

CHALLENGES FOR
CHANGE:

QUARTERLY PROGRESS
REPORT

TO THE JOINT LEGISLATIVE
GOVERNMENT ACCOUNTABILITY
COMMITTEE

JULY 1, 2010



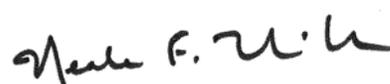
State of Vermont
Agency of Administration
Office of the Secretary
Pavilion Office Building
109 State Street
Montpelier, VT 05609-0201
www.adm.state.vt.us

[phone] 802-828-3322
[fax] 802-828-3320

Agency of Administration

MEMORANDUM

TO: Joint Legislative Government Accountability Committee
Joint Fiscal Committee
Chairs of the House and Senate Committees of Jurisdiction

FROM: Neale F. Lunderville, Secretary of Administration 

DATE: July 1, 2010

RE: *Challenges for Change* Quarterly Progress Report

Attached you will find the first *Challenges for Change* Quarterly Progress Report as specified by Sec. H4 of Act 146 of the 2009-2010 Session of the Vermont General Assembly. This report is designed as an update on the implementation of Challenges for Change with a special focus on the outcomes and measures specified in the Act. The Administration will present this report to the Joint Legislative Government Accountability Committee (JLGAC) on July 12th.

The measures detailed in this report are those proposed by the Administration in the March 30th progress report delivered during the legislative session. JLGAC asked us to use these measures for this report; however, after consulting with committees of jurisdiction, JLGAC may request different measures for some of the outcome. We hope you will take the time to see if these particular measures will serve to enable legislative oversight of outcomes or whether different measures are required.

In general, there has been solid progress in the limited time since the legislation was enacted; in the future, it will be possible to track progress through changes in measures. Agencies and departments have done an exceptional job of parsing the final legislation and developing work plans to meet the outcomes and savings targets specified. It is important to remember that this is the beginning of the implementation phase of Challenges and much more work is required to achieve our shared objectives. We will continue to outline progress towards the legislatively-mandated outcomes in future quarterly reports.

Thank you for continued support and collaboration on this important endeavor. We welcome your questions on this report and look forward to our conversations on July 12th.

TABLE OF CONTENTS

Report Language from Act 146.....	4
Charter Units	6
a. Department of Taxes	7
b. Department of Forest, Parks and Recreation	11
c. Department of Liquor Control	17
d. Department of Labor	19
e. Department of Buildings and General Services	22
Performance Contracts	25
Regulatory	29
Economic Development.....	41
Agency of Human Services Including Corrections	44
a. Integrated Family Services Workshop	45
b. DCF – Integrated Family Services – Child Development Division	48
c. Modernization of Child Care Eligibility	51
d. Office of Child Support – Sheriff, New Hire, and License Suspension	54
e. DCF – Reach Up Intensive Family Engagement	56
f. Disability and Aging Services Workgroups	58
g. Employment Workgroup – Creative Workforce Solutions	63
h. Department of Mental Health Workgroup.....	68
i. DVHA – Direct Care Coordination Expansion	77
j. DVHA – Blueprint for Health Expansion	80
k. DVHA – 340B Expansion	83
l. DVHA – Hospital-sited Outpatient Clinics	86
m. DVHA – Clinical Utilization Review Board	89
n. Department of Corrections.....	93
o. AHS Community Based Initiatives Request for Proposals	98
p. RFP with Designated Agencies for Services to Persons in Correction with Serious Functional Impairments.....	101
Education	104

REPORT LANGUAGE FROM ACT 146

Language from Act 146 (Challenges for Change)

Sec. H4. QUARTERLY REPORTING AND IMPLEMENTATION

(a) On a quarterly basis, beginning with July 1, 2010, the administration shall report to the chairs of the house and senate committees of jurisdiction, the joint legislative government accountability committee, and the joint fiscal committee. Each report shall include a statement of the measures and milestones summarized by the government accountability committee for that Challenge, a brief summary of milestones met and progress made in that Challenge, and the data collected to measure that progress. Reports shall also include any modifications or additions proposed for the plan of implementation, and how these modifications or additions are designed to achieve the outcomes for that Challenge.

(b) The committees of jurisdiction may meet during the interim at the call of the chair to receive and discuss the reports required under this section, and may report each quarter to the government accountability committee as to whether satisfactory progress is being made on each Challenge, and whether any proposed changes in the plan of implementation appear designed to achieve the required outcomes.

(c) The redesign of how to provide government services shall be achieved through innovative, outcome-driven changes in service delivery and performance which create better methods for providing government services, while spending less money and achieving the outcomes specified in the Challenges for Change Act.

(d) The governor, in achieving the outcomes and associated savings under this act and the Challenges for Change Act, may not reduce government benefits or limit benefit eligibility; and may not reduce personnel unless the personnel reduction is a direct consequence of achieving the required outcomes under the Challenges plan. The administration shall engage the direct participation of service recipients, their families, service providers, and other stakeholders to develop additional Challenges that will meet in full the outcomes and fiscal goals of the Challenges for Change Act and this act, and include a report of these additional Challenges in its July 2010 quarterly report.

CHARTER UNITS

Charter Units: Department of Taxes

July 1, 2010

1 Outcomes and Measures

1.1 Increase collection of income tax

Measure	More personal income tax revenue owed that is collected, as measured by the amount of income tax revenues above the amount currently estimated.
Current Value	Various.
Source	Revenue reports.
Update Frequency	Quarterly
Comment	

1.2 Improve taxpayer satisfaction

Measure	Greater taxpayer satisfaction, as measured by customer surveys of the specific categories of taxpayers.
Current Value	Various.
Source	Survey responses
Update Frequency	Annual
Comment	

2 Reconciliation of activities proposed in 1st progress report

2.1 Electronic filing of W-2s

Disposition In Session	Necessary legislative authority granted.
Changes in Activity Plan	No change to activity plan
Change in FY11 Savings Target	No change in FY11 savings target
Use of FY10 Investment Funds	Possible use of investment funds.

3 New approved activities since first progress report

3.1 Purchase secure e-mail

Description	Purchase secure e-mail for department employees.
Benefits	Secure email will allow transmission of taxpayer data via e-mail providing a quicker response time for taxpayers and saving the Department postage costs.
Related FY11 Savings Projection	\$25,000
Related Use Investment Funds	Tax will be applying for money to purchase the licenses (approximately \$9000)

3.2 Electronic Filing of W-2s by Employers and/or Payroll Services

Description	Electronic Filing of W-2s by Employers and/or Payroll Services
Benefits	Will mandate submission of W-2s to the Department in an electronic format. What is currently a very labor and paper-intensive process will be streamlined allowing the Department to more effectively track anomalies and will likely eliminate the need for a temporary employee to process these returns.
Related FY11 Savings Projection	\$5,000 - \$10,000
Related Use Investment Funds	N/A

3.3 On-Line Business Portal Application

Description	On-Line Business Portal Application
Benefits	Application would allow any person or entity registering to do business in Vermont the capability of providing that information electronically to a centralized business portal. The receipt of data electronically would allow the Department to save the manual input of that data from a paper form into its computer system.
Related FY11 Savings Projection	\$60,000-\$70,000
Related Use Investment Funds	

3.4 Data Warehouse

Description	Data Warehouse
Benefits	Data Warehouse would allow the Department to enhance revenue collections from personal income tax non-filers.
Related FY11 Savings Projection	Unknown at this time
Related Use Investment Funds	N/A

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 **N/A**

5 Inreach

5.1 **Employee communication/involvement activities through report date**

Date	Description
Ongoing	The Department involves its directors at a weekly staff meeting. All directors were asked for input into possible charter unit initiatives. The Directors involve their staffs in division staff meetings. Input is encouraged at all levels. In addition, the Department has a “production” meeting bi-weekly at which current technical issues are discussed. The production meeting also serves as the place where enhancements to department systems are discussed and prioritized.

5.2 **Employee communication/involvement activities planned for next quarter**

Date	Description
Ongoing	As the Challenge initiatives become formalized, they will be shared with everyone through the above or through communication with the entire department. The Department will continue its standing practice of asking for input from employees.

6 Outreach post legislative session

6.1 **Stakeholder communication/involvement activities through report date**

Date	Description
N/A	At this point the Department has not engaged in outreach.

6.2 **Stakeholder communication/involvement activities planned for next quarter**

Date	Description
N/A	When dates for the initiatives above are formalized outreach will be developed.

