Revenue Fund (GRF) only. Budget amounts in the body of report are not only GRF— they also include federal amounts and other state funds. Our goal was to provide a big picture of human services, while providing as much detail as we could.

Jill and Rob’s presentations were followed by a period of comments/questions and answers, facilitated by co-chair Toni Irving. Key points:

- Nancy Shier stated that some of the budget figures provided in the report are unfamiliar to her and others who are familiar with these programs. She would like more information about their source, since they differ from information put out by GOMB.
- Anne Irving commented that there is a section in the final draft in which an important data point has been lost and asked to clarify the process for submitting any changes or corrections to the final report. Toni replied that the goal is to complete the final report by June 18. Because the Commission is not staffed, it would be helpful if commissioner could identify factual changes or omissions and submit them in narrative form, so they can be cut and pasted in to the final report.
- Sen. Mattie Hunter commented that many of the legislators on the Commission are committee chairs, but to implement changes, the Commission may need to go through the executive committee.
- Rep. Rosemary Mulligan commented that circumstances are going to be continue to change after the report goes out and asked how this would be addressed. Toni replied that the report can only address things as they are now. Rosemary also commented that it was hard for legislators to give their input on the report since they were in session when the report work groups were held and stated that it’s hard to describe where the system is at since we are in a state of flux.
- Toni stated that the report is a “state of the state” and will provide a launch pad for the Commission going forward.
- Co-chair Ngoan Le stated that the report allows us to have a relatively decent understanding of the system as a whole.

Greg Pierce moved to accept the report including changes submitted by the June 18 deadline and copy editing. Gary Huelsmann seconded the motion.

Toni Irving asked for all in favor to respond. The Commission moved to accept the report.

Votes in favor of accepting the report:

In person: Joseph Antolin, Byron Brazier, Denver Bitner, Mary Ellen Caron, Eileen Durkin, Art Dykstra, Julie Hamos, Sen. Mattie Hunter, Anne Irving, Toni Irving, Rep. Naomi Jakobsson, Shawn Jeffers, Charles D. Johnson, George Jones, Richard L. Jones, Maggie Laslo, Ngoan Le, Valerie Lies, Erwin McEwen, Maria Pesqueira, Gregory Pierce, Nancy Ronquillo, Dee Ann Ryan, Kathy Ryg, Michelle Saddler, Nancy Shier, Laura Thrall, David Whittaker, Diane Williams

Via conference call: Rep. Sara Feigenholtz, Kurt Friedenauer, Gary Huelsmann

Note: Proxy votes were not included.

Votes not in favor:

Rep. Rosemary Mulligan (conference call)

Discussion of Next Steps and Potential Work Areas for the Commission to Undertake

Ngoan Le opened the conversation by summarizing the memo the commissioners had received about the Commission's next steps. The memo described two options: looking at issues by service area or looking at system-wide issues. The Commission doesn't necessarily need to pick one or the other – it could do both. Ngoan summarized three conditions described in the memo that should be met before the Commission takes on an issue:

- The Governor's Office should verify that there's not already a task force or other commission doing this work
- The Commission should make sure there is a public and private partnership willing to go forward
- The Commission should make sure it has the staff resources to do the work well

A discussion period with the commissioners followed, facilitated by Ngoan. Ashley Rook took notes to summarize the Commissioners' ideas onscreen as they spoke. Key points:

- Kathy Ryg stated that given the long history of legislation creating task force and commissions, the Commission should incorporate the work of other groups but the existence of another group or task force should not be a condition that eliminates taking the HSC taking on an issue.
 - Rep. Rosemary Mulligan suggested that the Commission ask for a liaison from each task force to be part of the Commission's ongoing work.
 - Byron Brazier stated that the Commission should have an understanding of the policies we wish to affect and where we want to go; then we know which task forces we need in the room.
- Michele Carmichael (proxy for Chris Koch) stated that the Commission previously received a summary of themes from the interviews conducted with commissioners, which lays out some of the priorities established by commissioners.
- Joe Antolin stated that in the Chicago Metropolitan Agency for Planning (CMAP) 2040 regional plan report, for hunger and food issues, one of the recommendations was having a single ID card for clients across systems. This seems to be a systemic issue, crossing a lot of different programs and funding streams. The Commission could build upon this recommendation to help make it a reality.
- Greg Pierce stated that the Commission needs to start thinking about how to build public support for whatever we decide to work on. He strongly recommended that the Commission create an implementation or grassroots supports committee now, so we can hit the ground running whenever our recommendations or next report are published.
- Laura Thrall stated that Illinois Partners for Human Services consists of 500+ organizations and could help advance the Commission's work. She also stated that the Frameworks project would have a great impact on the entire sector and inquired if the Commission could help develop a taxonomy for outcomes.
- Julie Hamos stated that another issue is agencies being required to undergo multiple audits. There is a new law to reduce this; the Commission could help develop the workplan. There is also the issue of Medicaid and health care reform bringing in new funding for different populations to help them access health care and other social services. This is an opportunity to break down silos by looking at different populations and how they can access Medicaid dollars through different agencies and programs.
 - Dee Ann Ryan stated that she agreed with this and that a related issue to focus on is the integration of primary health care and behavioral care and more integration between these systems.

