

**Proposed Consolidation of the Departments of Health,
Human Services, Aging and Drug and Alcohol Programs
Joint Hearing
April 13, 2017**

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- Thank you for the opportunity to provide testimony regarding the proposal for the unification of Pennsylvania's provision of Health and Human Services to its citizens.
- The consolidation of the Departments of Aging, Health, Human Services, and Drug and Alcohol Programs is recognized as a transformative move for State government with a goal for cost reduction while providing a more effective way of delivering the services to constituents and stakeholders.
- Consolidating the various departments and programs, while a difficult decision, is also difficult to oppose noting the significant cost reduction provided to the Commonwealth and in light of the current State budget deficit and the need to balance next year's budget.
- Health care has faced similar operating decisions due to cuts in payments, patient care provided but payment denied by payers, and the ongoing retooling of the delivery system to meet the demands of the emerging population health world where health providers are at risk to provide care efficiently (at low cost and in the appropriate setting) and provide care at high value (appropriate service amount and desired outcome) or payment is denied. This new approach to payment has led to consolidations in physician practices and hospitals and the adoption of LEAN management principals supported by analytics from advanced

information technology systems. The goal is twofold; more efficient use of scarce resources and more effective service delivery for the patients.

Noting the above, it appears the State proposal is striving to achieve the same goals with the proposed departmental and program consolidation.

- The one concern I wish to express is regarding the size and scope of the consolidation. Creation of such an agency by combining the departments of Health, Human Services, Aging and the Drug and Alcohol Programs may create a larger bureaucracy and lack of responsiveness than the bureaucracy and service delivery it purportedly plans to replace. Further, while the Departments of Human Services, Aging and Drug and Alcohol Programs are first and foremost focused on the clients as individuals in need of such services, a critical component of the Department of Health is focused on the providers of health services – the hospitals, skilled nursing facilities – with licensure and facility requirements and statutes. Granted that patient complaint investigation resolution is a current responsibility of the DOH, the traditional role of the Department has been oversight and safeguarding of the clinical and medical delivery of services in the Commonwealth.

How will this oversight and safeguarding role in the proposed consolidation be delivered in the future is of interest to the health providers in the Commonwealth.

Thank you for the opportunity to impart my initial thoughts on the proposal.