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 **N/A**

8 Legislative reports pursuant to Challenges legislation

8.1 **Compliance and Collection (Sec. B8)**

Recipient House Committee on Ways and Means
Senate Committee on Finance
Date Due January 15, 2011
Date Delivered
Link

8.2 **Electronic Filing of Tax Returns (Sec. B9)**

Recipient House Committee on Ways and Means
Senate Committee on Finance
Date Due January 15, 2011
Date Delivered
Link

Charter Units: Department of Forest, Parks and Recreation

July 1, 2010

1 Outcomes and Measures

1.1 Generate entrepreneurial revenue

Measure	Increase Park Revenue by 5% per year to compensate for decreased Park General Fund Expenditures
Current Value	Target: \$212,000 by June 30, 2011
Source	Financial monitoring reports
Update Frequency	Monthly
Comment	None

1.2 Produce outcomes for Vermonters that are the same or better than outcomes delivered prior to redesign

Measure	Total park utilization increase of 10% per year
Current Value	Target: \$73,000 by December 31, 2010
Source	Park visitation tracking
Update Frequency	Weekly
Comment	None

1.3 Diversification of revenue to compensate for decreased Forestry General Fund

Measure	Increase forestry revenue by 5% per year
Current Value	Target: \$161,000 by June 30, 2011
Source	Financial monitoring reports
Update Frequency	Monthly
Comment	None

2 Reconciliation of activities proposed in 1st progress report

2.1 Develop more effective, targeted, system-wide promotional efforts for Parks

Disposition In Session	No legislative authority required
Changes in Activity Plan	No change to activity plan
Change in FY11 Savings Target	No change in FY11 savings target
Use of FY10 Investment Funds	\$25,000 approved of FY10 investment funds for targeted marketing initiative

2.2 Boost outreach and cross-promotional opportunities with local community-based enterprises

Disposition In Session No legislative authority required

Changes in Activity Plan No change to activity plan

Change in FY11 Savings Target No change in FY11 savings target

Use of FY10 Investment Funds No FY10 investment funds

2.3 Provide an incentive system to seasonal staff to build and maintain expanded community relationships

Disposition In Session No legislative authority required

Changes in Activity Plan Working with the Commissioner of Human Resources to implement an incentive system. FPR has proposed a basic, straight-forward program.

Change in FY11 Savings Target No change in FY11 savings target

Use of FY10 Investment Funds No FY10 investment funds

2.4 Improve technology for marketing and sales of campsite reservations, season passes, punch cards and merchandise

Disposition In Session No legislative authority required

Changes in Activity Plan No change to activity plan

Change in FY11 Savings Target No change in FY11 savings target

Use of FY10 Investment Funds FY10 investment funds approved to improve customer interface features in the on-line Parks reservation and bookkeeping system (VPark)

2.5 Develop an internet-based data management system

Disposition In Session No legislative authority required

Changes in Activity Plan No change to activity plan

Change in FY11 Savings Target No change in FY11 savings target

Use of FY10 Investment Funds Potential for FY10 investment funds

2.6 Augment seasonal staff levels to improve guest experiences and allow fulltime staff to prioritize state lands stewardship activities

Disposition In Session	No legislative authority required
Changes in Activity Plan	Forestry is working to recruit five seasonal forestry technicians to assist in the management of state lands.
Change in FY11 Savings Target	No change in FY11 savings target
Use of FY10 Investment Funds	No FY10 investment funds

2.7 Implement a fleet management pilot project in Essex District

Disposition In Session	No legislative authority required
Changes in Activity Plan	Cancelled. Due to negligible savings and high administrative costs, FPR is dropping this initiative from the charter unit plan.
Change in FY11 Savings Target	No change in FY11 savings target
Use of FY10 Investment Funds	No FY10 investment funds

2.8 Collaborate with Fish & Wildlife to leverage additional cross-promotional opportunities

Disposition In Session	No legislative authority required
Changes in Activity Plan	No change to activity plan
Change in FY11 Savings Target	No change in FY11 savings target
Use of FY10 Investment Funds	No FY10 investment funds

2.9 Flexibility to use Special Funds for Operational Investments

Disposition In Session	Necessary legislative authority granted
Changes in Activity Plan	No change to activity plan
Change in FY11 Savings Target	No change in FY11 savings target
Use of FY10 Investment Funds	No FY10 investment funds

2.10 Ability to reinvest proceeds of the sale of surplus FPR land into priority capital investments

Disposition In Session Legislative authority denied
Changes in Activity Plan Fiscal impact: no funds available to reinvest in capital improvements
Change in FY11 Savings Target
Use of FY10 Investment Funds

2.11 Authority for the Commissioner of FPR to set fees through an exemption from, or through an abbreviated form of, rulemaking

Disposition In Session Legislative authority denied
Changes in Activity Plan
Change in FY11 Savings Target
Use of FY10 Investment Funds

2.12 Streamlining of the AA-1 Process

Disposition In Session Necessary legislative authority granted
Changes in Activity Plan No change to activity plan
Change in FY11 Savings Target No change in FY11 savings target
Use of FY10 Investment Funds \$25,000 approved of FY10 investment funds for targeted marketing initiative

2.13 Eligibility to receive reimbursement for staff time associated with enforcement of water quality, AMP, Act 250 or Heavy Cut regulations

Disposition In Session Legislative authority denied
Changes in Activity Plan Fiscal impact: FPR must absorb the costs of enforcement within existing budget
Change in FY11 Savings Target
Use of FY10 Investment Funds

3 New approved activities since first progress report

3.1 **No new activities to report.**

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 **No RFPs to report.**

5 Inreach

5.1 **Employee communication/involvement activities through report date**

Date	Description
Ongoing	FPR management team meetings
May 4–6, 2010	State parks key seasonal staff training
June 9, 2010	Forestry management team meeting
June 16, 2010	Parks management team meeting
June 21, 2010	Communication to Forestry Staff

5.2 **Employee communication/involvement activities planned for next quarter**

Date	Description
Ongoing	FPR management team meetings
July 14th	Parks management team meeting
August 11th	
September 9th	
As needed	Communication to all staff with implementation details
Last week of September	FPR annual meeting

6 Outreach post legislative session

6.1 **Stakeholder communication/involvement activities through report date**

Date	Description
Ongoing	Meetings with administration officials

6.2 **Stakeholder communication/involvement activities planned for next quarter**

Date	Description
Ongoing	Meetings with administration officials

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 **N/A**

8 Legislative reports pursuant to Challenges legislation

8.1 **N/A**

Charter Units: Department of Liquor Control

July 1, 2010

1 Outcomes and Measures

1.1 Generate entrepreneurial revenue

Measure	Generate revenue through sales of gift cards at State Liquor Outlets
Current Value	Target: Revenue neutral in FY 2011 and \$50,000 in FY 2012; benchmark based on New Hampshire Liquor Commission gift card sales.
Source	Sales reports
Update Frequency	Monthly
Comment	None

2 Reconciliation of activities proposed in 1st progress report

2.1 Implement gift card program in State Liquor Outlets

Disposition In Session	Necessary legislative authority granted
Changes in Activity Plan	No change to activity plan
Change in FY11 Savings Target	No change in FY11 savings target
Use of FY10 Investment Funds	Potential for FY10 investment funds

3 New approved activities since first progress report

3.1 No new activities to report.

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 No RFPs to report. None required.

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
Ongoing	Department of Liquor Control Retail Management team meetings

5.2 **Employee communication/involvement activities planned for next quarter**

Date	Description
Ongoing	Department of Liquor Control Retail Management team meetings
Ongoing	Communications/meetings with Liquor Agents
Ongoing	Contracting for services: Debbie Damore, Purchasing and Contracting, Buildings and General Services
As needed	IT component: Department of Innovation & Information

6 **Outreach post legislative session**

6.1 **Stakeholder communication/involvement activities through report date**

Date	Description
Ongoing	Conference calls/conversations with TD Bank, Bank of America and Key Bank
May & June 2010	Conversations with Treasurer's Office (re: returned property), BISHCA (potential processors), Vermont Bankers Association (statutes pertaining to gift certificates)
Ongoing	Conversations with DII, Tendercard (card processor for TD Bank), First Data (card processor for Bank of America)

6.2 **Stakeholder communication/involvement activities planned for next quarter**

Date	Description
Ongoing	Meetings with administration officials & outside processors as needed

7 **Board Appointments pursuant to Challenges legislation if applicable**

7.1 **N/A**

8 **Legislative reports pursuant to Challenges legislation**

8.1 **Report required by Act 146, Sec. B6 (4)**

Recipient	House Committee on General, Housing and Military Affairs
Date Due	January 15, 2011 and January 15, 2012
Date Delivered	
Link	liquorcontrol.vermont.gov

