



STATE OF CONNECTICUT

GOVERNOR DANIEL P. MALLOY

Governor's Cabinet on Nonprofit Health and Human Services

Cabinet Meeting Minutes (*corrected*)

December 10, 2012

2:00 – 3:15 p.m.

LOB - Hearing Room 2-B

Members Present: Co-Chair Peter DeBiasi, Co-Chair Terry Edelstein, State Representative Michelle Cook, DDS Commissioner Terrence Macy; Anne L. Ruwet, Yvette H. Bello, Patrick J. Johnson, Jr., Daniel J. O'Connell, Maureen Price-Boreland, Nancy Roberts; DOC Commissioner Leo Arnone; CSSD Executive Director William Carbone; Deborah Chernoff; Marcie Dimenstein;

Members' Representatives Present: Ajit Gopalakrishnan (representing SDE Commissioner Stefan Pryor); Kathleen Brennan (representing DSS Commissioner Roderick Bremby); Cindy Butterfield (representing DCF Commissioner Katz); Katharine Lewis (representing DPH Commissioner Jewel Mullen); Kate McNulty (representing DMHAS Commissioner Patricia Rehmer)

Members Absent: Robert Dakers, OPM; DSS Commissioner Roderick Bremby; DCF Commissioner Joette Katz; DPH Commissioner Jewel Mullen; SDE Commissioner Stefan Pryor; DMHAS Commissioner Patricia Rehmer; Roberta Cook,

Guests: Governor Daniel P. Malloy; Amy Porter, Commissioner Dept. of Rehabilitation Services

Welcome and Comments

Terry Edelstein opened the meeting at 2:00 p.m., introduced herself and co-chair DeBiasi. She welcomed Governor Malloy to the meeting. Members introduced themselves for the record.

Terry Edelstein – invited the Governor to make brief remarks prior to the Work Group presentations.

The Governor thanked the members for taking on the assignment to participate in the Cabinet. This Nonprofit Cabinet is a good way to identify a problem and recommend the most cost effective and efficient ways to provide services especially in these difficult financial times. This State is recovering from decades of financial difficulties; there is a lot of work to do with little money to do it. Establishing this Cabinet was one of the first announcements he made as a candidate. He is pleased to hear that almost all of the Cabinet recommendations were accepted unanimously. Terry Edelstein has summarized recommendations from the Cabinet's Final Report for him into 14 actions steps for the coming year.

Work Group Presentations

I. Common Cross Agency Population Results Co-chairs: Roberts and Carbone

William Carbone reviewed the task of the Work Group: Using an Results-Based Accountability framework, come up with population level results statements that could guide both state agencies and nonprofit organizations in 6 domains (e.g., safety; education; health; economic security; support environments for people who are disabled or elderly; and children.)

The Work Group established metrics so the State would know if we were moving steadily toward population level results. Primary and secondary Indicators of Success were identified for each population result statement. This is a good framework to measure performance as a guide for both public and private agencies to work towards creating a better Connecticut for all of us.

Nancy Roberts indicated that many other states use results based accountability as their model. Leadership shown in the Legislature, from the Governor, in the State agencies and foundations across the state are all working to provide training in results based accountability. This positions Connecticut on the front line of being competitive for national public and private funding. As resources across the State get tighter it's really important we know where we get our best results.

II. Rate Setting Methodology Work Group Co-chairs Johnson and McWilliams

Pat Johnson – Discussed looking at State reimbursements based upon independent audits and 990 data submitted by organizations annually. For the past 10-20 years – reimbursement rates have been underfunded with annual increases of less than 1% – and a number of years with no COLA – prior to the coming year. Mr. Johnson outlined the statistics on the broad spectrum of nonprofit organizations and the struggle they are experiencing balancing their budgets. For the past decade budgets have been balanced on the backs of their employees, with cuts in wages and benefits. The primary recommendation to address this is to cover the actual cost of services, as there is little likelihood that current funding is sustainable.

Scott McWilliams discussed strategies to reduce administrative burden on the private nonprofit organizations including streamlining data reporting requirements. He discussed aggregating audit and nonprofit strategy platform data. The nonprofit strategy platform is a collaborative effort by UCONN and the Urban Institute where they aggregate 990 data from nonprofit organizations. The Work Group recommends reporting annually on the financial health of the nonprofit providers using the data and ratios we used in the October 1, 2012 report.

III. Request for Proposal & Procurement Processes Work Group Co-Chairs Ruwet and Andresen

Anne Ruwet reported that the partnership between state agencies and private sector has been incredible. She praised her Work Group co-chair Chris Andresen, who was unable to attend today's meeting. The Work Group was charged with looking at the RFP process and appropriate use of competitive bidding. Some of the key components: all contracted services are based on data

driven services; selection processes for contracted providers are transparent and competency based; performance determines renewal; timely payments are critical and finally reporting and monitoring and open communications are crucial to the public good.

The second charge was to revise the State's procurement standards, to standardize the procurement practices across state agencies and train staff with procurement roles and to expand competitive bidding waiver provisions and implement a planning process.

IV. Governor's Remarks

Governor Malloy thanked the Work Group co-chairs for their recommendations. He indicated that he and Terry Edelstein will continue to speak about this process. It is important that we terminate less effective programs based on data and performance and make better use of the money nonprofit organizations receive. The Governor asked each member to continue on the Cabinet. He said he was appointing Commissioner Amy Porter as an official member. He charged the Cabinet with creating 3 new work groups: 1) Jobs; 2) Contract Procurement and Administration; 3) Population results. The Governor thanked Cabinet Co-Chair Peter DeBiasi and Cabinet members for their hard work.

V. Governor's Charge and Next Steps

Terry Edelstein thanked Governor Malloy for taking the time to meet with the Cabinet and for his support. She provided a brief overview of new work groups – 1) Jobs Work Group - Goal of the group – ensure well trained and educated workforce; 2) Population results – continuation of the work done linked to Indicators of Success and performance measures; 3) Contract Procurement & Administration – goals for this group: to ensure efficiency in contracting practices; support best practices; monitor the progress of Cabinet recommendations.

Peter DeBiasi indicated the co-chairs would send out an electronic selection of groups and asked that people prioritize choices when they responded. He indicated that he hoped other volunteers would step up to serve.

Terry Edelstein noted that the Work Groups will convene in January and meet on a monthly basis front loading the work from January to June in order to develop a final report during the summer. She and Peter DeBiasi are looking for creative ideas and presentations to help inform the Cabinet members.

Kathleen Brennan supported the presentations by other groups. It would help to flesh out what we know but may be expressed differently.

Anne Ruwet asked about follow up on the waiver process. She asked Rep. Cook if she could help with pushing forward this legislation.

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Rep Cook indicated that she will be happy to advocate for the change in statutory language.

Peter Debiasi asked for closing comments – hearing none...

Meeting adjourned at 3:12 p.m.

Recorder: Meg Riding