

TUESDAY, APRIL 9, 2013

**APPROVED MINUTES OF THE
COMMITTEE OF THE WHOLE MEETING HELD**

**STATE OF MINNESOTA)
DODGE COUNTY)**

**COUNTY ADMINISTRATION OFFICE
MANTORVILLE, MN**

2013-07 C.O.W.

The Dodge County Commissioners met in Committee of the Whole April 9, 2013, in the Commissioner's Room at the Dodge County Courthouse Annex, Mantorville, MN, at 8:30 a.m. CDT. Chair Lyle Tjosaas opened the meeting at 8:30 a.m. CDT.

Meeting Convened

The Chair acknowledged those present:

Those Present

Members present: John Allen District #1
Lyle Tjosaas District #2
Rodney Peterson District #3
David Erickson District #4
Steven Gray District #5

Members absent: None

Also present: Jim Elmquist County Administrator
Becky Lubahn Deputy County Clerk
Jane Hardwick Human Services Director
Peggy Espey Public Health

Human Services Director Jane Hardwick provided the Board with a follow up regarding Multi-County Human Services Delivery Authority.

Multi-County
Human Services
Delivery Authority
Follow-Up
Discussion

Included in the Board packets was a Southeast Minnesota Human Services Delivery Authority update which read as follows:

Participating counties determined:

Dodge, Mower, Steele, and Waseca counties each adopted a resolution to enter the first of three phases for implementing a Multi-County Human Services Delivery Authority - the Mobilize Phase.

Steering Committee established:

A Steering Committee has been established to guide the development of the counties through the Mobilize Phase of implementation, as follows:

Dodge: Lyle Tjosaas, Commissioner
Jane Hardwick, Human Services Director
Jim Elmquist, Administrator

Mower: Tim Gabrielson, Commissioner
Craig Oscarson, Administrator
Julie Stevermer, Health & Human Services Director

Steele: Nina Huntington, Commissioner
Tom Shea, Administrator
Charity Floen, Human Services Director

Waseca: Blair Nelson, Commissioner
Laura Elvebak, Administrator
Marilee Reck, Human Services Director
(Alternate: Jim Peterson, Commissioner)

Multi-County
Human Services
Delivery Authority
Follow-Up
Discussion -
Continued

The Steering Committee adopted a charter and meeting schedule, and selected co-chairs: Jane Hardwick and Tom Shea.

Budget adopted:

Dodge County Human Services has agreed to act as the fiscal agent for this phase. A grant of \$80,000 has been awarded by the Bush Foundation. The Steering Committee has adopted a budget of \$160,000 for this phase.

Scope of work determined:

The Steering Committee has identified the scope of work during this phase to include the following components, roughly described in the July 2012 Implementation Playbook that Accenture developed during the previous phase of this project:

- Revising the design, operating model, and business case based on the participating counties, including:
 - Organizational structure
 - Governance model
 - Funding model
 - Business case
- Establishing and confirming funding for the next Cross-Functional Detailed Design phase.
- Mobilizing program management.
- Mobilizing communications and change management approach.
- Developing plan and schedule for the next Cross-Functional Detailed Design phase.

This also includes hiring or contracting for a project manager and the development of a pro forma financial statement. The scope includes Human Services with consideration of administrative staff necessary to support Public Health for Mower County. This scope of work during this phase will not include Public Health in the model development; however, the Steering Committee has requested that Public Health Directors and Community Health Services Administrators meet to discuss the potential for Public Health to be part of the service delivery authority development at a subsequent phase and report back to the committee.

Project manager engaged:

The Steering Committee contracted with Springsted, Inc. for Jim Schug and David Unmacht to manage the project for this phase. Following discussion by the Steering Committee of their desire to have contract project management services continued until the beginning of the Cross-Functional Detailed Design Phase, the committee, on March 19, approved a revised statement of deliverables and extension of the project management contract to May 31, with a reassessment of the need for further services at that time.

With guidance by the committee, Springsted will be responsible for:

Multi-County
Human Services
Delivery Authority
Follow-Up
Discussion -
Continued

- Project Lead:
 - Working with stakeholder groups and the Steering Committee to identify potential project risks and plan, develop and recommend strategies for their mitigation;
 - Preparing and implementing a communication plan;
 - Developing a change management plan;
 - Managing consultant contracts;
 - With redesign consultant, managing process of confirming a funding plan for the next phase.
 - Serving as liaison with grant funders;
 - In collaboration with Steering Committee, mobilizing program management in preparation for next phase;
 - In collaboration with redesign consultant and Steering Committee, developing a plan and scheduled for execution of next phase; and
 - Managing process of confirming a funding plan for next phase, including development of grant applications.
 - Supporting, facilitating, and assisting the Steering Committee as needed.