Charter Units: Department of Labor

July 1, 2010

I Outcomes and Measures

1.1 Improve Worker's Compensation program.

Measure 1	Faster resolution of disputed worker's compensation claims
Current Value	The resolution time of all claims has not been tracked in the past. Only the time period between referral to the formal hearing docket and the final decision has been tracked, and not consistently. The ultimate result of this project will allow tracking of all claims from first report of injury to resolution.
Source	The length of time will be calculated using the database ultimately developed.
Update Frequency	Not available at this time.
Measure 2	More accurate and timely receipt of the benefits to which they are entitled
Comment	If we are able to develop a system that will allow electronic filing of information by insurers we will be able to track this.
Source	The length of time will be calculated using the database ultimately developed.
Update Frequency	Not available at this time
Measure 3	More timely payment of medical bills
Current Value	This information was not reported to the department in the past, but recent legislative changes establishing specific time frames in which to accept or reject a medical claim, and requiring notice to the department when it does so will permit the department to begin tracking this.
Source	The length of time will be calculated using the database ultimately developed. Denials of medical bills are now being entered into the existing database and will be tracked.
Update Frequency	Not available at this time
Measure 4	A stabilized W.C. special fund assessment on insurance premiums. Develop opportunities to move approximately \$308,212 of general fund expenditures for investigator positions to the special fund assessment and still stabilize the assessment
Current Value	Insurers report the total amount of workers' compensation premium written to BISHCA and VDOL each year. The assessment is then established assuming level funding. The assessment must be approved by the Legislature annually.
Source	Information is reported by W.C. insurers and by NCCI. The assessment calculation is established in statute
Update Frequency	Annual

2 Reconciliation of activities proposed in 1st progress report

2.1 Electronic Filing

Disposition In Session	VDOL requested statutory authority to require electronic filing of insurance company reports and the ability to specify what constitutes a valid electronic signature. This authority was granted in Act 146 Section B17.
Changes in Activity Plan	N/A
Change in FY11 Savings Target	No change. As explained in the accepted charter unit proposal no immediate savings are likely until the new system is implemented at least 2012
Use of FY10 Investment Funds	VDOL has requested \$78,000 to use to hire a business process improvement (BPI) consultant. This was approved. The request for money for the development of a new database is not approved at this time – it was hoped that DII may be able to perform some of the work that is necessary.

3 New approved activities since first progress report

3.1 Map and streamline existing processes

Description	With the assistance of a BPI consultant evaluate our existing processes and streamline them consistent with statutory and due process requirements. Working on selection of a BPI vendor. Four possible vendors have been identified and are being contacted for proposals. Approved list is comprised of vendors responding to a state Request for Qualification issued last spring to provide services in the areas of Business Process Improvement (BPI) and Performance Management. Thirty-eight vendors have been pre-qualified to date.
Benefits	If processes are streamlined, existing staff can be moved to other roles in the worker's compensation system.
Related FY11 Savings Projection	None
Related Use Investment Funds	Up to \$78,000

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 Process Improvement Consultant

Description	Under the streamlined process a formal RFP is not required since any contract will be under \$100,000. VDOL is contacting 4 vendors on the approved list seeking proposals.
Link	N/A
Date	N/A
Last Response Date	N/A
Selection Made	N/A
Significant Issues & Lessons Learned	N/A

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
Ongoing	All workers' compensation employees have been told about the charter unit plan and the desired outcomes. The plan itself is based at least in part on staff suggestions provided over the last few years. The Charter unit is discussed at regular staff meetings (once a month during legislative session and twice a month since). Staff will be an integral part of the process

5.2 Employee communication/involvement activities planned for next quarter

Date	Description
Ongoing	Workers' compensation staff will work directly with the BPI consultant in the evaluation of our processes.

6 Outreach post legislative session

6.1 Stakeholder communication/involvement activities through report date

Date	Description
January - May 2010	During the legislative session the charter unit concept was discussed in general terms with lobbyists for insurers, NCCI, the VDOL Labor-Management Advisory Council, and the workers' compensation bar. The Charter unit concept was reported to workers' compensation insurance adjusters at the adjuster training conference in May. To date discussions have been general and more of an overview of the approach and the outcome goals.

6.2 Stakeholder communication/involvement activities planned for next quarter

Date	Description
Ongoing	Continued education and outreach of worker's comp community.

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 N/A

8 Legislative reports pursuant to Challenges legislation

8.1 N/A

Charter Units: Department of Buildings and General Services

July 1, 2010

1 Outcomes and Measures

1.1 Eliminate Redundancies and Streamline Processes

Measure	To reduce the State's postal services costs in Central Vermont by 10% from the previous year and ensure State employees use the most economical means of travel and reduce overall vehicle travel requirements to save \$750,000.
Current Value	\$1.25 million total across all of the Executive Branch of State Government in FY11.
Source	Vision and Internal service fund financial reports
Update Frequency	Semiannually
Comment	N/A

2 Reconciliation of activities proposed in 1st progress report

2.1 Property Sale/Lease Back Proposal

Disposition In Session	Legislature did not grant this authority.
Changes in Activity Plan	
Change in FY11 Savings Target	
Use of FY10 Investment Funds	

3 New approved activities since first progress report

3.1 Fleet Management

Description	Reforms to fleet management activity.
Benefits	BGS intends to reduce spending requirements for general service activities by an additional \$750,000.
Related FY11 Savings Projection	\$750,000
Related Use Investment Funds	N/A

3.2 **Tenant Committee**

Description	Pursuant to BGS Tiger Team report, Executive Order No. 03-10 (Inter-Agency Tenant Committee for State-Owned Space)
Benefits	Allows users of state space to more effectively collaborate with BGS to manage space costs through space consolidation, service levels, energy efficiency, etc
Related FY11 Savings Projection	Not allocated at this time.
Related Use Investment Funds	N/A

4 **RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported**

4.1 **N/A**

Description	N/A
Link	N/A
Date	N/A
Last Response Date	N/A
Selection Made	N/A
Significant Issues & Lessons Learned	N/A

5 **Inreach**

5.1 **Employee communication/involvement activities through report date**

Date	Description
Biweekly	Significant data collection with meetings Fleet Management and Postal Center personnel.

5.2 **Employee communication/involvement activities planned for next quarter**

Date	Description
Biweekly	Continued meetings and discussion

6 **Outreach post legislative session**

6.1 **Stakeholder communication/involvement activities through report date**

Date	Description
June 10, 2010	BGS met with Department of Labor to discuss their mailroom activities and costs.

6.2 **Stakeholder communication/involvement activities planned for next quarter**

Date	Description
Ongoing	BGS is reaching out to DCF, DMV, Labor, and Tax for customer education.

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 **N/A**

8 Legislative reports pursuant to Challenges legislation

8.1 **N/A**

PERFORMANCE CONTRACTS

Performance Contracting and Grant Making

July 1, 2010

1 Outcomes and Measures

Increase the use of performance contracts with the goal of converting \$70 million of contracts to performance-based contracts; Contractors and grantees meet performance targets specified in contracts.

- 1.1 Instituting the philosophy and adopting the practice of Performance Contracting and Grant Making will result in better outcomes for Vermonters receiving services; more clearly defined goals for consultants, contractors, and community partners; more efficient and effective programs for the same or less money; and a more transparent and responsive government. Aligning contracts and grants by evaluating them based on performance indicators and outcomes will provide a more cohesive approach to contracting and grant making.

Measure	Increase the use of performance contracts; meet performance targets specified in contracts
Current Value	\$140 million of contracts and/or grants are current under review for performance measures and savings. Not included: AOT transportation related contracts and programmatic contracts that are part of the Human Services Challenges – albeit there are contracts performance measure .
Source	Data identified and received from departments/agencies of the state
Update Frequency	Quarterly
Comment	No alternative needed

2 Reconciliation of activities proposed in 1st progress report

- 2.1 **N/A**

3 New approved activities since first progress report

3.1 Performance Measures

Description Various teams have been established to support the statewide effort of this challenge. Teams include a Steering Team that will lead the process and provide guidance, perform oversight, coordination between the various teams, approve individual challenge teamwork, etc. Individual Challenge Teams such as the Contract and Grant Challenge Team as well as subcommittees will have a core group of contract or grant experts, administrative staffing, and other members who will come and go depending on which area of government the focus is on.

There has been on-going communication and/or collaboration with the Performance Measure Team to standardize Performance Measure terminology and method and produce document.

PIEmatrix software has been identified as a management and tracking tool;

a purchase agreement is currently being negotiated. The State of Vermont Contract Summary and Certification (Form AA-14) is being updated in order to capture data pertaining to whether or not a contract and/or grant has been identified as having performance measures and the % of state funding slated to pay for the contract. The statewide financial VISION system is being modified to accommodate the entry and reporting of the new data.

A survey was released June 29, 2010 to Business Managers requesting information as to how grants are tracked; responses are due back July 9, 2010.

Related FY11 Savings Projection	\$2.6 million
Related Use Investment Funds	\$22,500

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 RFP title and citation from legislation

Description	N/A
Link	N/A
Date	N/A
Last Response Date	N/A
Selection Made	N/A
Significant Issues & Lessons Learned	N/A

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
April 8-9, 2010	Communication was sent to all Department Heads informing of challenge and that cooperation with Steering Team is requested. Introductory generalized training was provided April 8-9 to approximately 40 primarily AHS contract and grant managers on how to include performance measures in RFPs and, by extension, in contracts.
May/June, 2010	In advance of formal training still under development, members of the steering team met individually with several departmental groups responsible for contract writing to provide a "cliffs notes" version of the training. This has enabled these staff members to understand the basic tenants of performance measures to begin the inclusion of measures in some of their contracts.

5.2 Employee communication/involvement activities planned for next quarter

Date	Description
September 2010	Formal detailed, specific State of Vermont focused training and tools are being developed with implementation and sessions slated for early autumn. The target audience is contract and grant managers, agreement writers, and

business managers. An executive version of the training we be developed; target audience is reviewers (supervisors, budget analysts) and approvers (Secretaries, Commissioners, designees) of contracts and grants.

6 Outreach post legislative session

6.1 Stakeholder communication/involvement activities through report date

Date	Description
On-going	There is on-going communication with Challenge Team Members, stakeholders, and community members to discuss implementation process of performance measures. Contact has also been maintained with the Human Services Challenge lead for coordination purposes and to avoid duplication of efforts.

6.2 Stakeholder communication/involvement activities planned for next quarter

Date	Description
July 2010	Steering Committee as well as small group meetings to review and discuss cost savings analysis
September, 2010	Begin statewide training rollout

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 **N/A**

8 Legislative reports pursuant to Challenges legislation

8.1 **N/A**

REGULATORY

Regulatory Challenge

July 1, 2010

1 Outcomes and Measures

1.1 **Permitting and licensing processes achieve environmental standards and are clear, timely, predictable, and coordinated.**

Measure 1 Applications and renewals are processed more quickly, meeting statutory and internal permit processing times.

Current Value Numerous values within reports. See source below.

Source NRB permit processing times and standards are published here:
<http://nrb.state.vt.us/lup/publications/performance.pdf>
ANR permit processing times and standards are published here:
<http://www.anr.state.vt.us/dec/enb/2009PEPReport.pdf>

Update Frequency Annual

Comment

Measure 2 Phosphorus in Lake Champlain is decreased

Current Value This measure was withdrawn during the legislative session based on discussions with the committees of jurisdiction. The cleanup of Lake Champlain was addressed in stand alone legislation and not the Challenges for Change bill.

Source

Update Frequency

Comment

Measure 3 Vermont air quality program tracks federal program for Green House Gases

Current Value No present or anticipated numeric value; this will be a qualitative assessment

Source

Update Frequency Quarterly

Comment

Measure 4 Fewer permits are needed for the same activity.

Current Value This measure was dependent upon legislative authority being granted for several alternative permitting methods to include permit by rule and broader general permitting authority. These legislative authorities were not granted.

Source

Update Frequency

Comment

1.2 **Applicants are able to readily determine what permits and licenses are needed and what information must be submitted.**

Measure 1	Permitting and Licensing Web Portal is used by the majority of citizens seeking information about permits and licenses.
Current Value	No numeric value available; Permitting and Licensing Web Portal Working Group has been appointed and is working with VIC staff to develop portal ; unique web portal hits will be tracked once web portal is established.
Source	VIC
Update Frequency	Quarterly
Comment	We will be able to measure the number of unique hits to the Portal, and common sense indicates that the existence of the Portal will increase access to and use of information by citizens. In order to determine whether the majority of citizens are using the Portal, it is necessary to determine a total number of all inquiries (i.e. in person, phone, email, etc) . The ANR permit assistance program is a primary point of contact for permit information but is not the only source, as citizens go directly to permit program staff. The ANR permit assistance program will develop a baseline of these inquiries. Once the Portal is operational, ANR and NRB will begin comparing the number of inquiries received by each agency through traditional methods (in person, phone, email) with the number of inquiries received through the Portal.
Measure 2	Incomplete applications to regulatory agencies are reduced after Electronic Case Management Systems and Web Portals have been implemented.
Current Value	Current numeric value is unavailable. Permitting and Licensing Web Portal Working Group has been appointed and is working with VIC staff to develop portal. DII is managing cross-agency initiative to identify and deploy Electronic Case Management System, which will facilitate reporting of incomplete application data. The baseline numeric value for incomplete applications will be established at the time the Case Management System(s) are implemented.
Source	ANR and NRB Case Management Systems
Update Frequency	Annually
Comment	To measure a reduction, we would first have to know the number of applications that are presently being returned or rejected as incomplete; however, we do not now keep this data and therefore have no present baseline from which to measure any reduction.
Measure 3	Notice of state permitting requirements on local applications and permits increases citizen awareness.
Current Value	No numeric value available. In conjunction with VLCT, ANR is developing draft language for the municipal notice. By October 1, 2010 DEC will complete outreach and assistance to municipalities regarding the notice requirements and efficient methods for applying the notice to forms. [Original target date for this action was November 1, 2010.]
Source	
Update Frequency	Quarterly
Comment	Several towns already include a notice on local zoning and subdivision permits that state permits may be required for the proposed project. The

DEC Permit Assistance Specialists are aware that inquiries coming from these towns are greater than those from towns that do not give such notice. This program will develop a listing of those towns that will provide this notice in the future but that do not currently provide the notice. The source of inquiries will be tracked after November 2010 (the notice requirement is in effect in October 2010) with a goal of assessing a rate of increase from the new notice towns. Initially, this assessment will be qualitative.

Measure 4	Staff time is redeployed from ministerial functions to customer service and technical assistance.
Current Value	Legislative authority has been granted to ANR and the Agency of Agriculture to change certain permits terms and thresholds, effective July 1, 2010. ANR will be reporting on October 1, 2010 regarding its “plan of how ANR shall reallocate staff and resources in response to administrative or permitting efficiencies created through authorities under the Act.” (See Sec. 8.1 below.) AAFM registration and licensing staff currently spend 85% of their time on ministerial duties.
Source	ANR and AAFM
Update Frequency	Future progress reports will address the resulting program efficiencies.
Comment	

1.3 Permit and enforcement processes enable people to understand and comply with environmental and agricultural laws.

Measure 1	Compliance increases as permittees are required to give attention to permit terms.
Current Value	No numeric value is currently available. Legislative authority has been granted to enable NRB, ANR, and AAFM to require permittees to certify compliance with their permits through affidavits of compliance, effective July 1, 2010; similar authority has been granted to PSB for their Certificates of Public Good. Increased rates of compliance will be assessed as of July 1, 2011.
Source	
Update Frequency	Annually
Comment	We would only be able to measure whether the use of affidavits of compliance has increased compliance by (1) finding present violations, (2) not addressing such violations (requiring compliance) immediately upon their discovery, (3) sending demand letters that require those in violation to certify compliance, and (4) revisiting those sites that we have found to be in violation to determine whether the violation has been corrected, possibly as a result of the demand for a certification. We do not believe that this is a wise use of staff time or enforcement resources.
Measure 2	There is a decrease in enforcement cases/costs in which lack of understanding of state permit requirements plays a role in the cause of the violation.
Current Value	No numeric value presently available. Permitting and Compliance Web Portal(s) under development will increase understanding of state permit

requirements; enforcement cases brought due to the failure to obtain a permit are expected to decrease as a result. Baseline numeric value (number of enforcement cases in CY 2010 in which lack of knowledge of state permit requirements was raised as a defense for projects commenced without a permit) will be established Jan. 1, 2011.

Source ANR and NRB Calendar Year 2010 enforcement reports
Update Frequency Annually
Comment

Measure 3 Education and outreach increases with the expenditure of Supplemental Environmental Program (SEP) funds

Current Value No numeric value presently available. Legislative authority has been granted to allow some penalty moneys to be used for enhancing public awareness of environmental laws, effective July 1, 2010; increased education and outreach efforts will be reported July 1, 2011.

Source ANR and NRB reporting of number of outreach and education initiatives funded by SEP funds
Update Frequency Annually
Comment

Measure 4 Participation in VLCT trainings by AAFM, DEC, and Act 250 improves citizens' understanding of regulatory requirements.

Current Value NRB, DEC, and AAFM are working with VLCT to develop appropriate trainings; progress will be reported on July 1, 2011.

Source ANR and NRB participation in VLCT trainings
Update Frequency Annually
Comment We have no baseline information as to what citizens presently know about regulatory requirements. Thus, we can report on the number of VLCT trainings that we attend, and we believe that participation in VLCT trainings will improve citizens' knowledge, but we have no means to quantitatively measure any such improvement.

1.4 **Permitting, licensing and environmental protection services are cost-effective and user friendly.**

Measure 1 More permits are issued as general permits and permits by rule.

Current Value Legislative authority was not granted for expanded permit by rule and general permit authority was further restricted.

Source
Update Frequency
Comment

Measure 2 Applicants use professional certifications to meet permitting requirements.

Current Value Legislative authority was not granted for this proposal.

Source
Update Frequency
Comment

Measure 3 Applicants submit more permit applications on line.
 Current Value DII is managing cross-agency initiative to identify and deploy Electronic Case Management Systems, enabling on line submission of permit applications; baseline numeric value will be established at the time the systems are implemented.
 Source Number of online applications submitted to ANR and NRB
 Update Frequency Annually
 Comment

Measure 4 Investigators from other state agencies refer more cases to environmental regulators for enforcement and compliance.
 Current Value Current value unavailable. In furtherance of this measure, ANR, NRB, and AAFM are working together to create a database of appropriate investigators who will be able to associate and attend cross-training sessions together in order to learn to identify potential problem areas related to other agencies' programs.
 Source Number of cross referrals received by ANR, NRB, AAFM
 Update Frequency Annually
 Comment

Measure 5 Service of process is accomplished more easily and less expensively.
 Current Value After 7/1/10 100% of service will be accomplished according to the new statutory provisions. (See 2.9 below).
 Source
 Update Frequency
 Comment

1.5 **Decision making is transparent and encourages citizen understanding and participation**

Measure 1 Online publication of register and rules increases citizen access and knowledge.
 Current Value Legislative authority was not granted for this initiative.
 Source
 Update Frequency
 Comment

Measure 2 Citizens use web portal to review notices and draft permits, read rules, determine hearing times, and make comments on proposed rules.
 Current Value Current numeric value is unknown.
 Permitting and Licensing Web Portal Working Group has been appointed and is working with VIC staff to develop portal.
 Rulemaking Portal prototype has been developed and approved by Secretary of State: <http://portal.vt.vdev.cdc.nicusa.com/SOS/rules/>.
 Rollout of this portal is anticipated in early to mid July.

Source	Number of unique hits to new web portal
Update Frequency	Quarterly
Comment	We presently have no portal that provides this discrete information. We believe that this establishment of this portal will increase citizen awareness and participation in the permitting and rulemaking process, but without baseline numbers, we cannot quantitatively measure any improvements or increased use. We know how many comments on rules we have received in prior rulemaking processes, but a comparison of number of comments pre- and post-implementation of the portal would be uninformative, as different rule proposals generate different responses and comment activity.

2 Reconciliation of activities proposed in 1st progress report

2.1 **Administrative Rules and Rulemaking: to revise the State APA to allow for expanded use of electronic data; put notices of rulemaking on state website rather than newspapers; have all state rules in one location and accessible for free; allow for electronic filing of proposed rules**

Disposition In Session	Necessary legislative authority granted in part; denied in part.
Changes in Activity Plan	Only the proposal concerning the on-line website notice of proposed rules was approved in part.
Change in FY11 Savings Target	Annual target savings (state-wide) were predicted to be \$96,900; it is anticipated that legislative amendments to proposed statutory changes will reduce these savings to approximately \$50,000.
Use of FY10 Investment Funds	None.

2.2 **Change permit terms for some AAFM permits, registrations and certifications to allow for increased efficiency in processing applications**

Disposition In Session	Necessary legislative authority granted.
Changes in Activity Plan	No significant changes.
Change in FY11 Savings Target	No target proposed.
Use of FY10 Investment Funds	None.

2.3 **Allow PSB to publish notice of certain applications and hearings on PSB website rather than newspaper**

Disposition In Session	Necessary legislative authority granted in part; denied in part.
Changes in Activity Plan	Legislation reduced, but did not completely eliminate, newspaper publication requirements, and it requires that for applications subject to full Section 248 review (but not for applications reviewed under the simplified

procedures of Section 248(j)) the notices must include a link to additional information about the application.

Change in FY11 Savings Target No target proposed.
Use of FY10 Investment Funds None.

2.4 Give ANR authority to issue General Permits, Permits by Rule, and Conditional Exemptions; authorize ANR to accept professional certifications

Disposition In Session Necessary legislative authority was not granted for expanded permits by rule and conditional exemptions. Existing general permit authority was further restricted.
Changes in Activity Plan Unable to implement due to denial of authority by Legislature.
Change in FY11 Savings Target No target proposed.
Use of FY10 Investment Funds None.

2.5 Authorize ANR to implement specific program efficiencies such as notice on website vs. newspaper, extending the term of some permits, and eliminating permit duplication

Disposition In Session Necessary legislative authority granted in part and denied in part.
Changes in Activity Plan All proposals, with the exception of the elimination of permit duplication, were approved and will be implemented when effective.
Change in FY11 Savings Target No target proposed.
Use of FY10 Investment Funds None.

2.6 Revise the permit threshold for Air Pollution Permits to track federal program

Disposition In Session Necessary legislative authority granted.
Changes in Activity Plan No significant changes.
Change in FY11 Savings Target No target proposed.
Use of FY10 Investment Funds None.

2.7 Provide authority to require people with existing permits to certify compliance with their permits

Disposition In Session Necessary legislative authority granted.
Changes in Activity Plan No significant changes.
Change in FY11 Savings Target No target proposed.
Use of FY10 Investment Funds None.

2.8 Allow some penalty moneys to be used for enhancing public awareness of environmental laws

Disposition In Session Necessary legislative authority granted.
Changes in Activity Plan No significant changes.
Change in FY11 Savings Target No target proposed.
Use of FY10 Investment Funds None.

2.9 Make method of service for enforcement orders consistent with the means of service for other court documents

Disposition In Session Necessary legislative authority granted.
Changes in Activity Plan No significant changes.
Change in FY11 Savings Target No target proposed.
Use of FY10 Investment Funds None.

2.10 Allow ANR and the NRB to retain that portion of a penalty that covers the actual costs of enforcement

Disposition In Session Necessary legislative authority granted.
Changes in Activity Plan No significant changes.
Change in FY11 Savings Target No target proposed.
Use of FY10 Investment Funds None.

2.11 Allow ANR to seek reimbursement of costs from an applicant before ANR, Act 250 and the PSB and from a person appealing in Environmental Court in limited circumstances

Disposition In Session	Necessary legislative authority granted in part and denied in part.
Changes in Activity Plan	Legislative authority for reimbursement in environmental court appeals denied.
Change in FY11 Savings Target	Annual target savings (state-wide) were predicted to be \$75,000; legislative amendments are not expected to change this target.
Use of FY10 Investment Funds	None.

2.12 Require local applications and permits to clearly state that a state permit may be required

Disposition In Session	Necessary legislative authority granted.
Changes in Activity Plan	No significant changes.
Change in FY11 Savings Target	No target proposed.
Use of FY10 Investment Funds	None.

2.13 Seek legislative authority to create cross-agency task forces and assign positions as required to implement the Challenge tasks and expectations

Disposition In Session	Authority was sought and granted across all challenges.
Changes in Activity Plan	No significant changes.
Change in FY11 Savings Target	No target proposed.
Use of FY10 Investment Funds	None.

3 New approved activities since first progress report

3.1 **N/A**

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 **N/A**

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
Ongoing	<p>AAFM: The Agency's proposals included in the TRC report (multi-year licensing, registrations and certifications) were originally developed by program staff, with significant input from line employees a few years ago. This concept has been discussed within the Agency for quite some time. Agency employees have been involved in coordinating these proposals and understand the changes that could occur as a result of their implementation.</p> <p>PSB: The Board's staff was briefed on the Challenges for Change process and given the opportunity to propose improvements to the PSB's processes, and to comment on those PSB improvements considered by the TRC. Also, certain initiatives under consideration have been the subject of extensive staff discussions long before the Challenges process. The implementation of the PSB's specific Challenges activity – changes to the notice requirements under 30 V.S.A. § 248 – was discussed at a staff meeting on June 7, 2010. Additional discussions about this activity have been ongoing among the specific staff who will be most involved in implementing the modified notice requirements.</p> <p>NRB: The entire NRB central office staff was directly involved in the Regulatory Challenge and began intensive meetings prior to the passage of the Challenges for Change legislation. Act 250 staff in NRB's five regional offices was also kept informed about the Challenges for Change process and provided input into ideas generated by NRB and other agencies.</p> <p>ANR: During the session ANR staff were involved as appropriate to efficiently provide detailed information. Shortly after the bill passage ANR formed a team that meets biweekly. One of the team's charges is to communicate Challenge progress to staff and obtain input as appropriate from staff.</p>

5.2 Employee communication/involvement activities planned for next quarter

Date	Description
Ongoing	<p>AAFM: The Agency has convened two workgroups to outline the conceived changes to licensing and registration programs to program staff, to discuss future milestones and to begin to identify potential roadblocks to successful implementation. As a result of these meetings, staff have begun to discuss which programs should be prioritized for transition to multi-year terms and what processes will need to be put in place to begin the transition.</p> <p>PSB: There will be continued discussions among the specific staff who will be most involved in implementing the modified notice requirements. Once the changes are implemented, all staff will be briefed at a staff meeting (likely to be June 28 or July 6, 2010).</p> <p>NRB: NRB will continue to keep its central and regional office staff involved as the Challenges for Change implementation process continues.</p> <p>ANR: The ANR Challenges team will continue to meet biweekly and will keep staff both informed and involved as the implementation process continues.</p>

Staff in the Waste Management Division; Air Pollution Division; Compliance and Enforcement Division; Municipal Compliance and Permit Assistance programs will be more directly involved as there are specific initiatives requiring that involvement. .

