



ADMINISTRATION

Texas Department of Human Services

Administration

The Texas Department of Human Services (DHS) served more than 3 million Texans during fiscal year 1992. The year's budget was \$8.2 billion, and staff numbered about 20,480. The agency disbursed \$10.1 billion in state and federal funds, including the value of food stamps and distributed food.

Most of the budget went to direct client benefits, such as food stamps, commodities, grants, and purchased services. These funds augment city and county budgets and flow directly into Texas communities. The remainder of the budget paid for direct-delivery staff and administrative functions.

Administrative Services

Administrative Services is the central source of DHS information and referral assistance, records management, state headquarters building operations, printing services, and policy and document support.

Information and Referral

Information and referral staff respond to inquiries from clients, legislators, out-of-state agencies, and anyone else who has questions about DHS. In fiscal year 1992, staff began referring general inquiry calls from clients to the income assistance hotline to speed up response time. Staff responded to more than 11,000 pieces of correspondence and answered more than 35,000 telephone calls during the year.

Records Management

Records management staff are responsible for economically storing and disposing of records. Under the records and retention schedule revised in fiscal year 1992, state office records were stored at the Texas State Library Records Center at no cost to DHS. Regional records were stored at a records center operated by the agency.

More than 6 million documents were microfilmed and more than 4,000 rolls of microfilm were stored at the Texas State Library. In fiscal year 1992, staff stored more than 19,000 boxes of records, destroyed more than 43,000 boxes of records, and sent more than 300 boxes of records to the Texas State Library for archiving or destruction.

DHS staff track adoptions consummated in Texas, maintain adoption records from defunct child-placing agencies, and release non-confidential information to adoptees. In fiscal year 1992, more than 154,000 adoptions were in the tracking index, with more than 800 releases of information completed.

The agency also administers the Central Adoption Registry, which allows adoptees and their biological relatives to reunite if both parties ask to do so. There were 480 people on file with the registry in fiscal year 1992. Six reunions have taken place since the registry was created in 1984.

DHS also tracks the court of continuing jurisdiction for every child in the state who is involved in a suit affecting the parent-child relationship. In fiscal year 1992, there were more than 986,000 children on file. Staff also notified courts of conflicting jurisdiction in more than 700 cases.

Winters Complex Operations

Winters Complex operations staff are responsible for physical security, building management, space planning, and quick copy services for the 500,000-square-foot state office headquarters, as well as central mail distribution. Security and many building services for the complex are provided through interagency contracts with the Texas Department of Public Safety and the General Services Commission.

In fiscal year 1992, the mail distribution center processed about 2.6 million pieces of outgoing mail and 1.6 million pieces of incoming mail each month. Staff also processed about 81,000 parcels.

Printing Services

The DHS print shop produces forms, publications, policy and training manuals, and a wide variety of other printed materials to support direct delivery of client services and agency administration. Staff printed 368 million impressions in fiscal year 1992, an increase of more than 19 percent over fiscal year 1991. A graphics and printing management committee was established to coordinate efficient and economical production and distribution of all printed materials.

Policy and Document Support

Policy and document support staff link policy developers, field staff, providers, and clients by producing policy materials, translating documents, and designing forms. Staff maintain about 3,000 official rules for DHS programs.

In fiscal year 1992, staff submitted 151 rule filings to the Secretary of State's office for public review in the Texas Register; produced 250 handbook revisions involving 9,184 pages of policy material; issued 222 communiques to staff, providers, clients, and the public; produced 336 forms; and translated 584 forms, publications, client letters, and other documents. Staff also collaborated with representatives from other agencies affected by House Bill 7 regarding the production of policy materials, rules, forms, and translations.

Business Services

Business Services supports agency staff across the state in three areas: facilities management, including leasing and telecommunications; material management; and purchasing, including equipment maintenance and service contracts and travel management.

Facilities Management, Leasing, and Telecommunications

In fiscal year 1992, the General Services Commission commended DHS for developing uniform specifications for all space leased by the agency statewide. The uniform specifications, which have streamlined processing of lease requests, were recommended as a model for all health and human services agencies as they move toward co-locating service-delivery staff. Facilities management and regional staff also developed a standardized janitorial contract that will improve building upkeep and maintenance practices.

DHS occupied 4,029,445 square feet of leased space and 571,234 square feet of space furnished free by city and county governments and hospitals, totaling 21-percent more space than in fiscal year 1991. Following a recommendation by the State Auditor's Office, a statewide energy management program is being developed to raise staff awareness of energy conservation practices.

During the year, regional business and civil rights staff surveyed 617 buildings occupied by DHS to identify architectural barriers to access by people with disabilities. Facilities staff helped develop procedures for removing barriers that were identified and provided technical information. DHS funded removal of barriers in donated space at a cost of \$537,059. Lessors are being required to make corrections in leased space. Other office renovations were funded at 10 locations provided by cities and counties.

During fiscal year 1992, DHS spent \$3,765,835 for new telephone equipment to replace aging systems, open new offices, and serve more staff. DHS changed its long-distance service, a move expected to save the agency \$200,000 a year. This change required the conversion of 5,500 trunks and lines in more than 500 DHS offices.

Telecommunications staff also began planning implementation of an automated voice response system that will answer about 300,000 calls a month from Food Stamp and AFDC clients who have questions about their benefits. Clients will use Touch-tone phones to enter their case numbers and request information, which will be retrieved from the computer and conveyed to clients through digitized speech. Without the computerized system, an estimated 227 operators would be needed to answer calls.

Material Management

Material management staff modified the capital inventory system so that capital assets could be transferred to the Department of Protective and Regulatory Services (PRS) and inventory control could be provided for the new agency in fiscal year 1993.

Staff improved the system for ordering forms and supplies from the Distribution Center. Regional staff can now identify separate orders for different locations within large offices, eliminating the time required to unpack and resort single large orders. A new conveyor system modernized how orders are filled for forms and supplies.

Purchasing

In fiscal year 1992, purchasing staff handled 11,099 requisitions resulting in approximately 6,000 purchase orders, a 22-percent increase over fiscal year 1991. Working with Management Information Systems, staff plan to implement a statewide automated purchasing system by September 1993 that will standardize regional procedures for generating purchase orders and payment vouchers.

Staff administered more than 400 equipment maintenance and service contracts and processed 9,478 vouchers for payment of goods, equipment, and services with a total value of \$27.5 million during fiscal year 1992.

Travel management staff processed more than 3,000 corporate credit card applications and handled payment of airline tickets and rental cars for DHS staff, clients, and wards of the state totaling \$2,675,000. Staff also handled travel arrangements for the Texas Health and Human Services Commission.

Communication Services

Communicating with clients, staff, vendors, community organizations, and the general public is crucial in an agency that serves millions of needy Texans in offices scattered across the state. At DHS, many of these functions are assigned to Communication Services, which includes public information, publications development, electronic media, library services, community resources, and diversity services.

The Public Information Office is the first contact many Texans have with DHS. Each year, staff respond to thousands of requests for information by the general public, news media, public officials, and community organizations. Electronic media and publications development staff produce video and audio training aids, documentaries, public service announcements, brochures, booklets, and displays to explain the agency's programs and services to clients and prospective clients, service providers, legislators and other public officials, the general public, and DHS employees and retirees.

One video project, featuring an animated character known as Earl E. Bird, became the centerpiece of a two-year effort by several state agencies and private organizations to encourage school-age children to eat breakfast. The effort is being studied for national distribution. Publications were recognized by the Texas Medical Association in the 1992 Anson Jones Awards competition and the U.S. Department of Health and Human Services' Administration for Children and Families. During fiscal year 1992, public information, publications development, and electronic media staff also worked with the Texas Health and Human Services Commission and other agencies to keep employees informed about changes mandated by House Bill 7.