- Project Coordination:
 - In collaboration with redesign consultant, preparing detailed work plan, monitoring and tracking activities, controlling and adjusting project to stay within scope, budget and timeline;
 - Providing status reports.
 - Working with Steering Committee and stakeholders to gather and compile data, and convene and direct work groups; and
 - Managing meeting schedules, developing agendas and gathering background information.

- Project Coordination & Support:
 - Providing support and coordination as needed to the Steering Committee, managers, and redesign consultant in managing meeting logistics and creating a project library.

Operating model and business case updated and revised:

The first priority was to update and revise the operating and business case models. A contract and statement of work was executed with Accenture to accomplish this with direction provided by the Steering Committee. The Accenture team for this phase was: Peter Hutchinson, Program Director, Subject Matter Advisor; Jake Elder, Project Manager; and Aviran Sethi, Business Case Consultant.

A two-day workshop with county Human Services Directors, Administrators, Project Manager, and Accenture occurred in late January to review each of the assumptions and the data used in the twelve-county model to inform the revision and update of the operating model and business case. At the completion of the workshop and after further analysis by Accenture, a presentation of the preliminary findings was made to the Steering Committee on February 19 with the final revisions and deliverables submitted on February 25.

Multi-County
Human Services
Delivery Authority
Follow-Up
Discussion -
Continued

At their meeting of March 1, the Steering Committee voted to accept and approve the final revised operating model and business case as submitted by Accenture. The statement of work was completed and the contract deliverables were received. The contract payment was made and the contract was closed.

The revised documents from Accenture can be viewed on the Dodge County Human Services website at: <http://www.co.dodge.mn.us/humanservices.html>.

The Steering Committee Co-Chairs and the Project Manager are currently in the process of presenting the revised model and business case to the full Boards of Commissioners and the Human Services staff of the four counties. Presentations began on March 12 and will conclude on April 2, 2013.

Consultant selected for financial pro forma:

A contract with CliftonLarsonAllen, a financial consulting firm, was approved to develop a financial pro forma for consideration by the counties in making their decisions on whether to move forward to the Cross-Functional Detailed Design phase in creating a Human Services Delivery Authority. This work will include provision of a balance sheet, a profit and loss statement, and a five-year projection. The pro forma will also test the business case. The pro forma deliverable date was March 25, 2013 but has been delayed pending the receipt of certain financial data, an agreement on the assumptions to be used and a final completion date.

Governance model approved for recommendation and funding model being considered:

It was agreed at the start of the Mobilize Phase that the updated governance and funding models would be developed by the Steering Committee. At their January 15 meeting, the Steering Committee was asked to give consideration to various elements of governance, including:

- Size of governing board, including an even or odd number of members, number of members in total and from each county
- Voting methodology, including weighting, per county or per member votes, tie breaking
- Alternates to the governing board
- Standing Committee structure, including Executive Committee

A preliminary governance model was presented at the February 1 meeting and was adopted on March 1 for recommendation to the participating County Boards when their decisions are made on moving forward to the Cross-Functional Detailed Design Phase. The recommended governance structure is as follows:

Governing Structure

Multi-County
Human Services
Delivery Authority
Follow-Up
Discussion -
Continued

Board

- Two delegates from each participating county:
 - Elected officials (Board of Commissioners)
 - Two votes per county (each delegate has own vote, does not need to be a county-vote)
 - Alternate delegate Commissioner appointed by each Board of Commissioners, required for absence of delegate
- Items requiring a supermajority (75%)
 - Budget adoption
 - SDA agreement amendments would require approval from supermajority of participating County Boards
 - New member counties
 - Election of Chair, Vice Chair of Board

Officers

- Chair: two-year term; elected in odd-number years
- Vice-Chair: two-year term; elected in odd-number years; serves as Chair of Finance Committee

Committees

- Finance – Vice Chair of the Board would be Chair to the committee
 - Staff liaisons: SDA Administrator and Finance Director
 - One representative from each participating county: either Administrator or Chief Financial Officer

Members of the Steering Committee have also discussed how they would move forward on the issue of the funding model. It has been informally agreed that the allocation of costs to the four participating counties needs to be clearly understood by all the County Commissioners, not just those serving on the steering committee, before final votes are taken. The funding model to be developed should include a formula for sharing costs. It should be stable and avoid major fluctuations. The four County Administrators are in the process of finalizing a recommended model and will be bringing it to the Steering Committee for consideration at the April 5, 2013 meeting.

