

2010 -- H 7408

LC01021

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2010

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT - OFFICE OF HEALTH AND HUMAN SERVICES

Introduced By: Representatives Costantino, Naughton, Carter, Giannini, and Mattiello

Date Introduced: February 09, 2010

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 42-7.2 of the General Laws entitled "Office of Health and Human
2 Services" is hereby repealed in its entirety.

3 ~~CHAPTER 42-7.2~~

4 ~~Office of Health and Human Services~~

5 ~~**42-7.2-1. Statement of intent.** --- The purpose of this Chapter is to develop a consumer-~~
6 ~~centered system of publicly financed state administered health and human services that supports~~
7 ~~access to high quality services, protects the safety of the state's most vulnerable citizens, and~~
8 ~~ensures the efficient use of all available resources by the five (5) departments responsible for the~~
9 ~~health and human services programs serving all Rhode Islanders and providing direct assistance~~
10 ~~and support services to more than 250,000 individuals and families: the department of children,~~
11 ~~youth, and families; the department of elderly affairs; the department of health; the department of~~
12 ~~human services; and the department of mental health, retardation and hospitals, collectively~~
13 ~~referred to within as "departments". It is recognized that the executive office of health and human~~
14 ~~services and the departments have undertaken a variety of initiatives to further this goal and that~~
15 ~~they share a commitment to continue to work in concert to preserve and promote each other's~~
16 ~~unique missions while striving to attain better outcomes for all the people and communities they~~
17 ~~serve. However, recent and expected changes in federal and state policies and funding priorities~~
18 ~~that affect the financing, organization, and delivery of health and human services programs pose~~

1 ~~new challenges and opportunities that have created an even greater need for structured and formal~~
2 ~~interdepartmental cooperation and collaboration. To meet this need while continuing to build on~~
3 ~~the achievements that have already been made, the interests of all Rhode Islanders will best be~~
4 ~~served by codifying in the state's general laws the purposes and responsibilities of the executive~~
5 ~~office of health and human services and the position of secretary of health and human services.~~

6 ~~**42-7.2-2. Executive office of health and human services.** --- There is hereby established~~
7 ~~within the executive branch of state government an executive office of health and human services~~
8 ~~to serve as the principal agency of the executive branch of state government for managing the~~
9 ~~departments of children, youth and families, elderly affairs, health, human services, and mental~~
10 ~~health, retardation and hospitals. In this capacity, the office shall:~~

11 ~~(a) Lead the state's five health and human services departments in order to:~~

12 ~~(1) Improve the economy, efficiency, coordination, and quality of health and human~~
13 ~~services policy and planning, budgeting and financing.~~

14 ~~(2) Design strategies and implement best practices that foster service access, consumer~~
15 ~~safety and positive outcomes.~~

16 ~~(3) Maximize and leverage funds from all available public and private sources, including~~
17 ~~federal financial participation, grants and awards.~~

18 ~~(4) Increase public confidence by conducting independent reviews of health and human~~
19 ~~services issues in order to promote accountability and coordination across departments.~~

20 ~~(5) Ensure that state health and human services policies and programs are responsive to~~
21 ~~changing consumer needs and to the network of community providers that deliver assistive~~
22 ~~services and supports on their behalf.~~

23 ~~(b) Supervise the administrations of federal and state medical assistance programs by~~
24 ~~acting as the single state agency authorized under title XIX of the U.S. Social Security act, 42~~
25 ~~U.S.C. section 1396a et seq., notwithstanding any general or public law or regulation to the~~
26 ~~contrary, and exercising such single state agency authority for such other federal and state~~
27 ~~programs as may be designated by the governor. Except as provided for herein, nothing in this~~
28 ~~chapter shall be construed as transferring to the secretary: (1) The powers, duties or functions~~
29 ~~conferred upon the departments by Rhode Island general laws for the administration of the~~
30 ~~foregoing federal and state programs; or (2) The administrative responsibility for the preparation~~
31 ~~and submission of any state plans, state plan amendments, or federal waiver applications, as may~~
32 ~~be approved from time to time by the secretary with respect to the foregoing federal and state~~
33 ~~programs.~~

34 ~~**42-7.2-3. Secretary of health and human services --- Appointment.** --- The executive~~

1 ~~office of health and human services shall be administered by a secretary of health and human~~
2 ~~services, hereafter referred to as "secretary". The position of secretary is hereby created in the~~
3 ~~unclassified service. The secretary shall be appointed by the governor, and shall be subject to~~
4 ~~advice and consent of the senate. The secretary shall hold office at the pleasure of the governor~~
5 ~~and until a successor is appointed and qualified. Before entering upon the discharge of duties, the~~
6 ~~secretary shall take an oath to faithfully execute the duties of the office.~~

7 ~~**42-7.2-4. Responsibilities of the secretary.** -- (a) The secretary shall be responsible to~~
8 ~~the governor for supervising the executive office of health and human services and for managing~~
9 ~~and providing strategic leadership and direction to the five departments.~~

10 ~~(b) Notwithstanding the provisions set forth in this chapter, the governor shall appoint~~
11 ~~the directors of the departments within the executive office of health and human services.~~
12 ~~Directors appointed to those departments shall continue to be subject to the advice and consent of~~
13 ~~the senate and shall continue to hold office as set forth in sections 42-6-1 et seq. and 42-72-1(e).~~

14 ~~**42-7.2-5. Duties of the secretary.** -- The secretary shall be subject to the direction and~~
15 ~~supervision of the governor for the oversight, coordination and cohesive direction of state~~
16 ~~administered health and human services and in ensuring the laws are faithfully executed, not~~
17 ~~withstanding any law to the contrary. In this capacity, the Secretary of Health and Human~~
18 ~~Services shall be authorized to:~~

19 ~~(1) Coordinate the administration and financing of health care benefits, human services~~
20 ~~and programs including those authorized by the Global Consumer Choice Compact Waiver and,~~
21 ~~as applicable, the Medicaid State Plan under Title XIX of the US Social Security Act. However,~~
22 ~~nothing in this section shall be construed as transferring to the secretary the powers, duties or~~
23 ~~functions conferred upon the departments by Rhode Island public and general laws for the~~
24 ~~administration of federal/state programs financed in whole or in part with Medicaid funds or the~~
25 ~~administrative responsibility for the preparation and submission of any state plans, state plan~~
26 ~~amendments, or authorized federal waiver applications.~~

27 ~~(2) Serve as the governor's chief advisor and liaison to federal policymakers on Medicaid~~
28 ~~reform issues as well as the principal point of contact in the state on any such related matters.~~

29 ~~(3) Review and ensure the coordination of any Global Consumer Choice Compact~~
30 ~~Waiver requests and renewals as well as any initiatives and proposals requiring amendments to~~
31 ~~the Medicaid state plan or category one (I) or two (II) changes, as described in the special terms~~
32 ~~and conditions of the Global Consumer Choice Compact Waiver with the potential to affect the~~
33 ~~scope, amount or duration of publicly funded health care services, provider payments or~~
34 ~~reimbursements, or access to or the availability of benefits and services as provided by Rhode~~

1 ~~Island general and public laws. The secretary shall consider whether any such changes are legally~~
2 ~~and fiscally sound and consistent with the state's policy and budget priorities. The secretary shall~~
3 ~~also assess whether a proposed change is capable of obtaining the necessary approvals from~~
4 ~~federal officials and achieving the expected positive consumer outcomes. Department directors~~
5 ~~shall, within the timelines specified, provide any information and resources the secretary deems~~
6 ~~necessary in order to perform the reviews authorized in this section;~~

