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MEMORANDUM

TO: DeeAnn Wenk, Committee Staff Administrator
Interim Joint Committee on Health and Welfare and
Family Services

FROM: Becky Harlison, Co-Director
David Floyd, Co-Director

RE: Executive Order 2019-286

DATE: April 18, 2019

Please find enclosed, Executive Order 2019-286 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.

BH DF/ems
Enclosure



MATTHEW G. BEVIN
GOVERNOR

0 APR 18 '19 PM 2:55 RCV

EXECUTIVE ORDER

RECEIVED AND FILED
DATE April 17, 2019
2:26pm

Secretary of State
Frankfort
Kentucky

2019-286
April 16, 2019

ALISON LUNDERGAN GRIMES
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY Alison Grimes

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

WHEREAS, the 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, Section 69 and 81, and KRS 12.028, do hereby Order and Direct the following organizational changes within the Cabinet for Health and Family Services, Department for Medicaid Services:

- I. The Division of Provider and Member Services is hereby abolished. All personnel, records, files equipment, and funds shall be transferred to the Division of Community Alternatives, Division of Fiscal Management, Division of Policy and Operations, Division of Program Integrity, and Division of Program Quality and Outcomes within the Department for Medicaid Services.
- II. The Finance and Administration Cabinet, Office of the State Budget Director and the Personnel Cabinet are directed to initiate all actions necessary to effectuate the provisions of this Order.

This Order is effective April 16, 2019.

Alison Lundergran Grimes
ALISON LUNDERGAN GRIMES
Secretary of State

Matthew G. Bevin
MATTHEW G. BEVIN, Governor
Commonwealth of Kentucky



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

2019-286
April 16, 2019

REORGANIZATION PLAN

INTRODUCTION

The Cabinet for Health and Family Services (Cabinet) seeks to reorganize the Department for Medicaid Services. The following narrative describes the new structure and organizational mission, goals, and objectives. These changes will better align services within the Cabinet's structure and improve efficiencies in staff management.

SUMMARY OF THE PLAN

Division of Provider and Member Services

The Department is seeking to abolish the Division of Provider and Member Services, including the Services Branch and Service Cost Center Section A, Service Cost Center Section B, and the Provider Services Branch. The Call Center work from the Division of Provider and Member Services will be outsourced to the current Call Center *Wrap Around* Vendor, Conduent. This change is being proposed to maximize fiscal resources and to enhance the service provided to both the Medicaid and Potential Medicaid recipients and providers. We estimate a reduction in expenses to the Cabinet of approximately two hundred thousand dollars (\$200,000.00) annually. In addition, we anticipate improvement on our average handle time, average abandonment rate and average speed to answer, all of which are all critical components of effective program performance.

Personnel and Fiscal Impacts

Twenty one (21) classified employees will be impacted by the change. These classified employees will be placed in positions throughout the Department, according to the established Personnel Process for this action.

Funding for the Division of Provider and Member Services will be transitioned, as appropriate, to the Division of Policy and Operations to support a newly created Enrollment Processing Branch, and to the Conduent contract. Funding for the staff members who will be moved to new areas within the Department will be funded by those monies currently allocated for the positions. Additional funds will be addressed, as they are identified through the process.

Division of Policy and Operations

The Department is seeking to establish the Enrollment Processing Branch within the Division. The purpose of this Branch is to ensure containment of sensitive information. The Enrollment Processing Branch will manage system changes in which confidential beneficiary information is manipulated. The purpose of this retention of duties is to eliminate access to personal information.



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

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The Enrollment Processing Branch will be staffed by a Branch Manager and one (1) Medicaid / Medicare Services Specialist II and one (1) Medicaid / Medicare Services Specialist III. Staffing for this Branch will be accomplished by the placement of employees from the former Division of Provider and Member Services.

NET EFFECT

The organizational enhancements being made to the Department for Medicaid Services are designed to improve efficiency and provide a more effective structure and to provide enhanced service to Medicaid stakeholders. These changes will be absorbed within the Enacted Budget.