Agreement with a communications consultant approved: At the March 19, Steering Committee meeting, a short-term agreement with Brenda Delhanty for communications consulting services was approved for the period March 19 to May 31, 2013. The consulting agreement deliverables will include tools for use by commissioners and managers in communicating the project goals and status to the stakeholders and the broader community. The tools will include briefing documents, talking points, frequently asked questions and answers, guest editorials and letters, a speaker's bureau and other tools as mutually agreed.

Other key activities of the Mobilize Phase:

Work also continues on the other key activities of the Mobilize Phase including risk identification and mitigation strategies; development of a timetable, plan and funding for the Cross-Functional Detailed Design Phase, including grant applications to foundations for funding of this next phase; and development of a change management strategy and plan.

Multi-County
Human Services
Delivery Authority
Follow-Up
Discussion -
Continued

Additional information can be found at:

<http://www.co.dodge.mn.us/humanservices.html>

Ms. Hardwick informed the Board that there will be a four-county meeting on Southeast Minnesota Human Services Delivery Authority on Tuesday, April 30, 2013 from 9:00 a.m. – noon in the Wenger Room at the History Center in Owatonna, MN. The Steering Committee invited all County Commissioners from Dodge, Mower, Steele, and Waseca to a meeting on this project.

The meeting of the four participating County Boards will provide an opportunity to ask questions, get answers and discuss the next steps in this proposed innovative redesign of county Human Services in our four-county area. The Human Services Director noted that this is an important meeting as we approach the time that a decision will need to be made on moving to the next phase in the implementation process.

There will also be a community partners meeting on this topic on April 26, 2013. They will extend an invitation to providers, community action council, etc.

The Human Services Director informed the Board that CliftonLarsonAllen should have the financial pro forma information available for review by the end of April.

Ms. Hardwick addressed questions raised by the County Board.

Commissioner Peterson asked for clarification as to why the number of counties that were considering participating in the Multi-County Human Services Delivery Authority dropped from twelve to four.

Commissioner Tjosaas stated that some of the counties were afraid that the one bigger county, Olmsted County, would control the Multi-County Human Services Delivery Authority.

The Human Services Director commented that some of the counties weren't comfortable with making the decision to go with a Multi-County Human Services Delivery Authority and wanted the state to make that call. Ms. Hardwick anticipates that the legislature may take some action to move counties towards a Multi-County Human Services Delivery Authority in the next few years.

Commissioner Erickson noted that there are some counties that don't want to work with Olmsted County because Olmsted offers programs that other counties don't offer and Olmsted wasn't willing to give up any of the programs that they currently offer.

Public Health Director Peggy Espey commented that what she has heard from the counties that chose not to move forward was that they opted out because of the financial projections that had been made which indicated the counties would be spending more money vs. less money on Human Services after five years.

Commissioner Peterson wanted to know where they saw employee loyalty, if it would be to the Multi-County Human Services Delivery entity or Dodge County.

Multi-County
Human Services
Delivery Authority
Follow-Up
Discussion -
Continued

Regionalization was discussed.

It was Mr. Peterson's opinion that from what he's observed elsewhere regionalization causes problems with employee morale.

Ms. Hardwick stated that in her department, the employee's loyalty is to their customers/clients. The Human Services Director reported that merging cultures between four counties will be a challenge.

Commissioner Gray wanted to know if there has been discussion regarding creating a core relationship with those involved in the Multi-County Human Services Delivery Authority.

The Human Services Director commented that they will need to be attentive to the creation of a core relationship.

Commissioner Allen pointed out that some counties have fewer services, some have more and he was interested in knowing whether or not Dodge County was going to maintain what they currently have for services.

Ms. Hardwick stated that in the proposed model they will be taking efficiencies gained from a Multi-County Human Services Delivery Authority and adding value where they can in order to do a better job with the resources they have.

Mr. Allen wanted to know if any of the Human Services clients that are receiving assistance are required to take a drug test. Mr. Allen pointed out that there are positions within the county that require employees to have random drug tests.

The Human Services Director reported that the state doesn't require drug testing of their financial assistance clients. Ms. Hardwick further clarified that in her opinion the majority of the department's clients don't have drug abuse issues and would likely feel disrespected if they were required to take a drug test in order to obtain assistance. It was the Human Services Director's opinion that requiring people to take drug tests may also discourage people from applying for assistance.

Commissioner Erickson stated that it's important for the new Board members to know why the Multi-County Human Services Delivery Authority is being considered.