7 ~~(4) Beginning in 2006, prepare and submit to the governor, the chairpersons of the house~~
8 ~~and senate finance committees, the caseload estimating conference, and to the joint legislative~~
9 ~~committee for health care oversight, by no later than March 15 of each year, a comprehensive~~
10 ~~overview of all Medicaid expenditures, outcomes, and utilization rates. The overview shall~~
11 ~~include, but not be limited to, the following information:~~

12 ~~(i) Expenditures under Titles XIX and XXI of the Social Security Act, as amended;~~

13 ~~(ii) Expenditures, outcomes and utilization rates by population and sub-population~~
14 ~~served (e.g. families with children, children with disabilities, children in foster care, children~~
15 ~~receiving adoption assistance, adults with disabilities, and the elderly);~~

16 ~~(iii) Expenditures, outcomes and utilization rates by each state department or other~~
17 ~~municipal or public entity receiving federal reimbursement under Titles XIX and XXI of the~~
18 ~~Social Security Act, as amended; and~~

19 ~~(iv) Expenditures, outcomes and utilization rates by type of service and/or service~~
20 ~~provider.~~

21 ~~The directors of the departments, as well as local governments and school departments,~~
22 ~~shall assist and cooperate with the secretary in fulfilling this responsibility by providing whatever~~
23 ~~resources, information and support shall be necessary.~~

24 ~~(5) Resolve administrative, jurisdictional, operational, program, or policy conflicts~~
25 ~~among departments and their executive staffs and make necessary recommendations to the~~
26 ~~governor.~~

27 ~~(6) Assure continued progress toward improving the quality, the economy, the~~
28 ~~accountability and the efficiency of state administered health and human services. In this~~
29 ~~capacity, the secretary shall:~~

30 ~~(i) Direct implementation of reforms in the human resources practices of the departments~~
31 ~~that streamline and upgrade services, achieve greater economies of scale and establish the~~
32 ~~coordinated system of the staff education, cross-training, and career development services~~
33 ~~necessary to recruit and retain a highly skilled, responsive, and engaged health and human~~
34 ~~services workforce;~~

- 1 ~~(ii) Encourage the departments to utilize consumer centered approaches to service design~~
2 ~~and delivery that expand their capacity to respond efficiently and responsibly to the diverse and~~
3 ~~changing needs of the people and communities they serve;~~
- 4 ~~(iii) Develop all opportunities to maximize resources by leveraging the state's purchasing~~
5 ~~power, centralizing fiscal service functions related to budget, finance, and procurement,~~
6 ~~centralizing communication, policy analysis and planning, and information systems and data~~
7 ~~management, pursuing alternative funding sources through grants, awards and partnerships and~~
8 ~~securing all available federal financial participation for programs and services provided through~~
9 ~~the departments;~~
- 10 ~~(iv) Improve the coordination and efficiency of health and human services legal~~
11 ~~functions by centralizing adjudicative and legal services and overseeing their timely and judicious~~
12 ~~administration;~~
- 13 ~~(v) Facilitate the rebalancing of the long term system by creating an assessment and~~
14 ~~coordination organization or unit for the expressed purpose of developing and implementing~~
15 ~~procedures across departments that ensure that the appropriate publicly funded health services are~~
16 ~~provided at the right time and in the most appropriate and least restrictive setting; and~~
- 17 ~~(vi) Strengthen health and human services program integrity, quality control and~~
18 ~~collections, and recovery activities by consolidating functions within the office in a single unit~~
19 ~~that ensures all affected parties pay their fair share of the cost of services and are aware of~~
20 ~~alternative financing.~~
- 21 ~~(vii) Broaden access to publicly funded food and nutrition services by consolidating~~
22 ~~agency programs and initiatives to eliminate duplication and overlap and improve the availability~~
23 ~~and quality of services; and~~
- 24 ~~(viii) Assure protective services are available to vulnerable elders and adults with~~
25 ~~developmental and other disabilities by reorganizing existing services, establishing new services~~
26 ~~where gaps exist and centralizing administrative responsibility for oversight of all related~~
27 ~~initiatives and programs.~~
- 28 ~~(7) Prepare and integrate comprehensive budgets for the health and human services~~
29 ~~departments and any other functions and duties assigned to the office. The budgets shall be~~
30 ~~submitted to the state budget office by the secretary, for consideration by the governor, on behalf~~
31 ~~of the state's health and human services in accordance with the provisions set forth in section 35-~~
32 ~~3-4 of the Rhode Island general laws.~~
- 33 ~~(8) Utilize objective data to evaluate health and human services policy goals, resource~~
34 ~~use and outcome evaluation and to perform short and long term policy planning and~~

1 development.

2 ~~-(9) Establishment of an integrated approach to interdepartmental information and data~~
3 ~~management that complements and furthers the goals of the CHOICES initiative and that will~~
4 ~~facilitate the transition to consumer centered system of state administered health and human~~
5 ~~services.~~

6 ~~-(10) At the direction of the governor or the general assembly, conduct independent~~
7 ~~reviews of state administered health and human services programs, policies and related agency~~
8 ~~actions and activities and assist the department directors in identifying strategies to address any~~
9 ~~issues or areas of concern that may emerge thereof. The department directors shall provide any~~
10 ~~information and assistance deemed necessary by the secretary when undertaking such~~
11 ~~independent reviews.~~

12 ~~-(11) Provide regular and timely reports to the governor and make recommendations with~~
13 ~~respect to the state's health and human services agenda.~~

14 ~~-(12) Employ such personnel and contract for such consulting services as may be required~~
15 ~~to perform the powers and duties lawfully conferred upon the secretary.~~

16 ~~-(13) Implement the provisions of any general or public law or regulation related to the~~
17 ~~disclosure, confidentiality and privacy of any information or records, in the possession or under~~
18 ~~the control of the executive office or the departments assigned to the executive office, that may be~~
19 ~~developed or acquired for purposes directly connected with the secretary's duties set forth herein.~~

20 ~~-(14) Hold the director of each health and human services department accountable for~~
21 ~~their administrative, fiscal and program actions in the conduct of the respective powers and duties~~
22 ~~of their agencies.~~

23 **42-7.2-6. Departments assigned to the executive office -- Powers and duties. --** (a)

24 The departments assigned to the secretary shall:

25 ~~-(1) Exercise their respective powers and duties in accordance with their statutory~~
26 ~~authority and the general policy established by the governor or by the secretary acting on behalf~~
27 ~~of the governor or in accordance with the powers and authorities conferred upon the secretary by~~
28 ~~this chapter;~~

29 ~~-(2) Provide such assistance or resources as may be requested or required by the governor~~
30 ~~and/or the secretary; and~~

31 ~~-(3) Provide such records and information as may be requested or required by the~~
32 ~~governor and/or the secretary to the extent allowed under the provisions of any applicable general~~
33 ~~or public law, regulation, or agreement relating to the confidentiality, privacy or disclosure of~~
34 ~~such records or information.~~

1 ~~(4) Forward to the secretary copies of all reports to the governor.~~

2 ~~(b) Except as provided herein, no provision of this chapter or application thereof shall be~~
3 ~~construed to limit or otherwise restrict the department of children, youth and families, the~~
4 ~~department of elderly affairs, the department of health, the department of human services, and the~~
5 ~~department of mental health, retardation and hospitals from fulfilling any statutory requirement or~~
6 ~~complying with any valid rule or regulation.~~

7 ~~**42-7.2-6.1. Transfer of powers and functions.** --- (a) There are hereby transferred to the~~
8 ~~executive office of health and human services the powers and functions of the departments with~~
9 ~~respect to the following:~~

10 ~~(1) By July 1, 2007, fiscal services including budget preparation and review, financial~~
11 ~~management, purchasing and accounting and any related functions and duties deemed necessary~~
12 ~~by the secretary;~~

13 ~~(2) By July 1, 2007, legal services including applying and interpreting the law, oversight~~
14 ~~to the rule making process, and administrative adjudication duties and any related functions and~~
15 ~~duties deemed necessary by the secretary;~~

16 ~~(3) By September 1, 2007, communications including those functions and services~~
17 ~~related to government relations, public education and outreach and media relations and any~~
18 ~~related functions and duties deemed necessary by the secretary;~~

19 ~~(4) By March 1, 2008, policy analysis and planning including those functions and~~
20 ~~services related to the policy development, planning and evaluation and any related functions and~~
21 ~~duties deemed necessary by the secretary;~~

22 ~~(5) By June 30, 2008, information systems and data management including the~~
23 ~~financing, development and maintenance of all data bases and information systems and platforms~~
24 ~~as well as any related operations deemed necessary by the secretary;~~

25 ~~(6) By October 1, 2009, assessment and coordination for long term care including those~~
26 ~~functions related to determining level of care or need for services, development of individual~~
27 ~~service/care plans and planning, identification of service options, the pricing of service options~~
28 ~~and choice counseling; and~~

29 ~~(7) By October 1, 2009, program integrity, quality control and collection and recovery~~
30 ~~functions including any that detect fraud and abuse or assure that beneficiaries, providers, and~~
31 ~~third parties pay their fair share of the cost of services, as well as any that promote alternatives to~~
32 ~~publicly financed services, such as the long term care health insurance partnership.~~

33 ~~(8) By January 1, 2011, client protective services including any such services provided to~~
34 ~~children, elders and adults with developmental and other disabilities;~~

1 ~~-(9) By March 1, 2010, administrative management of food and nutritional services~~
2 ~~including food stamps, WIC and any other such programs or initiatives in which operational~~
3 ~~efficiencies that improve access may be achieved through greater consolidation or coordination of~~
4 ~~functions.~~

5 ~~-(b) The secretary shall determine in collaboration with the department directors whether~~
6 ~~the officers, employees, agencies, advisory councils, committees, commissions, and task forces of~~
7 ~~the departments who were performing such functions shall be transferred to the office.~~

8 ~~-(c) In the transference of such functions, the secretary shall be responsible for ensuring:~~

9 ~~-(1) Minimal disruption of services to consumers;~~

10 ~~-(2) Elimination of duplication of functions and operations;~~

11 ~~-(3) Services are coordinated and functions are consolidated where appropriate;~~

12 ~~-(4) Clear lines of authority are delineated and followed;~~

13 ~~-(5) Cost savings are achieved whenever feasible;~~

14 ~~-(6) Program application and eligibility determination processes are coordinated and,~~
15 ~~where feasible, integrated; and~~

16 ~~-(7) State and federal funds available to the office and the entities therein are allocated~~
17 ~~and utilized for service delivery to the fullest extent possible.~~

18 ~~-(d) Except as provided herein, no provision of this chapter or application thereof shall be~~
19 ~~construed to limit or otherwise restrict the departments of children, youth and families, human~~
20 ~~services, elderly affairs, health, and mental health, retardation, and hospitals from fulfilling any~~
21 ~~statutory requirement or complying with any regulation deemed otherwise valid.~~

22 ~~-(e) The secretary shall prepare and submit to the leadership of the house and senate~~
23 ~~finance committees, by no later than January 1, 2010, a plan for restructuring functional~~
24 ~~responsibilities across the departments to establish a consumer centered integrated system of~~
25 ~~health and human services that provides high quality and cost effective services at the right time~~
26 ~~and in the right setting across the life cycle.~~

27 ~~**42-7.2-7. Independent advisory council -- Purposes.**~~ (a) ~~The secretary shall establish~~
28 ~~an independent advisory council, hereafter referred to as "advisory council" composed of~~
29 ~~representatives of the network of health and human services providers, the communities the~~
30 ~~departments serve, state and local policy makers and any other stakeholders or consumers~~
31 ~~interested in improving access to high quality health and human services.~~

32 ~~-(b) The advisory council shall assist the secretary in identifying: issues of concern and~~
33 ~~priorities in the organization and/or delivery of services; areas where there is need for~~
34 ~~interdepartmental collaboration and cooperation; and opportunities for building sustainable and~~

1 ~~effective public-private partnerships that support the missions of the departments. The advisory~~
2 ~~council shall also provide guidance to the secretary in developing a plan to further the purposes of~~
3 ~~the executive office and assist the departments in meeting their unique missions and shared~~
4 ~~responsibilities.~~

5 ~~(c) With the assistance of the department directors, the secretary shall hold health and~~
6 ~~human services forums and open meetings that encourage community, consumer and stakeholder~~
7 ~~input on health and human services issues, proposals and activities and actions of the executive~~
8 ~~office that have been identified by the advisory council as areas of concern or important policy~~
9 ~~priorities or opportunities for the state.~~

10 ~~**42-7.2-8. Assignment and reassignment of advisory bodies.** --- The governor may, by~~
11 ~~executive order, reassign any advisory bodies, boards, or commissions associated or affiliated~~
12 ~~with the departments to the secretary of health and human services or assign any such entities that~~
13 ~~may be created.~~

14 ~~**42-7.2-9. Appointment of employees.** --- The secretary, subject to the provisions of~~
15 ~~applicable state law, shall be the appointing authority for all employees of the executive office of~~
16 ~~health and human services. The secretary may assign this function to such subordinate officers~~
17 ~~and employees of the executive office as may to him or her seem feasible or desirable. The~~
18 ~~appointing authority of the secretary provided for herein shall not affect, interfere with, limit, or~~
19 ~~otherwise restrict the appointing authority vested in the directors for the employees of the~~
20 ~~departments under applicable general and public laws.~~

21 ~~**42-7.2-10. Appropriations and disbursements.** --- The general assembly shall annually~~
22 ~~appropriate such sums as it may deem necessary for the purpose of carrying out the provisions of~~
23 ~~this chapter. The state controller is hereby authorized and directed to draw his or her orders upon~~
24 ~~the general treasurer for the payment of such sum or sums, or so much thereof as may from time~~
25 ~~to time be required, upon receipt by him or her of proper vouchers approved by the secretary of~~
26 ~~the executive office of health and human services, or his or her designee.~~

27 ~~**42-7.2-11. Rules and regulations.** --- The executive office of health and human services~~
28 ~~shall be deemed an agency for purposes of section 42-35-1, et seq. of the Rhode Island general~~
29 ~~laws. The secretary shall make and promulgate such rules and regulations, fee schedules not~~
30 ~~inconsistent with state law and fiscal policies and procedures as he or she deems necessary for the~~
31 ~~proper administration of this chapter and to carry out the policy and purposes thereof.~~

32 ~~**42-7.2-12. Medicaid program study.** --- (a) The secretary of the executive office of~~
33 ~~health and human services shall conduct a study of the Medicaid programs administered by the~~
34 ~~state to review and analyze the options available for reducing or stabilizing the level of uninsured~~

