

HEALTH AND HUMAN SERVICES REPORT

FINDING #1: The Grand Jury commends HHS for making the Compliance Officer ultimately responsible for any failures. It appears that Medicare reimbursements reflect a small percent of total reimbursements received from the federal government.

Response - Health & Human Services Agency: HHS agrees with the finding. Federal Medicare reimbursements reflect a very small percentage of the total reimbursements that are received by the County, either from Federal or State sources, for the services provided by the Agency.

Response - Board of Supervisors': The Board of Supervisors concurs with HHS's response.

RECOMMENDATION #1: The Grand Jury recommends that Napa County do a fiscal analysis to determine if the financial return on Medicare billing outweighs the costs involved in processing claims for reimbursement. Given the costs of Compliance Department staff and ongoing training costs it may be advisable to absorb the Medicare costs at the end of the five-year term of the Agreement.

Response - Health & Human Services Agency: The recommendation will not be implemented because it is not appropriate. Due to the requirements for sequential billing for dually-eligible clients (those eligible for both Medicare and MediCal), the Agency must bill Medicare to access available MediCal revenue as well. Additionally, our ability to demonstrate that we can accurately claim for, and retain, Medicare revenue is vital to our Agency's ongoing goals for full compliance and fiscal integrity.

The Compliance program costs are justified as a prudent and effective method of ensuring that the agency is accurately claiming for all sources of revenue. Although Medicare represents a small percentage of all revenue, the compliance effort addresses MediCal claims as well as other grants, funding sources, and general Agency compliance issues. It is our plan to continue the compliance program beyond the conclusion of the five-year term of the Integrity Agreement, expiring in 2005, to ensure maximum claiming and retention of all revenues.

Response - Board of Supervisors': The Board of Supervisors concurs with HHS's response.

RECOMMENDATION # 2: HHS should give serious consideration to outsourcing its billing to a private provider whose expertise is in proper billing procedures for Medi-Cal/Medicare.

Response - Health & Human Services Agency: The recommendation will not be implemented because it is not warranted. The Agency continues to contract with expert consultants and software vendors to assist us in developing and maintaining billing software and procedures that ensure accurate billing for all revenue sources. As the

Agency holds ultimate responsibility for the accuracy of billings, we believe that the management of such billing, and the necessary expertise, should remain within the Agency fiscal management that works closely with the Napa County Auditor-Controller staff.

Response - Board of Supervisors': The Board of Supervisors concurs with HHS's response.

FINDING #2: There is a substantial group of individuals eligible for food stamps that do not currently take advantage of these services.

Response - Health & Human Services Agency: HHS agrees, in part, with this finding. It is likely that many people who would be eligible for food stamps may not be receiving these services. It is not clearly understood how substantial this number is. Additionally, it is not clear how many of the people who would otherwise be eligible, choose not to pursue these services. With the implementation of Electronic Benefit Transfer, the numbers of people eligible for food benefits may choose to pursue services as the system for transacting these benefits allows for more privacy of the beneficiary. As a positive byproduct of this new system, the food benefits program will have fewer stigmas associated with it.

RECOMMENDATION #3: While we recognize that not all eligible individuals are interested in these services, or may be willing to seek government assistance, many residents are simply not aware of what is available to them. Consequently, we recommend that a more proactive outreach program be developed which includes American Canyon and upper Napa Valley to Calistoga. Utilizing religious bulletins, market bulletin boards, and other public locations as possible target points would be beneficial.

Response - Health & Human Services Agency: The recommendation is a thoughtful one, yet needs further analysis to determine efficiency. The department is committed to ensuring that information about food stamp services is widely available and that whoever needs these services receive them – timely and with care. The means and/or breadth of materials for a more proactive outreach and marketing program will be determined based upon need and available resources. HHS out-stationed eligibility workers Up Valley and in the schools until just recently when program allocations were reduced. It is possible that there are other effective ways of promoting the food stamp program benefits and/or outreaching to those in need. Opportunities to be more proactive will be fully explored.

TRAINING AND EDUCATION CENTER REPORT

FINDING #1: State and federal WIA performance evaluations do not track the use of basic Core services which are utilized by more individuals than other services. The costs for providing these services to the community are absorbed in the staff costs of each on-site partner agency. WIB performance measures should include a broad picture of One-Stop Center activities. The full scope of staff time, available resources, program success and service to the community cannot be adequately evaluated without including timely data gathered by the Connect Card. This important segment of service should be a part of the equation reviewed when making decisions.

Response - Health & Human Services Agency: HHS agrees with the finding. The agency reports to the state the amount of WIA formula funding to be used for CORE services. The report, the annual modifications to the Five-Year Strategic Plan, does not contain information about the true costs of operating the Employment Network Center, which is where CORE services are carried out. Additionally, State performance measures are based on only those clients who are enrolled into WIA, and do not consider all clients served through CORE. The WIB, however, reviews One Stop performance based upon the planned activities submitted by the agency to the State via the modifications to the plan. Information is reported to the WIB at least quarterly regarding actual performance compared to planned performance in terms of number of clients served in total. Finally, what has not been previously reported is the total cost of operating the Employment Network Center, including HHS/TEC's cost of CORE or other agencies' participation in those costs.

RECOMMENDATION #1: Reevaluate the procedure for swiping Connect Cards to better measure the number of users versus the number of times someone comes through the door. Include and monitor the number of individuals using CORE services in the new performance standards currently being developed by WIB.

Response - Health & Human Services Agency: The recommendation is reasonable, however, does not capture the full extent of the issue. There are two means of monitoring performance of the One Stop, or the WIA programs agency. One is for the WIB to monitor overall performance of the One Stop through review of reports describing numbers of participants served, including CORE; the costs of carrying out those services in total; and; the costs incurred by HHS/TEC and those picked up by other One Stop Partners. Secondly, the State has set performance measures that are negotiated annually with the Federal Government, then subsequently negotiated and passed on to the local area. These performance measures as currently designed do not include the measurement of CORE outcomes. To do this requires legislative change. WIA is in the process of being reauthorized and this measure is not contained in any proposed changes to the law.

FINDING #2: The Job Connection has been commended for meeting performance standards set by state and federal governments. Although completing federal and state performance requirements are necessary for WIA compliance, they are basically useless in evaluating and planning One-Stop Center activities. Surprisingly, previous WIB members and Job Connection were so focused on mandated evaluations that there

appeared to be little concern about obtaining easily understood information that could be useful in making decisions and setting policy.

Response - Health & Human Services Agency: HHS agrees, in part, with this finding. While it is true that the emphasis of HHS/TEC has been in meeting State performance goals, the department has not taken lightly the need to develop reporting for the WIB that would give them a comprehensive picture of the activities and performance of the One Stop.

RECOMMENDATION #2: The Grand Jury is pleased that the current WIB is developing more readily understandable reports. These reports should not become a standard unless all members of the WIB can make sense of the data provided.

Response - Health & Human Services Agency: The recommendation to ensure that all WIB members understand the reports generated by and about One Stop performance is reasonable. HHS/TEC staff has been working closely with the WIB and its Executive Director to develop and/or enhance various reporting mechanisms that would describe the most complete picture of One Stop performance in the most readable format. Meeting State performance measures is still critical as this is the information the State uses to determine performance incentive awards and future funding. Having the dual reporting responsibilities, however, are not nor need not to be mutually exclusive.

FINDING #4: The Grand Jury was pleasantly surprised to find such valuable resources for the community available at the Job Connection. Attempts should be made to better market these resources to make Napa County residents aware of the benefits available. The focus of this marketing should be: awareness of the self-service CORE services, name recognition for Job Connection, use of on-the-job training for employers, and benefits available to companies through the One-stop Center. Second, there is a great need to extend services to low-income and low-skilled workers throughout the Valley, including the Latino population. A better outreach program need to be developed to inform these individuals who can truly benefit from WIA programs.

Response - Health & Human Services Agency: HHS agrees with these findings. Job Connection is a valuable service to the community to both job seekers and employers. Outreach and marketing have been targeted primarily to audiences suitable for programs funded under special projects, such as the Nurses Workforce Initiative and the Knowledge Administrator Training program. These projects provided funding for building capacity in these occupational areas and also had performance expectations specific to numbers of people served. WIA formula funds decreased over the past several years, thus limiting HHS/TEC's ability to enroll large numbers of people. Consequently, recruitment and outreach did not seem prudent. Additionally, there have not been funds to support enhanced employer/business services, therefore, marketing toward this group did not seem warranted. With this being said, the value added to the community of the Job Connection services would be greatly enhanced by increasing its visibility to all parts of the Valley and to business.

RECOMMENDATION #4: Work with local service organizations and small business groups to inform more companies about available services. Develop a relationship with the county's newspapers and other media to obtain coverage about services and special

training programs. Publicity should be generated at the beginning of the fiscal year, when sufficient funds are available to serve those responding to that publicity. Religious newsletters and local market bulletin boards may be used to reach the public. Job Connection should access free public service announcements when available.

Response - Health & Human Services Agency: The recommendations are appropriate and in the process of being further developed and implemented. The Job Connection has a marketing plan and materials ready for strategic dissemination. HHS/TEC staff is working with the WIB and its Executive Director to confirm population(s) most in need of WIA services and outreach will be targeted accordingly. Additionally, preliminary discussion has ensued with staff of the Work Connection in St. Helena to review possibilities for coordination of services. There is a plan to have similar contact in Calistoga and American Canyon. Finally, HHS/TEC received additional funding to work with local business to develop a strategic plan for the provision of HR services, primarily for small to medium businesses. Funding is being sought from the Department of Labor that will enable HHS/TEC and the Job Connection to implement this strategic plan.