Ms. Hardwick informed the new Commissioners that the initial reason they began considering a Southeast Minnesota Human Services Delivery Authority is that Governor Pawlenty proposed that there be a total of fifteen Human Services agencies across the state.

Collaboration amongst the county Human Services Departments was discussed.

The Human Services Director noted that in this area Human Services collaboration is very good; this is not the case state wide.

Ms. Hardwick reported that Dodge, Mower, Steele and Waseca counties have chosen to develop a Southeast Minnesota Human Services Delivery Authority themselves rather than wait for the state to do something.

Multi-County
Human Services
Delivery Authority
Follow-Up
Discussion -
Continued

Commissioner Erickson posed the following question: Can we continue the way we are right now?

The Human Services Director stated that their case load in financial assistance is up 60%. Because of the increase in work load, Human Services has asked for additional staff. Ms. Hardwick informed the Board that as the county's residents continue to age more services will be needed, the complexity of the programs will continue to increase and it will be harder to process all of the cases with the staff that they have. The possibility of a joint document management system was discussed. The Human Services Director reported that they could continue with the development of a document management system jointly with other counties without establishing a multi-county agency, but they cannot afford to do it separately.

Commissioner Peterson expressed concern with the multi-county agency model. It was his opinion that it's difficult to go back if the system doesn't work.

The need for a governance to run the model was discussed. It was the consensus of those present that it was harder to run a model if it were to be done piece by piece.

Commissioner Gray wanted to know what state statute started this process.

Ms. Hardwick reported that it was state statute 402.A that established the multi-county service delivery authority.

State standards were discussed.

Commissioner Allen wanted to know if the proposed Southeast Minnesota Human Services Delivery Authority affects the Public Health Department.

Ms. Espey reported that she has not been a part of the planning/meetings for the Multi-County Human Services Redesign. Public Health is concerned with the Waiver programs and the major changes they are going to be going through with the MNChoices and health care reform at the same time the redesign is happening.

The Public Health Director noted that Extension recently went through a redesign and the county may want to look at their redesign as far as outcomes.

Discussion took place regarding the county's capacity to serve the increasing number of elderly.

Ms. Espey commented that the case loads will continue to increase until they no longer have the capacity to case manage. The Public Health Director indicated that there are only so many resources and so many dollars (federal, state and local) to serve so many people, this is happening right now with some of the waivers that have so many slots available to serve.

Ms. Espey noted that even if there are persons that need services they cannot be served because there is not a slot available; therefore their caseloads can only grow as much as there are resources available to pay for the services a person may need.

Multi-County
Human Services
Delivery Authority
Follow-Up
Discussion -
Continued

Commissioner Erickson stated that the Board will have to make a decision regarding the proposed Southeast Minnesota Human Services Delivery Authority. Mr. Erickson wanted to know what the biggest fear of the three new commissioners was.

Commissioner Gray stated that they need to review what is considered mandated services and what is considered discretionary services.

The Human Services Director gave the following three examples of discretionary services: Minnesota Care applications processing, Parent Support Outreach Program and Consumer Support Program.

It was Commissioner Peterson's opinion that Dodge County is strong and will continue to stay strong because we are in a better position than some counties, and we have a younger population. Mr. Peterson was concern with the county's ability to continue to have quality services in Dodge County if the Southeast Minnesota Human Services Delivery Authority is implemented.

Commissioner Peterson stated that he doesn't want Dodge County residents to have to go to other places to receive services.

Mr. Hardwick commented that Dodge County won't be sending anyone anywhere else for services.

The Human Services Director noted that there are a lot of risks moving forward with the proposed Southeast Minnesota Human Services Delivery Authority; however she felt that there were more risks with not moving forward.

Commissioner Erickson posed the following question: Why this model?

Ms. Hardwick reported that this model offers the ability to get waivers of state requirements if we can get better outcomes with a new model.

Commissioner Gray questioned the demographics of the counties involved.

The Human Services Director stated that regarding the poverty level of the four counties involved, Dodge County has the lowest poverty level which is at 7%.

Commissioner Allen indicated that he was concerned with the administration of the Southeast Minnesota Human Services Delivery Authority. Mr. Allen expressed concern with the layers building up and becoming top heavy.

Ms. Hardwick indicated that as the plan has been developed they have made an effort to keep the model from becoming top heavy.

The Board thanked Ms. Hardwick for the update.

The Chair adjourned the meeting at 9:30 a.m. CDT.

Meeting Adjourned

ATTEST:

LYLE TJOSAAS
CHAIR, COUNTY BOARD

BECKY LUBAHN
DEPUTY CLERK

DATED: