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MEMORANDUM

TO: DeeAnn Wenk, Committee Staff Administrator
Interim Joint Committee on Health and Welfare and
Family Services
FROM: 
David Byerman, Director
RE: Executive Order 2018-780
DATE: September 25, 2018

Please find enclosed, Executive Order 2018-780 relating to Reorganization of the Cabinet for Health and Family Services. This order is hereby referred to the Interim Joint Committee on Health and Welfare and Family Services. KRS 12.028(4) requires that the appropriate committee complete its review and report its findings to the Legislative Research Commission within sixty days of LRC's receipt of the plan.

/cmg
Enclosure



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

6 SEP 25 '18 AM 9:20 RCV

RECEIVED AND FILED

DATE September 24, 2018
3:37pm

Secretary of State
Frankfort
Kentucky

2018-780
September 21, 2018

ALISON LUNDERGAN GRIMES
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY R. Allen

RELATING TO THE REORGANIZATION OF THE
CABINET FOR HEALTH AND FAMILY SERVICES

WHEREAS, this Administration desires and will implement more effective and efficient management of state government operations; and

WHEREAS, greater efficiency, economy and improved administration will result from the alteration of current organizational units as set out in this Executive Order; and

WHEREAS, the provisions of this Executive Order will streamline governmental operations, result in greater efficiency, economy and improved administration, and enhance the provision of services to the citizens of the Commonwealth of Kentucky;

NOW, THEREFORE, I, Matthew G. Bevin, Governor of the Commonwealth of Kentucky, by virtue of the authority vested in me by the Constitution, Sections 69 and 81, and KRS 12.028, do hereby Order and Direct the following organizational changes within the Cabinet for Health and Family Services:

I. The Department for Income Support shall have the following changes in organizational structure:

A. The Division of Disability Determination Services is hereby created and shall be headed by a director appointed by the Secretary of the Cabinet for Health and Family Services pursuant to KRS 12.050 who shall report to the commissioner of the Department for Income Support.

B. The Division of Child Support Enforcement is hereby created and shall be headed by a director appointed by the Secretary of the Cabinet for Health and Family Services pursuant to KRS 12.050 who shall report to the commissioner of the Department for Income Support.

II. The Office of the Secretary shall have the following changes in organizational structure:



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

2018-780
September 21, 2018

A. The Office of the Ombudsman and Administrative Review is hereby created and shall be headed by an executive director appointed by the Secretary of the Cabinet for Health and Family Services pursuant to KRS 12.050 who shall report to the Secretary of the Cabinet for Health and Family Services.

1. The Division of Performance Enhancement is hereby created and shall be headed by a director appointed by the Secretary of the Cabinet for Health and Family Services pursuant to KRS 12.050 who shall report to the executive director of the Office of the Ombudsman and Administrative Review.

2. The Division of Administrative Hearings is hereby created and shall be headed by a director appointed by the Secretary of the Cabinet for Health and Family Services pursuant to KRS 12.050 who shall report to the executive director of the Office of the Ombudsman and Administrative Review.

B. The Office of Public Affairs is hereby created and shall be headed by an executive director appointed by the Secretary of the Cabinet for Health and Family Services pursuant to KRS 12.050 who shall report to the Secretary of the Cabinet for Health and Family Services.

C. The Office of Communications and Administrative Review is hereby abolished. All personnel, records, files, equipment, and funds pertaining to communications shall be transferred to the newly created Office of Public Affairs. All personnel, records, files, equipment, and funds pertaining to administrative review shall be transferred to the newly created Office of the Ombudsman and Administrative Review.

1. The Division of Administrative Hearings is hereby abolished. All personnel, files, equipment, and funds shall be transferred to the newly created Division of Administrative Hearings within the newly created Office of the Ombudsman and Administrative Review.

D. The Office of the Ombudsman is hereby abolished. All personnel, records, files, equipment, and funds shall be transferred to the newly created Office of the Ombudsman and Administrative Review.



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
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1. The Division of Performance Enhancement is hereby abolished. All personnel, files, equipment, and funds shall be transferred to the newly created Division of Performance Enhancement within the newly created Office of the Ombudsman and Administrative Review.
- III. The Finance and Administration Cabinet, Office of State Budget Director and the Personnel Cabinet are directed to initiate all actions that are necessary to effectuate the provisions of this Order

This Order is effective as of September 16, 2018.


MATTHEW G. BEVIN, Governor
Commonwealth of Kentucky


ALISON LUNDERGAN GRIMES
Secretary of State



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

2018-780
September 21, 2018

REORGANIZATION PLAN

INTRODUCTION

The Cabinet for Health and Family Services (CHFS) is seeking to reorganize the Office of the Ombudsman and the Office of Communication and Administrative Review within the Office of the Secretary, as well as the Department for Income Support (DIS). This reorganization will improve supervision, communication, and improve government performance by better outcomes or through citizen resolution of issues at the onset of services.

SUMMARY OF THE PLAN

Office of the Secretary

The Office of the Ombudsman and Administrative Hearings will be created and the Office of the Ombudsman will be abolished. The Division of Performance Enhancement and its two branches, Program Enhancement Branch and Complaint Review Branch, will also be abolished and recreated within the new Office of the Ombudsman and Administrative Hearings. The Process Access and Compliance Section and Management Evaluation Section within the Program Enhancement Branch will also be abolished and recreated, however the Quality Assurance Section will be abolished and established as the Quality Advancement Branch.

The Quality Advancement Branch will review DCBS (adult and child welfare) appeal requests and determine if they are hearable. The Cabinet recognizes there is valuable data related to Cabinet performance that is not exclusive to DCBS. The expansion of the section into a branch would provide the resources needed to leverage compliance data, best practice research and program analysis into improved government performance. Additionally, House Bill 1 expands the role of the Office of the Ombudsman related to child welfare and corrective action.

The Division of Administrative Hearings and its subsequent branches, Health Services Administrative Hearings Branch and Families and Children Administrative Hearings Branch, within the Office of Communications and Administrative Review, will be abolished and recreated within the new Office of the Ombudsman and Administrative Review. The change in structure will provide a more cohesive structure for constituent related concerns, while providing an additional layer of accountability and CHFS compliance data. The proposed reorganization is vital in implementing a feedback loop to the Secretary's Office and CHFS agencies for improved service provision.

The restructure of the Office would ultimately improve government performance by better outcomes or through citizen resolution of issues at the onset of services, thus preventing the need for a hearing.

The Office of Communications and Administrative Review will be abolished and the Office of Public Affairs will be created to better reflect the functions of that office.

Department for Income Support (DIS)

DIS was established in June 2008. At that time, to begin to address some of the concerns expressed by the Cabinet's local contracting officials, the child support function was relocated from the Department for Community Based Services to the newly established Department for Income Support. In addition, the Department for Disability Determination Services was abolished and DIS was created to include both the child support enforcement programs and the disability determination services. The current structure of DIS has no divisions requiring branch managers



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to report directly to the department, preventing the ability to provide day-to-day guidance and leadership. This reorganization establishes two divisions, Division of Child Support Enforcement and Division of Disability Determination Services, to place leadership staff over each program and clearly define reporting structures.

PERSONNEL AND FISCAL IMPACTS

There will be personnel impacts for this reorganization; however, no personnel will be negatively affected. The establishment of any new positions will be made within the personnel cap and budget, as applicable. All decisions regarding personnel changes will be made in a fair and equitable manner following personnel rules and regulations.

All changes will be absorbed within the current CHFS Enacted Budget.

NET EFFECT

The organizational enhancements being made to the Cabinet are designed to improve efficiencies and provide more effective management structure, and make the functions of the Offices more descriptive of the agency's functions. The Cabinet has thoroughly evaluated the structure and streamlined it wherever possible. Positions will be established only as needed within the current personnel cap. Therefore, these changes can be absorbed within the Enacted Budget.