The central office library offers DHS staff reference assistance, online literature searches, interlibrary loans, and other services. Holdings include about 1,000 audio-visual tapes, 149 magazine subscriptions, 8,000 books, and 1,300

agency documents. During fiscal year 1992, the library acquired books, videos, and magazines to support the agency's training programs.

Community resources staff help maximize the dollars spent on human services by developing partnerships between DHS and community organizations. These public-private partnerships have improved the delivery of social services in areas such as rural health care, pregnancy prevention, employment for at-risk youths, housing for people with disabilities, and home ownership for low-income families.

Diversity Services, which was created in fiscal year 1992, began an outreach program to recruit Historically Underutilized Businesses (HUBs) that are qualified to provide services to DHS and its clients. Staff also worked with the General Services Commission and other state agencies to develop training for agency buyers and HUBs.

Human Resource Services

One of the major issues affecting Human Resource Services this year was implementing the employment provisions of the Americans with Disabilities Act (ADA), which became effective in July 1992. ADA prohibits discrimination against people with disabilities in job application procedures, hiring, promotion, job training, and other related activities. To ensure compliance with ADA, staff revised hiring procedures to include determination of essential job functions for each position before posting and provided an overview of ADA to each staff member who has hiring authority.

A recruitment and retention committee was formed to develop overall strategies and assist state office and regional staff in recruitment efforts. Recruitment staff attended four major state and national job fairs during the year. Recruiting contacts were established throughout the state with military transitional assistance programs, which provide a pool of experienced, well-educated applicants who are seeking civilian jobs because of military downsizing. An automated tracking system also was developed to help regional and state office staff account for the flow of job applicants through all DHS employment offices.

Employee benefits programs include a new career counseling service that helps employees assess their skills, identify personal work values, and plan their careers. At state office, arrangements were made with Austin Community College to offer an on-site college credit course in accounting during the fall 1992 semester. Pre-retirement seminars continued to be one of the most popular benefits programs among employees across the state.

HealthSelect, a managed health-care plan administered by Blue Cross and Blue Shield of Texas, was introduced during this year's summer insurance enrollment. Several other benefits approved by the 72nd Legislature were

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implemented, including payroll deduction of membership dues for state employee organizations and dental plan premiums.

An election was conducted to choose a DHS representative to serve on the Group Benefits Advisory Committee, which counsels the Employees Retirement System on insurance matters. This is the first time a DHS representative has been elected rather than appointed to the 25-member committee.

A new performance appraisal system was implemented for state office managers, and regional managers will begin using the system in September 1992. The new system measures performance dimensions that are critical to many agency jobs, including decision making, job responsiveness, leadership, and interpersonal skills.

A video-based test was introduced for case manager applicants in Client Self-support Services. Video tests are thought to be better than written ones for predicting who will succeed on the job because they simulate real workplace conditions.

The employee suggestion program, combined with the Texas Incentive and Productivity Commission's program, was revised and streamlined to encourage greater employee participation.

Management Development Services began implementing a five-year management development training plan that emphasizes personal and professional growth. Trainers delivered the plan's foundation program, "Seven Habits of Highly Effective People," to 576 managers, including executive staff. Two other new training courses were introduced during the year: one for improving business writing skills and another on management skills for new first-line supervisors. "Registrar," a computer-based tracking system that allows quick access to training data and management reports without requiring mainframe support, was installed statewide. In-house training during fiscal year 1992 would have cost the agency more than \$2.7 million if purchased externally, saving the agency about \$2.5 million.

Management Information Systems

Rapid, accurate information processing and reporting are essential to delivering human services. Management Information Systems (MIS) relies on innovative uses of people, hardware, and software to help meet the agency's business needs and provide efficient and effective automation support.

As client populations continue to grow and programs change to meet their needs, MIS support must keep pace. During the past year, MIS developed systems, supported operations, and purchased about \$28 million worth of equipment, software, and services for:

- the Electronic Benefit Transfer project;

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- service-delivery support for health care and client self-support programs, including the Job Opportunities and Basic Skills Training program;
- vendor drug electronic claims management and the prospective drug utilization review system;
- mainframe data storage system expansion and improvements;
- protective services automation planning and implementation; and
- distributed processing and communications network enhancements.