1 ~~Rhode Islanders and containing Medicaid spending.~~

2 ~~(1) As part of this process, the study shall consider the flexibility afforded the state under~~
3 ~~the federal Deficit Reduction Act of 2006 and any other changes in federal Medicaid policy or~~
4 ~~program requirements occurring on or before December 31, 2006, as well as the various~~
5 ~~approaches proposed and/or adopted by other states through federal waivers, state plan~~
6 ~~amendments, public-private partnerships, and other initiatives.~~

7 ~~(2) In exploring these options, the study shall examine fully the overall administrative~~
8 ~~efficiency of each program for children and families, elders and adults with disabilities and any~~
9 ~~such factors that may affect access and/or cost including, but not limited to, coverage groups,~~
10 ~~benefits, delivery systems, and applicable cost-sharing requirements.~~

11 ~~(b) The secretary shall ensure that the study focuses broadly on the Medicaid programs~~
12 ~~administered by all five (5) of the state's five (5) health and human services departments,~~
13 ~~irrespective of the source or manner in which funds are budgeted or allocated. The directors of~~
14 ~~the departments shall cooperate with the secretary in preparing this study and provide any~~
15 ~~information and/or resources the secretary deems necessary to assess fully the short and long-~~
16 ~~term implications of the options under review both for the state and the people and the~~
17 ~~communities the departments serve. The secretary shall submit a report and recommendations~~
18 ~~based on the findings of the study to the general assembly and the governor no later than March~~
19 ~~1, 2007.~~

20 ~~42-7.2-12.1. Human services call center study (211). (a) The secretary of the~~
21 ~~executive office of health and human services shall conduct a feasibility and impact study of the~~
22 ~~potential to implement a statewide 211 human services call center and hotline. As part of the~~
23 ~~process, the study shall catalog existing human service information hotlines in Rhode Island,~~
24 ~~including, but not limited to, state-operated call centers and private and not-for-profit information~~
25 ~~hotlines within the state.~~

26 ~~(1) The study shall include analysis of whether consolidation of some or all call centers~~
27 ~~into a centralized 211 human services information hotline would be economically and practically~~
28 ~~advantageous for both the public users and agencies that currently operate separate systems.~~

29 ~~(2) The study shall include projected cost estimates for any recommended actions,~~
30 ~~including estimates of cost additions or savings to private service providers.~~

31 ~~(b) The directors of all state departments and agencies shall cooperate with the secretary~~
32 ~~in preparing this study and provide any information and/or resources the secretary deems~~
33 ~~necessary to assess fully the short and long-term implications of the operations under review both~~
34 ~~for the state and the people and the communities the departments serve.~~

1 ~~(c) The secretary shall submit a report and recommendations based on the findings of the~~
2 ~~study to the general assembly, the governor, and the house and senate fiscal advisors no later than~~
3 ~~February 1, 2007.~~

4 ~~**42-7.2-13. Severability.** --- If any provision of this chapter or the application thereof to~~
5 ~~any person or circumstance is held invalid, such invalidity shall not effect other provisions or~~
6 ~~applications of the chapter, which can be given effect without the invalid provision or application,~~
7 ~~and to this end the provisions of this chapter are declared to be severable.~~

8 ~~**42-7.2-14. Cooperation of other state executive branch agencies.** --- As may be~~
9 ~~appropriate from time to time, the departments and other agencies of the state of the executive~~
10 ~~branch that have not been assigned to the executive office of health and human services under this~~
11 ~~chapter shall assist and cooperate with the executive office as may be required by the governor~~
12 ~~requested by the secretary.~~

13 ~~**42-7.2-15. Applicability.** --- Nothing in this chapter shall change, transfer or interfere~~
14 ~~with, or limit or otherwise restrict the general assembly's sole authority to appropriate and re-~~
15 ~~appropriate fiscal resources to the departments; the statutory or regulatory duties of the directors~~
16 ~~of the departments, or the appointing authority for the employees of the departments vested in the~~
17 ~~directors under applicable general and public laws.~~

18 ~~**42-7.2-16. Medicaid System Reform 2008.** --- (a) The executive office of health and~~
19 ~~human services, in conjunction with the department of human services, the department of elderly~~
20 ~~affairs, the department of children youth and families, the department of health and the~~
21 ~~department of mental health, retardation and hospitals, is authorized to design options that reform~~
22 ~~the Medicaid program so that it is a person centered, financially sustainable, cost effective, and~~
23 ~~opportunity driven program that: utilizes competitive and value based purchasing to maximize the~~
24 ~~available service options, promote accountability and transparency, and encourage and reward~~
25 ~~healthy outcomes, independence, and responsible choices; promotes efficiencies and the~~
26 ~~coordination of services across all health and human services agencies; and ensures the state will~~
27 ~~have a fiscally sound source of publicly financed health care for Rhode Islanders in need.~~

28 ~~(b) Principles and Goals. --- In developing and implementing this system of reform, the~~
29 ~~executive office of health and human services and the five (5) health and human services~~
30 ~~departments shall pursue the following principles and goals:~~

31 ~~(1) Empower consumers to make reasoned and cost effective choices about their health~~
32 ~~by providing them with the information and array of service options they need and offering~~
33 ~~rewards for healthy decisions;~~

34 ~~(2) Encourage personal responsibility by assuring the information available to~~

1 ~~beneficiaries is easy to understand and accurate, provide that a fiscal intermediary is provided~~
2 ~~when necessary, and adequate access to needed services;~~

3 ~~-(3) When appropriate, promote community based care solutions by transitioning~~
4 ~~beneficiaries from institutional settings back into the community and by providing the needed~~
5 ~~assistance and supports to beneficiaries requiring long term care or residential services who wish~~
6 ~~to remain, or are better served in the community;~~

7 ~~-(4) Enable consumers to receive individualized health care that is outcome oriented,~~
8 ~~focused on prevention, disease management, recovery and maintaining independence;~~

9 ~~-(5) Promote competition between health care providers to ensure best value purchasing,~~
10 ~~to leverage resources and to create opportunities for improving service quality and performance;~~

11 ~~-(6) Redesign purchasing and payment methods to assure fiscal accountability and~~
12 ~~encourage and to reward service quality and cost effectiveness by tying reimbursements to~~
13 ~~evidence based performance measures and standards, including those related to patient~~
14 ~~satisfaction; and~~

15 ~~-(7) Continually improve technology to take advantage of recent innovations and~~
16 ~~advances that help decision makers, consumers and providers to make informed and cost~~
17 ~~effective decisions regarding health care.~~

18 ~~-(e) The executive office of health and human services shall annually submit a report to~~
19 ~~the governor and the general assembly commencing on a date no later than July 1, 2009~~
20 ~~describing the status of the administration and implementation of the Global Waiver Compact.~~

21 SECTION 2. Title 42 of the General Laws entitled "STATE AFFAIRS AND
22 GOVERNMENT" is hereby amended by adding thereto the following chapter:

23 CHAPTER 7.4

24 DEPARTMENT OF HEALTH AND HUMAN SERVICES

25 **42-7.4-1. Statement of intent.** – (a) The purpose of this Chapter is to develop a
26 consumer-centered system of publicly-financed state administered health and human services that
27 supports access to high quality services, protects the safety of the state’s most vulnerable citizens,
28 and ensures the efficient use of all available resources in this state. This will be achieved by
29 combining the five (5) departments responsible for the health and human services programs
30 serving all Rhode Islanders and for providing direct assistance and support services to more than
31 250,000 individuals and families into one single department, which department shall be known as
32 the “Department of Health and Human Services.” This new department shall combine the
33 services and the functions of the following: (1) the department of children, youth, and families;
34 (2) the department of elderly affairs; (3) the department of health; (4) the department of human

1 services; and (5) the department of mental health, retardation and hospitals, collectively
2 sometimes referred to in this chapter as “former departments”.

3 (b) The functions of the executive office of health and human services shall also be
4 transferred to and assumed by department of health and human services.

5 **42-7.4-2. Definitions. –** As used in this chapter, the following words shall have the
6 following meanings unless the context clearly indicates otherwise:

7 (a) “Division chief” refers to the supervisor of each of the five (5) divisions created in the
8 department of health and human services pursuant to this chapter, including: (1) the division of
9 children and family services; (2) the division of behavioral health; (3) the division of
10 developmental disabilities; (4) the division of public health; and (5) the division of elderly and
11 long-term care.

12 (b) “Department” refers to the department of health and human services established
13 pursuant to this chapter.

14 (c) “Director” refers to the director of the department of health and human services.

15 (d) “Divisions” refers to the five (5) divisions created in the department of health and
16 human services pursuant to this chapter, including: (1) the division of children and family
17 services; (2) the division of behavioral health; (3) the division of developmental disabilities; (4)
18 the division of public health; and (5) the division of elderly and long-term care.

19 (e) “Former departments” shall refer to (1) the department of children, youth and
20 families; (2) the department of health; (3) the department of elderly affairs; (4) the department of
21 human services; and/or (5) the department of mental health, retardation and hospitals.

22 **42-7.4-3. Department established. –**

23 (a) There is hereby established within the executive branch of the state government a
24 department of health and human services.

25 (b) The purposes and responsibilities of the department of health and human services
26 shall include:

27 (1) The assumption of all of the duties of the following former departments: (i) the
28 department of children, youth and families; (ii) the department of health; (iii) the department of
29 elderly affairs; (vi) the department of human services; and (v) the department of health,
30 retardation, and hospitals; and

31 (2) The assumption of all duties of the former executive office of health and human
32 services; and

33 (3) The creation of a new function based organizational structure within the department
34 of health and human services that shall facilitate the provision of services to residents of the state

1 under the auspices of one departmental entity;

2 (c) The areas of service provided by the department of health and human services shall
3 include, but not be limited to, the following: (1) children and families; (2) behavioral health; (3)
4 developmental disabilities; (4) public health; and (5) elderly and long-term care.

5 **42-7.4-4. Director - selection. –**

6 (a) The head of the department shall be the director of health and human services, who
7 shall be in the unclassified service and who shall be appointed by the governor, with the advice
8 and consent of the senate, and shall serve at the pleasure of the governor.

9 (b) Notwithstanding the provisions set forth in this chapter, the director shall nominate
10 division chiefs of the various divisions for appointment by the governor and subject to the advice
11 and consent of the senate.

12 (1) The division chief of the division of public health shall be a physician graduated by an
13 acceptable medical college recognized by one of the medical examining boards of the state and
14 shall have had a minimum of one year of university graduate instruction in public health
15 administration as evidenced by a certificate of graduation or a degree in public health, or board
16 certification in a medical specialty and a minimum of five (5) years full time experience in health
17 administration.

18 **42-7.4-5. Purpose and function of department. –**

19 (a) General purpose. In addition to the purposes set forth in section 42-7.4-1, the purpose
20 of the department of health and human services shall be to develop a consumer centered, publicly
21 financed, state administered health and human services program that supports access to and
22 provision of high quality services to the citizens of this state, and also to ensure the efficient use
23 of all available resources by consolidation of five (5) former state departments which perform
24 separate but related functions into one single department.

25 (b) General functions. In addition to those functions set forth in section 42-7.4-1, the
26 function of the department of health and human services shall be to consolidate the following
27 departments into one department composed of separate divisions within one single department:

28 (1) the department of children, youth and families established pursuant to chapter 42-72; (2) the
29 department of health as established pursuant to chapter 42-18; (3) the department of elderly
30 affairs as established pursuant to chapter 42-66; (4) the department of human services as
31 established pursuant to chapter 42-12; and (5) the department of mental health established
32 pursuant to chapter 42-12.1. The new department of health and human services shall also assume
33 all of the duties of the executive office of health and human services previously established
34 pursuant to the provisions of chapter 42-7.2.

1 **42-7.4-6. Divisions within department.** – (a) Divisions established. Within the
2 department of health and human services, there are established the following divisions:

3 (1) A division of children and family services;

4 (2) A division of behavioral health;

5 (3) A division of developmental disabilities;

6 (4) A division of public health; and

7 (5) A division of elderly and long-term care.

8 (b) Each division shall be lead and administered by a division chief, each of whom shall
9 report directly to the director of the department of health and human services.

10 **42-7.4-7. Transfer of functions and resources.** – As used in this section and in section
11 42-7.4-8, the term “resources” shall include functions, rights, duties, rights of action, contracts,
12 contractual obligations, and liabilities of a respective former department, as well as property,
13 accounts, and employees, as necessary to carry out the business of the respective former
14 departments, except directors and administrators shall not be deemed to be automatically
15 transferred.

16 (b) The resources of the following former departments are hereby transferred to the
17 department of health and human services:

18 (1) The resources of the department of children, youth and families;

19 (2) The resources of the department of health;

20 (3) The resources of the department of elderly affairs;

21 (4) The resources of the department of human services;

22 (5) The resources of the department of mental health, retardation and hospitals; and

23 (6) The resources of the executive office of health and human services.

24 (c) The director shall assign the respective functions and duties to each division as the
25 director determines is in the best interests of the people of this state and is consistent with the
26 purposes and functions set forth in this chapter. In making such assignments, the director shall
27 consult with the permanent joint committee of the global waiver compact established pursuant to
28 section 42-12-4.5.

29 (d) As part of the transfer provided for herein, all employees of the respective former
30 departments who are transferred shall retain their previous status in the classified and/or
31 unclassified service. The director of the department of health and human services following
32 consultation with the personnel administrator in the department of administration, shall be
33 responsible for assigning final class specifications with salaries commensurate with the duties and
34 responsibilities assigned. The personnel administrator shall take into consideration existing

1 classifications currently within the classified service classification and pay plan.

2 (e) Transferred employees who return to service with the State of Rhode Island directly
3 from uninterrupted employment with any of the five (5) respective departments that are being
4 consolidated shall have their length of service at their respective department deemed to be
5 uninterrupted active state service for purposes of service credits in the state retirement system.

6 (f) Employees who subsequently become employees of the department of health and
7 human services as a result of this transfer may utilize their term of service with the previous
8 former department for the purposes of longevity computation as it applies to wages, vacation time
9 and longevity increases. In addition, accrued vacation time, sick leave, and all other benefits with
10 the previous department may be transferred.

11 **42-7.4-8. Consolidation of departments.** – Consolidation of departments. (a) the
12 following departments shall be deemed to be dissolved and otherwise to cease to exist as separate
13 executive departments effective upon the transfer of all resources to the department of health and
14 human services: (1) the department of children, youth and families; (2) the department of health;
15 (3) the department of elderly affairs; (4) the department of human services; and (5) the
16 department of mental health, retardation, and hospitals.

17 (b) Effective upon the transfer of all resources to the department of health and human
18 services, references in the general laws to the following former departments shall be deemed to
19 refer to the department of health and human services:

20 (1) the department of children, youth and families; (2) the department of health; (3) the
21 department of elderly affairs; (4) the department of human services; and (5) the department of
22 mental health, retardation, and hospitals.

23 **42-7.4-9. Duties of the department.** – In addition to the purposes and functions set forth
24 elsewhere in this chapter, the department of health and human services shall be entrusted with the
25 following duties:

26 (a) Provide the state’s health and human services through the divisions established in this
27 chapter.

28 (b) Improve the economy, efficiency, coordination, and quality of health and human
29 services policy and planning, budgeting and financing.

30 (c) Design strategies and implement best practices that foster service access, consumer
31 safety and positive outcomes.

32 (d) Maximize and leverage funds from all available public and private sources, including
33 federal financial participation, grants and awards.

34 (e) Increase public confidence by conducting independent reviews of health and human

1 services issues in order to promote accountability and coordination across departments.

2 (f) Ensure that state health and human services policies and programs are responsive to
3 changing consumer needs and to the network of community providers that deliver assistive
4 services and supports on their behalf.

5 (g) Supervise the administrations of federal and state medical assistance programs by
6 acting as the single state agency authorized under title XIX of the U.S. Social Security Act, 42
7 U.S.C. section 1396a et seq., notwithstanding any general or public law or regulation to the
8 contrary, and exercising such single state departmental authority for such other federal and state
9 programs as may be designated by the governor.

10 **42-7.4-10. Responsibilities and duties of director.** – (a) The director shall be
11 responsible to the governor for supervising the department of health and human services and
12 providing strategic leadership and direction to the five (5) divisions.

13 (b) The director shall nominate division chiefs of the various divisions as provided for in
14 section 42-7.4-4 for appointment by the governor and subject to the advice and consent of the
15 senate.

16 (c) The director shall be subject to the direction and supervision of the governor for the
17 oversight, coordination and cohesive direction of state administered health and human services
18 and in ensuring the laws are faithfully executed, not withstanding any law to the contrary. In this
19 capacity, the director of the department of health and human services shall be authorized to:

20 (1) Coordinate the administration and financing of health care benefits, human services
21 and programs including those authorized by the Medicaid State Plan under Title XIX of the U.S.
22 Social Security Act. This shall include but not be limited to the powers, duties or functions
23 conferred upon the departments by Rhode Island public and general laws for the administration of
24 federal/state programs financed in whole or in part with Medicaid funds or the administrative
25 responsibility for the preparation and submission of any state plans, state plan amendments, or
26 authorized federal waiver applications.

27 (2) Serve as the governor’s chief advisor and liaison to federal policymakers on Medicaid
28 reform issues as well as the principal point of contact in the state on any such related matters.

29 (3) Review and ensure the coordination of any new Global Consumer Choice Compact
30 Waiver requests and renewals as well as any initiatives and proposals requiring amendments to
31 the Medicaid state plan or category one (I) or two (II) changes, as described in the special terms
32 and conditions of the Global Consumer Choice Compact Waiver with the potential to affect
33 scope, amount or duration of publicly funded health care services, provider payments or
34 reimbursements, or access to or the availability of benefits and services as provided by Rhode

1 Island general and public laws. The director shall consider whether any such changes are legally
2 and fiscally sound and consistent with the state's policy and budget priorities. The director shall
3 also assess whether a proposed change is capable of obtaining the necessary approvals from
4 federal officials and achieving the expected positive consumer outcomes. Division chiefs of
5 divisions shall, within the timelines specified, provide any information and resources the director
6 deems necessary in order to perform the reviews authorized in this section;

7 (4) Beginning in 2011, prepare and submit to the governor, the chairpersons of the house
8 and senate finance committees, the caseload estimating conference, and to the joint legislative
9 committee for health care oversight, by no later than March 15 of each year, a comprehensive
10 overview of all Medicaid expenditures outcomes, and utilization rates. The overview shall
11 include, but not be limited to, the following information:

12 (i) Expenditures under Titles XIX and XXI of the Social Security Act, as amended;

13 (ii) Expenditures, outcomes and utilization rates by population and sub-population served
14 (e.g. families with children, children with disabilities, children in foster care, children receiving
15 adoption assistance, adults with disabilities, and the elderly);

16 (iii) Expenditures, outcomes and utilization rates by each state department or other
17 municipal or public entity receiving federal reimbursement under Titles XIX and XXI of the
18 Social Security Act, as amended; and

19 (iv) Expenditures, outcomes and utilization rates by type of service and/or service
20 provider. The division chiefs of the divisions, as well as local governments and school
21 departments, shall assist and cooperate with the director in fulfilling this responsibility by
22 providing whatever resources, information and support shall be necessary.

23 (5) Resolve administrative, jurisdictional, operational, program, or policy conflicts
24 among divisions and their executive staffs and make necessary recommendations to the governor.

25 (6) Assure continued progress toward improving the quality, the economy, the
26 accountability and the efficiency of state-administered health and human services. In this
27 capacity, the director shall:

28 (i) Direct implementation of reforms in the human resources practices of the department
29 that streamlines and upgrades services, achieves greater economies of scale and establishes the
30 coordinated system of the staff education, cross-training, and career development services
31 necessary to recruit and retain a highly skilled, responsive, and engaged health and human
32 services workforce;

33 (ii) Encourage the divisions to engage in consumer-centered approaches to service design
34 and delivery that expand their capacity to respond efficiently and responsibly to the diverse and

1 changing needs of the people and communities they serve;

2 (iii) Develop all opportunities to maximize resources by leveraging the state’s purchasing
3 power, centralizing all health and human services functions including fiscal service functions
4 related to budget, finance, and procurement, centralizing communication, policy analysis and
5 planning, and information systems and data management, pursuing alternative funding sources
6 through grants, awards and partnerships and securing all available federal financial participation
7 for programs and services provided through the department; and

8 (iv) Improve the coordination and efficiency of health and human services legal functions
9 by centralizing adjudicative and legal services and overseeing their timely and judicious
10 administration;

11 (v) Facilitate the rebalancing of the long term system by creating an assessment and
12 coordination organization or unit for the expressed purpose of developing and implementing
13 procedures across divisions that ensure that the appropriate publicly-funded health services are
14 provided at the right time and in the most appropriate and least restrictive setting;

15 (vi) Strengthen health and human services program integrity, quality control, and
16 collections, and recovery activities by consolidating functions within the department in a single
17 unit that ensures all affected parties pay their fair share of the cost of services and are aware of
18 alternative financing;

19 (vii) Broaden access to publicly funded food and nutrition services by consolidating
20 agency programs and initiatives to eliminate duplication and overlap and improve the availability
21 and quality of services; and

22 (viii) Assure protective services are available to vulnerable elders and adults with
23 developmental and other disabilities by reorganizing existing services, establishing new services
24 where gaps exist, and centralizing administrative responsibility for oversight of all related
25 initiatives and programs.

26 (7) Prepare a comprehensive budget for the department of health and human services.
27 The budget shall be submitted to the state budget office by the director for consideration by the
28 governor, on behalf of the state’s department of health and human services in accordance with the
29 provisions set forth in section 35-3-4 of the Rhode Island general laws.

30 (8) Utilize objective data to evaluate health and human services policy goals, resource use
31 and outcome evaluation and to perform short and long-term policy planning and development.