- Julie Hamos also clarified that there will be different task groups at the state level working on health care reform.
- Nancy Ronquillo stated that the Commission does not have the resources to take on all of health care reform and needs to be tuned into the part of health care reform that is human services oriented.
- Rep. Rosemary Mulligan stated that she is interested in how federal health care reform will impact mental health services in Illinois.
- Nancy Shier stated that instead of focusing on one or two issues, the Commission should really look at issues across the systems and prioritize those. In the healthcare system, we have a number of state agencies that work on some part of healthcare. There are new opportunities with health care reform.
- Joe Antolin stated that another issue is how quickly provider agencies are paid by the state as well as the rate setting process, since so much of human services is a collaboration with government and private providers. The process for contracting could be intensely simplified. Additionally, the delay in payments is a key infrastructure issue and it hurts nonprofits by forcing them to rely on lines of credit. The Commission needs to address this.
- Rep. Rosemary Mulligan stated that if we are looking at changing the system, we can't just look at this year or last year's budget. These years have been different ways of doing the budget and we will probably go back to old way after this election year. We should look at where agencies intersect and where we can save money. Federal funding is always in a state of flux.
- Eileen Durkin stated that the Commission needs to develop a mission for what we want the system to be; we have to decide as a society how we value the people who get the services we provide.
 - Michelle Saddler expressed support for this. She stated that Illinois seems to be turning into an all Medicaid state, which raises questions about who needs or deserves human services, including the concept of the "deserving poor."
 - Rep. Sara Feigenholtz stated that it is important to recognize the economic reality we're in, and look at what will happen to non Medicaid eligible human services. Non-Medicaid eligible programs have been left with fewer resources over the past couple of years, especially as the state has tried to maximize federal Medicaid match dollars. She also stated that the human services budget is "the elephant in the room"; the Commission can talk about great system improvements and efficiencies, but at the end of the day, it's about the money.
- Maria Pesqueira stated that the Commission's responsibility was to come up with our priorities or philosophies for human services.
- Byron Brazier stated that the Commission needs to be driven by where we want to be in the next 10 years. We need to be pragmatic, but separate out vision from legislative agenda. The Commission needs to establish the framework for the mission it wants, then move to the legislative agenda.
- Denver Bitner stated that the Commission should look at prevention-oriented services and programs and that a lot of financial efficiencies are achieved through prevention.
- Charles Johnson stated that state agencies as well as private provider agencies have been decimated in terms of staffing. How do we retain and train people who have knowledge of human services? He stated that Illinois is becoming a highly unionized state and there are challenges of dealing with unionized employees. The Commission needs to look at how we can attract and retain competent people.

Governor's Office Update from Jerry Stermer, Governor's Chief of Staff

Jerry Stermer was introduced by Ngoan Le. He was invited to the meeting to talk about the challenges facing the state and how the Commission can be helpful. Key points:

- It's hard for any of us to grapple with the magnitude of problems related to human services. Many of us have talked about this for a decade, but not many have listened.
- Historically, we have not paid attention to the mounting liabilities of our pension system. A repayment schedule was established in the mid 90s, but no one really grappled with how significant the problem was.
- We have a structural imbalance in our own budget. Our revenues coming in do not grow with the economy and we have increased challenges in our communities. So there are more people needing services that the General Assembly has approved, but there is a structural imbalance in what we can provide.
- We are in a great recession and have lost billions of dollars. So we are faced with a horrific budget deficit. Rather than dealing with it straight up, we have decided to borrow from unwilling lenders – the providers of service. The state owes \$5.2 billion as of today. This is staggering.

Jerry outlined 5 pillars for the state's economic recovery:

- Economic recovery and employment – increase level of jobs in Illinois, have more people working, ideally 4% or less unemployment.
- Continued partnership from federal government – during the crisis, we've had an enhanced Medicaid match (62% vs 50%) and \$1 billion in support for education. We've also had stimulus dollars in other categories, i.e. Put Illinois to Work program. Many states have put together their budgets assuming the higher level of Medicaid match would be renewed, but House support for this may be wavering.
- Reduction of expenditures at the state level – this is necessarily part of any package as we move forward. The general assembly seems to refuse to participate in this discussion. However, the appropriations presented to Gov Quinn at the end of May assumes a reduction of \$1.5 billion, perhaps more. Assembly was asked to give emergency power to Governor to make reductions; a number of suggestions were made to make these powers more thoughtful. Decision was made to turn off these powers at the end of the calendar year—so all reduction decisions for this FY would have to be made by Jan. 8.
- New revenues – Gov. Quinn has said we have to raise the income tax rate. No decisions have been made about that so far by the General Assembly (GA). This would not solve all the problems, but we will continue to address the GA to adopt new revenues.
- Use strategic borrowing – this can help get us over humps. This should not be from unwilling vendors, like providers. Rating agencies have downgraded Illinois because the Illinois GA has not adopted new revenues. But we are still a safe group though to float bonds to; there will be interest in the investor community. Quinn has asked the GA for authority to borrow bonds that would cover the cost of pensions for the coming FY, at about 4.5% interest rate. The alternative, continuing to borrow from unwilling lenders, causes more chaos in the human services community.