Each month during fiscal year 1992, MIS produced more than 1 million Medicaid identification cards, 250,000 AFDC warrants, and 790,000 authorizations to participate in the Food Stamp program.

To improve the efficiency, timeliness, and accuracy of future efforts, MIS initiated an application development methodology and tools based on information engineering. These were used successfully on five major projects. A new business analysis function also was created to increase the effectiveness of systems development.

In fiscal year 1992, preliminary plans were put in place to align MIS with the state's strategic direction toward open systems. Hardware and software products were researched and evaluated to prepare for the open systems environment. As part of ongoing efforts to improve information exchange, MIS expanded collaborations with other state agencies.

MIS was involved in planning for and implementing the consolidation of agencies under the new Health and Human Services Commission. Staff participated in the Interagency Integrated Database Network Work Group and provided automation support to the service-delivery pilots mandated by House Bill 7. MIS will continue to take an active role in transition activities, including support of PRS.

MIS also worked with state office and regional staff during the past year to simplify the organization of MIS so it can better address critical issues such as accountability, strategic planning, project management, work flow, increased use of vendor support, and improved customer service.

Fiscal Management Services

Fiscal Management Services manages and reports the financial activities of the agency, which had a fiscal year 1992 budget exceeding \$6.5 billion in state, federal, and other funds. Staff processed more than 4.59 million claims this year, as well as provided accounting control for issuance of \$2 billion in food stamps and \$84.5 million worth of food donated from the U.S. Department of Agriculture.

Staff audit and process claims, distribute warrants, enter daily transactions into the accounting system, process payrolls, handle negotiable instruments,

prepare state and federal reports, maintain the accounting system, and maintain the agency's food stamp inventory.

Internal Audit

In fiscal year 1992, Internal Audit continued its independent appraisal activities, conducting reviews of operations and procedures and reporting findings and recommendations to the Texas Board of Human Services and agency management. For the first time, a risk-assessment methodology was used to set audit priorities. Internal Audit also began coordinating the competitive cost review process for the agency's identified commercial activities.

During the year, a risk management unit was created in Internal Audit that will work toward maximizing protection for DHS employees and volunteers while minimizing the agency's losses of physical and fiscal resources.

Fraud Control

In fiscal year 1992, the Investigation Department in the Office of Inspector General (OIG) continued to improve fraud prevention. Staff investigated 4,880 AFDC, food stamp, and Medicaid cases, resulting in direct program savings of \$13 million. In February 1992, staff also began investigating Medicaid cases involving residents of Mexico applying for maternity benefits by claiming to be Texas residents. One hundred fifteen of these cases were completed, resulting in savings of \$398,411 as of August 1992.

Staff completed 12,852 post-fraud investigations involving \$15.8 million in illegally obtained benefits. They obtained 2,658 court adjudications and processed another 8,000 cases through waivers and administrative disqualification hearings. In fiscal year 1992, the agency received restitution totaling \$6.11 million, which was a record amount. Staff in the Administrative Investigation unit shifted emphasis from dual authorization-to-participate cases to higher dollar income cases, which should result in greater savings to DHS.

The rules for holding AFDC hearings were published in fiscal year 1992, and food stamp and AFDC hearing waivers were used for the first time.

In fiscal year 1992, the Central Disqualification unit temporarily reduced benefits in 4,506 active cases for a savings of \$2.57 million. In 54 cases, clients were permanently disqualified from receiving future benefits.

OIG support staff began compliance reviews of all field investigation offices, and the OIG requested that a performance review of its own operations be conducted by the Texas Performance Review team from the state Comptroller's Office.

During fiscal year 1992, 449 field audits and 3,457 provider cost reports noted \$59.9 million in unallowable costs. Questionable costs of less than 1.0 percent were noted in 675 compliance audits, involving \$579.4 million in agency expenditures in the Client Self-support Services, Protective Services, and Health Care Services contracts. Staff also conducted 445 reviews of single audit reports.

The Audit Department conducted reviews of new Social Service program contracts to help identify the need for corrective actions in a more timely manner.

Staff audited the \$2.2 billion Medicaid contract with the National Heritage Insurance Company (NHIC) for state fiscal year 1991 and began working on fiscal year 1992. This contract pays for medical services for an average of 1.5 million clients each month. As a result of findings noted in the audit of fiscal year 1990, NHIC revised its fiscal year 1991 income statement to exclude \$419,000 in unallowable expenses.

Advisory Committees

The agency had 16 advisory committees with a total of 238 members in fiscal year 1992. Committees exist for all major program areas, with some mandated by statute and others created at the direction of the Texas Board of Human Services. The Ethics Advisory Committee and the Sanctions and Penalties Advisory Committee began their first year of operation.

This past year, the Texas Board of Human Services took keen interest in committees and encouraged them to be involved in developing proposed DHS policies. At the board's request, advisory committees now formally report to the board once a year. Board members also pledged to attend at least one meeting of each committee every year.

The board asked committees to carefully consider the pros and cons of policy recommendations to ensure that all perspectives are considered. Advisers also were encouraged to make recommendations for ways to improve the quality and cost-effectiveness of DHS services.

The board stressed the importance of geographic and ethnic representation on advisory committees and made appointments to improve that balance. Board members also took time to carefully review nominees and often sought nominees for consideration.

Advisers began the year by helping the agency conduct public hearings in four locations across the state to receive comments about directions DHS should consider in developing its Legislative Appropriation Request for fiscal years 1994-95.

Advisers also discussed funding in their individual committees and made recommendations for several state agencies based on where programs would be placed under the restructuring of health and human services in Texas. Advisers stay informed about the restructuring to ensure that client services are not disrupted during transitions.

The Child Protective Services Advisory Committee, the Post-adoption Services Advisory Committee, and the Advisory Committee on Child-care Administrators and Facilities will transfer to PRS in fiscal year 1993. Additional committees are expected to be transferred to other agencies as the restructuring of health and human services continues.

Volunteer Services

During fiscal year 1992, volunteering in human services soared to new heights. An average of more than 26,000 volunteers assisted clients and staff each month, representing a 30-percent increase over last year. More than 1.8 million hours of service were contributed by volunteers, who also made countless donations of money, food, clothing, furniture, and other items to help DHS clients.

Four individuals honored by DHS at the annual volunteer recognition had contributed a combined total of 20 years of full-time service. Most volunteers, however, work part time. They perform clerical tasks in offices, visit clients, organize fund and resource drives, provide transportation, repair houses, baby-sit, and explain Medicaid benefits. Mentors help single mothers in their quests for self-sufficiency, and retired nurses perform routine health screenings for homebound elderly people.

To maximize the resources available to needy Texans, DHS staff began or maintained partnerships with more than 1,700 public and private organizations across the state. Civic, religious, corporate, military, and non-profit groups—from banks to minimum security prisons—have supported DHS.

Partnerships serve a variety of client groups. A supermarket in Lufkin prepares and delivers Meals on Wheels to 60 elderly and disabled people. For nine years, students at a Waco high school have made holiday wishes come true for foster children. J.C. Penney managerial staff in McAllen mentor disadvantaged youth, encouraging them to stay in school and pursue challenging careers.

The religious community is a major partner with DHS. A Tyler group, one of 196 church coalitions statewide, provided health care, employment assistance, and basic necessities to 15,000 families this year. A single congre-

gation provided weekly support services to people with disabilities in a shared attendant apartment project in Houston.

DHS staff joined with staff of five other state agencies to sponsor regional workshops throughout the state to encourage networking and coordination of volunteer resources. The new direction is clear: Everyone in the community must pull together to offer the most effective programs to help people help themselves.