32 (9) Establishment of an integrated approach to information and data management that
33 compliments and furthers the goals of the CHOICES initiative and that will facilitate the
34 transition to consumer-centered system of state administered health and human services.

1 (10) At the direction of the governor or the general assembly, conduct independent
2 reviews of state-administered health and human services programs, policies and related actions
3 and activities and identify strategies to address any issues or areas of concern that may emerge
4 thereof. The division chiefs in the department and directors of other executive departments and
5 agencies shall provide any information and assistance deemed necessary by the director when
6 undertaking such independent reviews.

7 (11) Provide regular and timely reports to the governor and make recommendations with
8 respect to the state's health and human services agenda.

9 (12) Employ such personnel and contract for such consulting services as may be required
10 to perform the powers and duties lawfully conferred upon the director.

11 (13) Implement the provisions of any general or public law or regulation related to the
12 disclosure, confidentiality and privacy of any information or records, in the possession or under
13 the control of the department, that may be developed or acquired for purposes directly connected
14 with the director's duties set forth herein.

15 **42-7.4-11. Continuation of services while resources are transferred. –**

16 (a) In the transference of such resources from the former departments to the department
17 of health and human services, the director shall be responsible for ensuring:

18 (1) Minimal disruption of services to consumers;

19 (2) Elimination of duplication of functions and operations;

20 (3) Services are coordinated and functions are consolidated where appropriate;

21 (4) Clear lines of authority are delineated and followed;

22 (5) Cost savings are achieved whenever feasible;

23 (6) Program application and eligibility determination processes are coordinated and,
24 where feasible, integrated; and

25 (7) State and federal funds available to the department and the divisions therein are
26 allocated and utilized for service delivery to the fullest extent possible.

27 (b) The director shall prepare and submit to the leadership of the house and senate
28 finance committees, by no later than May 1, 2011, a plan for restructuring functional
29 responsibilities across the divisions to establish a consumer centered integrated system of health
30 and human services that provides high quality and cost-effective services at the right time and in
31 the right setting across the life-cycle.

32 **42-7.4-12. Independent advisory council – Purposes. –** (a) The director shall establish
33 an independent advisory council, hereafter referred to as "advisory council" composed of
34 representatives of the network of health and human services providers, the communities the

1 department serves, state and local policy makers and any other stakeholders or consumers
2 interested in improving access to high quality health and human services.

3 (b) The advisory council shall assist the director in identifying: issues of concern and
4 priorities in the organization and/or delivery of services, areas where there is need for
5 collaboration and cooperation; and opportunities for building sustainable and effective public-
6 private partnerships that support the missions of the department. The advisory council shall also
7 provide guidance to the director in developing a plan to further the purposes of the department.

8 (c) The director shall hold health and human services forums and open meetings that
9 encourage community, consumer and stakeholder input on health and human services issues,
10 proposals, and activities and actions of the executive office that have been identified by the
11 advisory council as areas of concern or important policy priorities or opportunities for the state.

12 **42-7.4-13. Assignment and reassignment of advisory bodies.** -- Any advisory bodies,
13 boards, or commissions associated or affiliated with the departments or any such agencies that
14 may be created shall be assigned to the director of health and human services.

15 **42-7.4-14. Appointment of employees.** – (a) The director, subject to the provisions of
16 applicable state law, shall be the appointing authority for all employees of the department of
17 health and human services; provided, however, the chiefs of the various divisions shall be
18 nominated by the director, appointed by the governor, and subject to the advice and consent of the
19 senate.

20 (b) The director may assign this function of appointment of employees, except for the
21 nomination of division chiefs, to such subordinate officers and employees for the department as
22 may to him or her seem feasible or desirable.

23 **42-7.4-15. Oversight.** -- The permanent joint committee of the global waiver compact
24 established pursuant to section 42-12-4.5 shall be granted the authority to oversee all aspects of
25 the consolidation of health and human services functions within the department of health and
26 human services. Provided, the actual assignment of functions and duties to the respective
27 divisions within the department shall be performed by the director.

28 **42-7.4-16. Transfer of functions regarding executive office of human services.** –
29 Effective upon the effective date of this act, the executive office of human services shall be
30 deemed to be dissolved, and all functions and duties of the executive office of human services
31 shall be transferred to the department of health and human services.

32 **42-7.4-17. Appropriations and disbursements.** – The general assembly shall annually
33 appropriate such sums as it may deem necessary for the purpose of carrying out the provisions of
34 this chapter. The state controller is hereby authorized and directed to draw his or her orders upon

1 the general treasurer for the payment of such sum or sums, or so much thereof as may from time
2 to time be required, upon receipt by him or her of proper vouchers approved by the director of the
3 department of health and human services, or his or her designee.

4 **42-7.4-18. Rules and regulations.** -- The department of health and human services shall
5 be deemed an agency for purposes of section 42-35-1, et seq. ("Administrative Procedures") of
6 the Rhode Island general laws. The secretary shall make and promulgate such rules and
7 regulations, fee schedules not inconsistent with state law and fiscal policies and procedures as he
8 or she deems necessary for the proper administration of this chapter and to carry out the policy
9 and purposes thereof.

10 **42-7.4-19. Severability.** -- If any provision of this chapter or the application thereof to
11 any person or circumstance is held invalid, such invalidity shall not effect other provisions of
12 applications of the chapter, which can be given effect without the invalid provision or application,
13 and to this end the provisions of this chapter are declared to be severable.

14 **42-7.4-20. Cooperation of other state executive branch agencies.** -- As may be
15 appropriate from time to time, the departments and other agencies of the state of the executive
16 branch that have been assigned to the department of health and human services under this chapter
17 shall assist and cooperate with the department as may be required by the governor or requested by
18 the director.

19 **42-7.4-21. Medicaid system reform 2010.** -- (a) The department of health and human
20 services, is authorized to design options that reform the Medicaid program so that it is a person-
21 centered, financially sustainable, cost-effective, and opportunity driven program that: utilizes
22 competitive and value based purchasing to maximize the available service options, promote
23 accountability and transparency, and encourage and reward healthy outcomes, independence, and
24 responsible choices; promotes efficiencies and the coordination of services across all health and
25 human services agencies; and ensures the state will have a fiscally sound source of publicly-
26 financed health care for Rhode Islanders in need.

27 (b) Principles and Goals. In developing and implementing this system of reform, the
28 department of health and human services shall pursue the following principles and goals:

29 (1) Empower consumers to make reasoned and cost-effective choices about their health
30 by providing them with the information and array of service options they need and offering
31 rewards for healthy decisions;

32 (2) Encourage personal responsibility by assuring the information available to
33 beneficiaries is easy to understand and accurate, provide that a fiscal intermediary is provided
34 when necessary, and adequate access to needed services;

1 (3) When appropriate, promote community-based care solutions by transitioning
2 beneficiaries from institutional settings back into the community and by providing the needed
3 assistance and supports to beneficiaries requiring long-term care or residential services who wish
4 to remain, or are better services in the community;

5 (4) Enable consumers to receive individualized health care that is outcome-oriented,
6 focused on prevention, disease management, recovery and maintaining independence;

7 (5) Promote competition between health care providers to ensure best value purchasing,
8 to leverage resources and to create opportunities for improving service quality and performance;

9 (6) Redesign purchasing and payment methods to assure fiscal accountability and
10 encourage and to reward service quality and cost-effectiveness by tying reimbursements to
11 evidence-based performance measures and standards, including those related to patient
12 satisfaction; and

13 (7) Continually improve technology to take advantage of recent innovations and advances
14 that help decision makers, consumers and providers to make informed and cost-effective
15 decisions regarding health care.