Jerry then addressed the role of the Commission:

- There are going to be dramatic changes in the next few years in all aspects of public and community life – education, healthcare, human services, etc. We are going to have a decline in capacity at the state level that will have community implications. Planned collaboration such as

what happens in this Commission can help us be strategic about these changes. The Commission is an ideal mechanism; we have broad participation from across the state

- What the governor and the GA can do with the Commission's recommendations depends on how the changes are made and their narrative. Are the recommendations grounded in reality and do they recognize that appropriations are going to go down? Are we making sure there is still support in each community, throughout the geography of Illinois?
- We need to stay at this table, continue to work through the decline in resources, and be able to respond to the changes in our communities.

A brief discussion and question and answer period with Jerry followed. Key points:

- Eileen Durkin asked Jerry how the Governor's Office would deal with the fact that the reductions in the state budget are going to put more people out of work. Jerry responded that the Governor struggles with this issue every day. When you have a crisis, the government should be adding jobs. At the same time, you have enormous pressure that you can't keep borrowing and can't keep maintaining services at the same level. And that means reductions in staff paid by state payroll and reductions at schools, human services agencies, etc. that work with the state.
- George Jones asked what the state would do about pensions if it can't borrow the \$4 billion and what the implications might be for human services providers. Jerry responded that the decision of when to pay the state's invoices is in the hands of the comptroller. The state is 6 months behind on many invoices. If the state can't borrow, those providers not required to be paid in 30 days would have to wait even longer.
- David Whittaker asked about the Governor's vision for a tax increase, since the Illinois House hasn't given much support to this. Jerry responded that the Governor remains committed to enhanced revenues and a fair system, primarily using income tax. He emphasized that all 5 pillars of economic recovery have to work together and the state needs to look at least a 5 year plan.

Discussion of Ideal Systems and Current Realities

Ngoan Le asked the Commissioners if they think the Commission should focus on designing a perfect human services system as it should be, or working with the state to try to do what we can in the current realities to design a system that protects the most vulnerable, preserves providers and preserves services at the community level.

Comments and key points from commissioners:

- Maria Pesqueira stated that it seems we would be doing things halfway to just look at the most vulnerable. If we go that way, we need to make it clear the difference between what we are doing and best level of quality and services.
- Michelle Sadler stated that prevention programs link best practices and prevention of future costs, which saves money.
- Anne Irving expressed concern about the phrasing of this question and stated that tackling the realities of the system seems like asking the Commission to collaborate on cuts that many commissioners are opposed to and have tried to avoid.
- Rep. Rosemary Mulligan stated that the Commission needs to define ideal and that her definition is "a flexible system that can provide services people need, through good times and bad, without short-changing providers."

- Gary Huelsmann stated that the Commission needs to deal with the current realities but also put in the best outcomes desired.
- Rep Sara Feigenholtz stated that the Commission needs to have a conversation with providers about predictability of payment and talk about a multiple year plan, so they can create plans to deal with this.
- Maggie Laslo stated that the Commission needs to focus on the long term vision of what the system should be. Our budget and programs have been hurt by not looking at the system in a holistic way. When you have a savings on one side of the system, it's often a hurting on the other. We need to look at global budgeting and viewing the system holistically, while still being conscious of current budget issues.
- Kathy Ryg stated that the Commission should try to build off the success of other efforts where principles were identified and serve as the base for going forward. The Commission could identify principles for a human services system but establish steps and strategies to move toward that system and maximize the benefits and cost effectiveness of the system, creating a comprehensive vision for human services in Illinois.
- Mary Ellen Caron stated that the Commission should be careful in engaging the GA and Governor's Office and should be very clear that there isn't enough money for human services and let citizens know there are people who don't have what they need.
- Toni Irving asked what the Commission's responsibility might be in providing research that informs budgeting and inquired: Do we have data we can bring with a legislative intent that shows where we can save money in the system, i.e. through preventative services?
- Michele Carmichael stated that the duties of the Commission outlined in the Executive Order cover many of the suggestions made for the Commission's next steps and that these duties should drive the Commission going forward.
- Rep. Rosemary Mulligan stated that there are less people in the GA now that are committed to human services than there have been in the past and this may be a problem for the Commission going forward.
- Erwin McEwen stated that that is important to recognize that when we talk about services in communities, many of those communities are absent from the table. The Commission needs to tap into existing community groups and client groups to get their input.

Conclusion

Ngoan Le thanked meeting attendees for their input and stated that the co-chairs would take the ideas discussed in the meeting, sort them in different ways and share them with the commissioners for further consideration. Between now and the next meeting, Ngoan asked commissioners to think about the areas they would like to work on and devote staff resources to. When the list of ideas for next steps is circulated, Ngoan asked commissioners to indicate how they want to get involved. At the next meeting, the commission will be organized into different work groups based on these issues.

Ngoan thanks the attendees again and concluded the meeting.