16 (c) The department of health and human services shall annually submit a report to the
17 governor and the general assembly commencing on a date no later than July 1, 2011 describing
18 the status of the administration and implementation of the Global Waiver Compact.

19 SECTION 3. Sections 42-6-1, 42-6-2 and 42-6-3 of the General Laws in Chapter 42-6
20 entitled "Departments of State Government" are hereby amended to read as follows:

21 **42-6-1. Enumeration of departments.** -- All the administrative powers and duties
22 heretofore vested by law in the several state departments, boards, divisions, bureaus,
23 commissions, and other agencies shall be vested in the following departments and other agencies
24 which are specified in this title:

25 (a) Executive department (chapter 7 of this title);

26 (b) Department of state (chapter 8 of this title);

27 (c) Department of the attorney general (chapter 9 of this title);

28 (d) Treasury department (chapter 10 of this title);

29 (e) Department of administration (chapter 11 of this title);

30 (f) Department of business regulation (chapter 14 of this title);

31 (g) ~~Department of children, youth, and families (chapter 72 of this title);~~

32 (h) Department of corrections (chapter 56 of this title);

33 (i) ~~Department of elderly affairs (chapter 66 of this title);~~

34 (j) Department of elementary and secondary education (chapter 60 of title 16);

- 1 (k) Department of environmental management (chapter 17.1 of this title);
- 2 (l) ~~Department of health (chapter 18 of this title);~~
- 3 (m) Board of governors for higher education (chapter 59 of title 16);
- 4 (n) Department of labor and training (chapter 16.1 of this title);
- 5 (o) ~~Department of mental health, retardation, and hospitals (chapter 12.1 of this title);~~
- 6 (p) ~~Department of human services (chapter 12 of this title);~~
- 7 (q) Department of transportation (chapter 13 of this title);
- 8 (r) Public utilities commission (chapter 14.3 of this title);
- 9 (s) Department of revenue (chapter 142 of title 42);
- 10 (t) Department of public safety (chapter 7.3 of this title).
- 11 (u) Department of health and human services, established pursuant to chapter 7.4 of title
- 12 42.

13 **42-6-2. Heads of departments.** -- The governor, secretary of state, attorney general, and
 14 general treasurer, hereinafter called general officers, shall each be in charge of a department.
 15 There shall also be a director of administration, a director of revenue, a director of public safety, a
 16 ~~director of human services, a director of mental health, retardation, and hospitals,~~ a director of
 17 transportation, a director of business regulation, a director of labor and training, a director of
 18 environmental management, a director of health and human services, ~~a director for children,~~
 19 ~~youth, and families, a director of elderly affairs,~~ and a director of corrections. Each director shall
 20 hold office at the pleasure of the governor and he or she shall serve until his or her successor is
 21 duly appointed and qualified unless the director is removed from office by special order of the
 22 governor.

23 **42-6-3. Appointment of directors.** -- (a) At the January session following his or her
 24 election to office, the governor shall appoint a director of administration, a director of revenue, a
 25 director of public safety, ~~a director of human services,~~ a director of health and human services, a
 26 ~~director of mental health, retardation, and hospitals,~~ a director of transportation, a director of
 27 business regulation, a director of labor and training, a director of environmental management, a
 28 ~~director for children, youth, and families, a director of elderly affairs,~~ and a director of
 29 corrections. The governor shall, in all cases of appointment of a director while the senate is in
 30 session, notify the senate of his or her appointment and the senate shall, within sixty (60)
 31 legislative days after receipt of the notice, act upon the appointment. If the senate shall, within
 32 sixty (60) legislative days, vote to disapprove the appointment it shall so notify the governor, who
 33 shall forthwith appoint and notify the senate of the appointment of a different person as director
 34 and so on in like manner until the senate shall fail to so vote disapproval of the governor's

1 appointment. If the senate shall fail, for sixty (60) legislative days next after notice, to act upon
2 any appointment of which it has been notified by the governor, the person so appointed shall be
3 the director. The governor may withdraw any appointment of which he or she has given notice to
4 the senate, at any time within sixty (60) legislative days thereafter and before action has been
5 taken thereon by the senate.

6 (b) ~~Except as expressly provided in section 42-6-9, no~~ No director of any department
7 shall be appointed or employed pursuant to any contract of employment for a period of time
8 greater than the remainder of the governor's current term of office. Any contract entered into in
9 violation of this section after July 1, 1994 is hereby declared null and void.

10 SECTION 4. Sections 42-6-9, 42-6-10, 42-6-11, 42-6-12 and 42-6-13 of the General
11 Laws in Chapter 42-6 entitled "Departments of State Government" are hereby repealed.

12 ~~**42-6-9. Director of health.** --- There shall be a director of health who shall hold office for
13 the term of five (5) years from the time of his or her appointment and until his or her successor is
14 duly appointed and qualified. The director shall be eligible for reappointment, and shall not
15 engage in any other occupation.~~

16 ~~**42-6-10. Qualifications of director of health.** --- The director of health shall be a
17 physician graduated by an acceptable medical college recognized by one of the medical
18 examining boards of the state and shall have had a minimum of one year of university graduate
19 instruction in public health administration as evidenced by a certificate of graduation or a degree
20 in public health, or board certification in a medical specialty and a minimum of five (5) years full
21 time experience in health administration.~~

22 ~~**42-6-11. Appointment.** --- The governor shall appoint a director of health and in all cases
23 of appointment of the director of health the governor shall while the senate is in session, notify
24 the senate of his or her appointment and the senate shall, within sixty (60) legislative days after
25 receipt of the notice, act upon the appointment. If the senate shall, within sixty (60) legislative
26 days, vote to disapprove the appointment it shall notify the governor, who shall forthwith appoint
27 and notify the senate of the appointment of a different person as director and so on in like manner
28 until the senate shall fail to vote disapproval of the governor's appointment. If the senate shall
29 fail, for sixty (60) legislative days next after notice, to act upon any appointment of which it has
30 been notified by the governor, the person appointed shall be the director. The governor may
31 withdraw any appointment of which he or she has given notice to the senate, at any time within
32 sixty (60) legislative days thereafter and before action has been taken thereon by the senate.~~

33 ~~**42-6-12. Filling of vacancies.** --- Any vacancy in the office of director of health shall be
34 filled in the same manner as provided in section 42-6-4.~~

1 ~~42-6-13. Assignment and performance of powers, duties and functions.~~ The
2 provisions of sections ~~42-6-5—42-6-8~~, shall apply to the department of health and to the director
3 of health.

4 SECTION 5. This act shall take effect February 1, 2011.

=====
LC01021
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO STATE AFFAIRS AND GOVERNMENT - OFFICE OF HEALTH AND
HUMAN SERVICES

1 This act would consolidate the five (5) health and human services departments into one
2 executive department to be known as the “Department of Health and Human Services.” The five
3 consolidated departments would be as follows: (1) the department of children, youth and families;
4 (2) the department of health; (3) the department of elderly affairs; (4) the department of human
5 services; and (5) the department of mental health, retardation and hospitals. The new department
6 would consist of five (5) divisions. The new department would also be lead by a single director,
7 with each division having its own division chief. Each of these persons would be selected by the
8 governor with the advice and consent of the Senate.

9 This act would take effect February 1, 2011.

=====
LC01021
=====