6 Outreach post legislative session

6.1 Stakeholder communication/involvement activities planned for next quarter

Date	Description
Ongoing	Web Portal: Outreach to the regulated community planned after prototype of Permitting Web Portal is developed. NRB, DEC, and AAFM are working with VLCT to develop appropriate outreach to towns; future progress reports will address this initiative.

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 N/A

8 Legislative reports pursuant to Challenges legislation

8.1 Section F31(b): Requires that the secretary of ANR report with a plan of how ANR shall reallocate staff and resources in response to administrative or permitting efficiencies created through authorities under the Act.

Recipient	Report is to the chairs of house and senate committees of jurisdiction for the challenge.
Date Due	October 2010 Challenges Report
Date Delivered	
Link	

8.2 Section F33: "ANR Report on Anti-Degradation Implementation Rules."

Recipient	Committees of jurisdiction.
Date Due	30 days prior to filing with ICAR
Date Delivered	
Link	

ECONOMIC DEVELOPMENT

Economic Development Challenge

July 1, 2010

1 Outcomes and Measures

1.1 Sustainable Annual Increase in Employment and Income.

Measure	Vermont achieves a sustainable annual increase in nonpublic sector employment and in median household income.
Current Value	Median Household Income from the Census 2008 = Vermont \$52,111. Annual Ave. Private Sector Employment 2009 = 239,759.
Source	Vermont Department of Labor
Update Frequency	Annual
Comment	We do not believe that the State spends anywhere near enough to actually affect median income. Other much more influential factors will affect medium income much more than any program or group of programs we could afford to implement. Factors such as cost of fuels, the weather, interest rates, inflation, etc will affect medium incomes far more than anything this Agency can do. We believe net new, nonpublic jobs are also more dependent on national and international forces more than our programs.

2 Reconciliation of activities proposed in 1st progress report

2.1 Regional Service Center concept

Disposition In Session	Substantially altered from as proposed.
Changes in Activity Plan	N/A
Change in FY11 Savings Target	Savings target reduced to \$307,157.
Use of FY10 Investment Funds	N/A

3 New approved activities since first progress report

3.1 Economic Development

Description	Developed RPC and RDC contracts to reflect mandates of legislation. Developed new performance based contracts for grantees.
Benefits	N/A
Related FY11 Savings Projection	\$307,157.
Related Use Investment Funds	N/A

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 **N/A – See above.**

5 Inreach

5.1 **N/A**

6 Outreach post legislative session

6.1 **Stakeholder communication/involvement activities through report date**

Date	Description
June 21, 2010 & June 29, 2010	Met with representative of RPCs to discuss new contract on June 21, 2010. Communications on June 29, 2010 with representative of RDCs about contracts.

6.2 **[Stakeholder communication/involvement activities planned for next quarter]**

Date	Description
Ongoing	Meet with the Oversight Committee and RPCs/RDCs.

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 **Oversight Committee**

Appointment Date	Appointment Name	Appointing Authority
N/A	Appointments not yet complete.	Governor, Speaker, President Pro Tempore, RDCs and RPCs, League of Cities and Towns.

8 Legislative reports pursuant to Challenges legislation

8.1 **Economic measures for job creation and retention**

Recipient	Not clear.
Date Due	August 1 st , annually.
Date Delivered	
Link	

AGENCY OF HUMAN SERVICES INCLUDING CORRECTIONS

Agency of Human Services Including Corrections

Integrated Family Services Workgroup

July 1, 2010

1 Outcomes and Measures

1.1 Children live in stable and supported families

Integrated Family Services (IFS) Activities related to this outcome: (1) Reduce the use of out-of-home-placements; (2) reduce the length of stay and divert unnecessary psychiatric inpatient admissions (3) Repurpose Woodside into a secure treatment facility.

Measure	<ol style="list-style-type: none">1. Decrease the prevalence of child abuse and neglect substantiations2. Decrease the percent of children and youth in out-of-home placement3. Increase positive family reports of experience of care (<i>Did you get what you need, were you treated with respect, did it help, etc</i>)4. Decrease in length of stay and number of inpatient psychiatric hospital admissions for youth under age 18.
Current Value	Baseline measures are being established in the first quarter of FY11 reflecting FY10 data.
Source	Measures 1-2 DCF, DAIL and DMH data sources Measure 3 DVHA data source Measure 4 – DVHA data source
Update Frequency	Measure 1-2 Annual Measure 3 TBD - Biennial Measure 4 TBD - Annual
Comment	N/A

1.2 Pregnant Women and Children Thrive

Integrated Family Services activities related to this outcome: (1) Children's Integrated Services prenatal to six years of age (2) Coordination with DVHA care coordination teams and Blueprint expansion into pediatric practices (3) Elimination of multiple referral streams and assessment processes between VDH and DAIL regarding: Children with Special Health Needs, Children's Personnel Care, Hi-tech needs, Bridges Care Coordination and when applicable, due to age of child, CDD Age 0-6 integrated services.

Measure	<ol style="list-style-type: none">1. Increase the percent of children 0-6 years old who achieve 1 or more of their goals as defined annually in their Integrated Services Family Plan2. Increase the percent of women (in the <i>Global Commitment to Health Medicaid Waiver</i> Population) receiving prenatal and postnatal care3. Increase the percent of well-child visits in the first 15 months of life in the care in the <i>Global Commitment to Health Medicaid Waiver</i> Population4. Increase the percent of well child visits in the third, fourth, fifth and sixth year of life care in the <i>Global Commitment to Health Medicaid Waiver</i> Population
Current Value	Measure 1 Baseline data collection tools will be developed after 3 pilot programs are selected and implemented in November 2010.

Measures 2-4 Baseline will be established in first quarter of FY11 using FY10 or most recent full year data.

Source 1. DCF- Child Development Division database of 0-6 year olds – To be developed.

2 -4. National HEDIS Measures used in Global Commitment to Health

Update Frequency Annually

Comment N/A

2 Reconciliation of activities proposed in 1st progress report

2.1 Integration of prenatal to six children services – CDD

Disposition In Session Restrictive Legislative language changed the integration of prenatal to age 6 early childhood services from the proposed statewide implementation planned for October 1, 2010 to 3 pilots in FY11. However, 10 regions of the state have indicated interest in piloting.

Changes in Activity Plan Only 3 pilots will be implemented

Change in FY11 Savings Target No change in the FY11 activities as presented overall savings target presented in first progress report remains the same.

Use of FY10 Investment Funds None in FY10;
Investment Funding will be used in FY11

3 New approved activities since first progress report

3.1 **N/A**

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 **N/A**

5 Inreach

In addition to working meetings identified below, several meetings have been held with DVHA Care Coordination and Health Care Reform team to ensure integration of approaches and development of communication and referral protocols as needed. Half-day meeting planned in first quarter of FY11 to continue integration and coordination work.

Internal meetings are being held bi-weekly on the following topics, reducing the use of out of home placements by intervening earlier with at risk families, integrating VDH and DAIL children's program operations, streamlining and creating a universal children's services documentation and reporting requirements and oversight across AHS programs, creating a leadership structure for moving the various initiatives forward across member departments.

6 Outreach post legislative session

6.1 **Stakeholder communication/involvement activities through report date**

Date	Description
June 2 nd	Family Advisory Board Meeting
Every 3 weeks	Internal staff and family stakeholder update meeting
Website Posting	Materials posted on web; email communications to stakeholders
Weekly DA provider meetings	Reduction of administrative burden and streamline oversight activities

6.2 **Stakeholder communication/involvement activities planned for next quarter**

Date	Description
Same as above	Same as above
Invitation to Communities to elicit 3 pilot sites	Community planning processes begin for enhanced family treatment model integrating funding from various departments to support early intervention for moderate to high risk families.
Weekly DA provider meetings	Reduction of administrative burden and streamline oversight activities

7 **Board Appointments pursuant to Challenges legislation if applicable**

7.1 **N/A**

8 **Legislative reports pursuant to Challenges legislation**

8.1 **N/A**

Agency of Human Services

Department of Children and Families (DCF)

Integrated Family Services-Child Development Division Integrated Services

July 1, 2010

1 Outcomes and Measures

1.1 Pregnant and young children thrive

Measure	Percent of clients that achieve at least one of their case plan goals in their Individual Family Services Plan.
Current Value	We will have first data points by 6/2011
Source	Children's Integrated Services Data collected by regional service providers
Update Frequency	Quarterly
Comment	NA

2 Reconciliation of activities proposed in 1st progress report

2.1 The original proposal called for three separate strategies:

- Consolidate CDD administered child development services for families and children in each AHS region through a single community partner contract within each region.
- Creation of a centralized state-wide call center for child care referral services
- Creation of a statewide approach to ensuring a well qualified early childhood and after school workforce and supporting continuous quality improvement in early childhood and afterschool programs.

Disposition In Session This challenge received substantial detailed discussion during the session, resulting in altered plans. The final agreement was for the Child Development Division to engage critical stakeholders in detailed planning around all three proposals and to present recommendations by January 15.

DCF was authorized to implement a sub-part of Strategy 1 and is moving forward with Phase I consolidated Children's Integrated Services pilots in three regions of the state with expected implementation on November 1, 2010. Progress in the area will be included in the January report and recommendations

Changes in Activity Plan	N/A
Change in FY11 Savings Target	Savings target is \$100,000 related to Children's Integrated Services changes.
Use of FY10 Investment Funds	N/A

3 New approved activities since first progress report

CDD has drafted a plan for convening and facilitating the work of three stakeholder groups addressing each of the 3 strategies in this Challenge.

Activities are detailed in the outreach section below

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 CIS

Description CDD is working with the regions of Vermont to select 3 pilot regions through an application process for early design and implementation of Children's Integrated Services.

Link <http://dcf.vermont.gov/cdd/cis/providers> link to application

Date Application due on 6/30/10

Last Response Date

Selection Made Selection made by 7/15/10

Significant Issues & Lessons Learned Process is going smoothly and we anticipate at least 6 applications

5 Inreach

5.1 State CIS Team

CIS State Team (CIS Director, Managers of Nursing & Family Support Services, Early Childhood & family Mental Health and Early Intervention Services and expert consultants from UVM center for Disabilities meets regularly to review stakeholder input and address implementation progress and plans

5.2 CDD All Staff Updates

Date June 24, 2010

Communicate results of legislative session and CFC enacted legislation and responsibilities of CDD to plan and implement CIS Phase I pilots

6 Outreach post legislative session

6.1 Engaging critical stakeholders in addressing three strategies

Date July - December 2010

6/15/10 CDD has drafted a plan for convening and facilitating the work of three stakeholder groups addressing each of the 3 strategies in this Challenge.

An invitation proposing a planning meeting to review the plan and revise as needed was sent to a broad group of stakeholders and community partners. An excellent response was received and the planning meeting will be held on June 30, 2010. Attendees will include (but are not limited to) representation from: Building Bright Futures (BBF) State-wide Advisory Council and BBF Regional Councils; Child Care Advisory Board ; the Professional Preparation and Development Subcommittee of BBF; Parent Child Centers Network; Community Child Care Support Agencies/Vermont Association of Child Care

Resource & Referral Agencies (VACCRRRA); Vermont School Age Care Network; Vermont Family Network; Parent Rising Kids Are Priority One; The Permanent Fund; and The Henderson Foundation.

Groups will be convened in July and August in a transparent participatory process that solicits broad input into the recommendations that will be submitted to DCF leadership and the legislature in January 2011.

6.2 **Children's Integrated Services implementation Learning Community**

Date November 2010 – July 2012

6/16/2010 An ILinc conference call with critical stakeholders in all regions was held on June 16. On the call the details of an integrated CIS plan, commitments Phase I regions need to agree to as part of the implementation, and the application process and criteria, were discussed. Part of the agenda was to take input on the plan and implementation process. All 12 AHS regions were represented on the call. Ten regions have expressed interest in being part of Phase I. Applications are due to CDD by June 30. Phase I implementation regions to be announced by July 15. Details of the June 16 presentation, the application process and other aspects of Phase I implementation are available on-line at: <http://dcf.vermont.gov/cdd/cis/providers>.

7 **Board Appointments pursuant to Challenges legislation if applicable**

7.1 **N/A**

8 **Legislative reports pursuant to Challenges legislation**

8.1 **Plan for fully integrating child development services**

Recipient House Committee of Human Services, Senate Committee on Health and Welfare

Date Due January 15, 2011

Date Delivered N/A

Link N/A

Agency of Human Services

Modernization of Child Care Eligibility

July 1, 2010

I Outcomes and Measures

Currently to determine eligibility for provision of the Child Care Financial Assistance Program (CCFAP), the Child Development Division (CDD) subcontracts to 12 community agencies who oversee the process of determining eligibility and the enrollment of eligible children with a child care provider. The purpose of this project is to transfer the financial eligibility determination function to Economic Services Division (ESD). This will be achieved using elements of processes that will be modernized under the auspices of the STEER Project, or ESD modernization which is due to be fully implemented in the fall of 2010. In addition, as the determination of eligibility is transferred to ESD, the function of enrolling children with approved child care providers will be performed by parents and providers using the web based Bright Futures Information System.

1.1 **Increased efficiency for clients and the state in determining eligibility for child care financial assistance.**

Measure	CCFAP overall measure: percentage of improper payments
Current Value	CCFAP overall measure is not yet available. We will use figures from the federal improper payment audit scheduled for August, 2010.
Source	CCFAP overall measure: Federal
Update Frequency	Every three years.
Comment	When child care financial assistance eligibility determination moves into ESD, the ESD quality controls for efficiency measures will apply.

1.2 **Increase and improve access to information about child care for all benefits recipients.**

Measure	Survey system users.
Current Value	Not available.
Source	
Update Frequency	Annually.
Comment	CDD will develop additional measures once the system is in place.

1.3 **Increase self service for DCF clientele.**

Measure	CCFAP: Automated system will track number of online applications.
Current Value	Not available, a baseline will be established July 1, 2011.
Source	ACCESS system and Bright Futures Information System (BFIS).
Update Frequency	Will be determined; annually at a minimum
Comment	No alternative needed.

2 Reconciliation of activities proposed in 1st progress report

2.1 Savings

Disposition In Session	\$26,000 is booked for savings in Challenges for Change in addition to 200.000 taken from the budget.
Changes in Activity Plan	None
Change in FY11 Savings Target	None
Use of FY10 Investment Funds	None

3 New approved activities since first progress report

3.1 No newly approved activities to report.

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 No RFPs to report and no RFPs are expected.

5 Inreach

5.1 Employee work groups established with a regular meeting schedule

Title of Group	Description
Steering Committee	Provide guidance and governance
Large Group	Consists of membership of steering committee and employee sub-groups
Business Analysis/Eligibility Group	This group is doing the business analysis to define the scope of work for the application process and reapplication process.
Business/Enrollment Group	The enrollment group is preparing the business requirements document that describes how, after eligibility is determined, the process is aligned so that a parent, working with the provider, can complete the enrollment.
Policy Group	The policy group is looking at alignment of policies between programs specifically in the financial assistance programs.

6 Outreach post legislative session

6.1 Stakeholder communication/involvement activities through report date

Date	Description
Ongoing	Reeva Murphy, Deputy Commissioner of the Child Development Division, continues to meet frequently with a variety of stakeholder groups including: Vermont Association of Child Care Resource and Referral Agencies Community Child Care Support Agency Executive Directors Vermont Parent Child Center Network Interagency Coordinating Council for VT Children's Integrated Services Building Bright Futures Regional Council Coordinators

6.2 **Stakeholder communication/involvement activities planned for next quarter**

Date	Description
June 30, 2010	Stakeholder input planning meeting to address concerns related to modernization and preserving local supports for family access to child care financial assistance.
July, 2010	Work group of stakeholders will begin meeting to plan for a smooth transition to the new system.
August, 2010	Child Care provider meeting to provide input on changes planned for the Bright Futures Information System and the communication and training plan for providers related to modernization.

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 **N/A**

8 Legislative reports pursuant to Challenges legislation

8.1 **N/A**

Agency of Human Services

Office of Child Support (OCS)

Sheriff, New Hire, and License Suspension

July 1, 2010

1 Outcomes and Measures

The original proposal was to implement a number of strategies which could increase the number of people who comply with child support orders.

Measure	Compliance with child support orders--% of parents who owe child support who are making contributions.
Current Value	We anticipate targeting parents who are out of compliance, i.e. are paying 0% of the current obligation. We will then monitor for changes.
Source	OCS
Update Frequency	Monthly
Comment	

2 Reconciliation of activities proposed in 1st progress report

2.1 Our original proposal included a provision requiring employers to report 1099 employees and imposed a penalty for not reporting new hires. Both of these proposals were rejected. The use of sheriffs to assist with child support enforcement was proposed by the legislature.

Disposition In Session	OCS has been allowed to pursue limited strategies. We are expected to make an investment which will be offset by savings. The cash medical contributions concept was built into the budget and taken out of challenges for change
Changes in Activity Plan	Don't do activities that were not approved or funded i.e. 1099 reporting and imposing employer penalties.
Change in FY11 Savings Target	General Fund (GF) savings were originally projected to be \$178,710. Ultimately the amount booked was \$0.
Use of FY10 Investment Funds	N/A

3 New approved activities since first progress report

3.1 The legislature added in the concept of hiring a sheriff to provided added enforcement of child support orders.

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 N/A

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
Ongoing	We have discussed this strategy at regular staff meetings to ensure that staff is apprised and aware. We have an online project management site available to all staff which will allow them to view information about the project and its implementation on a regular basis.

5.2 Employee communication/involvement activities planned for next quarter

Date	Description
Ongoing	We plan on continuing to discuss this at regular staff meetings and will maintain our online project management site available to all staff. We will also tour all our state offices to apprise staff personally.

6 Outreach post legislative session

6.1 Stakeholder communication/involvement activities through report date

Date	Description
6/2010	We have met once with the Lamoille county sheriff. We have spoken with the court's administrative trial judge. We have spoken with the DOL.

6.2 Stakeholder communication/involvement activities planned for next quarter

Date	Description
Ongoing	We plan on additional meetings with Sheriffs, Courts, and the DOL in the future. In coordination with DOL and other state entities, we anticipate development of employer outreach and communications programs.

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 N/A

8 Legislative reports pursuant to Challenges legislation

8.1 Report to Judiciary and Appropriations Committees

Recipient	Judiciary and Appropriations Committees
Date Due	1/15/2011

Agency of Human Services

Department of Children and Families (DCF)

Reach Up Intensive Family Engagement

July 1, 2010

1 Outcomes and Measures

Specialized case management services are provided to families no later than four months after a family's financial assistance grant has been reduced.

1.1 Improve Financial Stability for Families

Measure	Reduced the number of families on sanction
Current Value	There is an average of 240 families in sanction each month. We do not yet have to an unduplicated annual amount of sanctioned families but will by next quarter
Source	ACCESS Database
Update Frequency	Annually
Comment	No alternative needed

2 Reconciliation of activities proposed in 1st progress report

2.1 New Initiative

Disposition In Session	This was not originally proposed for inclusion in Challenges for Change. It had been, over the past two years, a budget debate. The Senate Appropriations Committee urged us to include this matter in the "challenges" discussion. After lengthy debate, the legislature left in the expectation that we will create a new program for people on sanction, but did not allow for termination of services if the family was unable or unwilling to participate.
Changes in Activity Plan	None
Change in FY11 Savings Target	There is no net savings target. The new program has a potential price tag of \$420,000 and DCF was directed to save \$420,000 in reduced caseload.
Use of FY10 Investment Funds	None

3 New approved activities since first progress report

3.1 Performance Measures

Description	Defined Performance Measures 75 % of people referred into specialized services will comply and cure their sanction or exit their grant due to wages
Benefits	Incentive to move people off of sanction
Related FY11 Savings Projection	This is revenue neutral as the savings will pay for the cost of the program
Related Use Investment Funds	None

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 RFP title and citation from legislation

Description	An RFP for a performance based contract for specialized case management services will be issued by mid July.
Link	N/A
Date	July 16 th is the target date
Last Response Date	N/A
Selection Made	N/A

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
May 21, 2010	Discussion and feedback from Reach Up team leaders and partners
June 25, 2010	Planning session with Reach Up team Leaders and partnering agencies from around the state

5.2 Employee communication/involvement activities planned for next quarter

Date	Description
TBA	Working group formed with Reach Up case managers and partnering staff
TBA	Sanction training for Reach Up case managers and partnering staff

6 Outreach post legislative session

6.1 Stakeholder communication/involvement activities through report date

Date	Description
June 18, 2010	Met and discussed specialized case management services with the Parent Child Center Network

6.2 Stakeholder communication/involvement activities planned for next quarter

Date	Description
July 2010	Reach Up Newsletter to stakeholders
August, 2010	Stakeholder meeting to discuss teaming and specialized case management

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 N/A

8 Legislative reports pursuant to Challenges legislation

8.1 N/A

Agency of Human Services

Disability and Aging Services Workgroups July 1, 2010

1 Outcomes and Measures

1.1 OUTCOMES FOR ELDERS (H.792 Sec. C4 (2))

Elders, people with disabilities, and individuals with mental health conditions live with dignity and independence in settings they prefer.

INITIATIVES (H.792 Sec. C5 (1)-(3))

Establishment by the Department of Disabilities, Aging and Independent Living (DAIL) of a process to provide clinically eligible elders, who meet initial financial eligibility criteria, prescribed by the department with Choices for Care services while their eligibility for such services is being determined.

Expansion of opportunities for elders and adults with physical disabilities to benefit from a full-time service option similar to the concept of a developmental home

Decrease of nursing home utilization through earlier intervention, prevention, and increased use of home and community-based services.

PROJECTS INCREASING COMMUNITY BASED CAPACITY & UTILIZATION

1. Increase consumer choice and capacity for home-based services through outcomes and performance based contracting.

Measure	Reduction in paid claims to nursing homes. Increase in the number of persons enrolled in Choices for Care (CfC) in home and community based settings.
Current Value	4,905 people enrolled in Choices for Care (1,983 people receiving nursing home services; 2,922 people receiving home based services)
Source	Hewlett Packard [HP] paid claims; Department of Disabilities, Aging and Independent Living [DAIL's] Social Services Administration Management System [SAMS] database
Update Frequency	Quarterly, monthly
Comment	N/A

2. Develop adult family foster care (AFFC) program.

Measure	Increase the number of persons enrolled in AFFC
Current Value	Zero
Source	HP paid claims; DAIL's SAMS database
Update Frequency	Quarterly
Comment	N/A

3. Fully implement presumptive eligibility.

Measure	Providers deliver services timely to people who meet presumptive eligibility criteria.
Current Value	Approximately one-third of the Choices for Care applicants.
Source	Monthly Medicaid profile reports (DCF/ESD).
Update Frequency	Implementation complete except for provider education.
Comment	N/A

4. Create incentives for community based care.

Measure	Reduction in paid claims to nursing homes. Increase in the number of persons enrolled in Choices for Care (CfC) in home and community based settings.
Current Value	No reduction in paid claims has occurred yet. Discussion of new incentives will begin this summer with the group Patrick is leading.
Source	HP paid claims; DAIL's SAMS database
Update Frequency	Quarterly
Comment	N/A

1.2 OUTCOMES FOR INDIVIDUALS WITH DISABILITIES, MENTAL HEALTH NEEDS, OR SUBSTANCE ABUSE ISSUES FOR ELDERS (H.792 Sec. C23 (1))

Elders, people with disabilities, and individuals with mental health conditions live with dignity and independence in settings they prefer.

INITIATIVES (H.792 Sec. C24(13), (17), (18); C25 (a)(1), (2), (b)(2))

1. Create an interdepartmental team to serve clients of the department of disabilities, aging and independent living with mental health needs.

Measure	Create the interdepartmental team.
Current Value	Commissioners of DMH and DAIL will meet in July with AHS Deputy Secretary to establish the charge to the interdepartmental team.
Source	N/A
Update Frequency	Monthly
Comment	N/A

2. Reduce the fiscal year 2011 appropriation for developmental services by a total of 1.0 percent in the designated agencies.

Measure	1% reduction in developmental services funding with reductions in services minimized to the extent possible.
Current Value	Completed.

3. Develop new residential options for individuals with developmental disabilities as described in the state system of care plan.

Measure Report through the state system of care plan.
Current Value Incomplete.
Source N/A
Update Frequency Annual by July 2011.
Comment N/A

4. Analyze new service models for clients with developmental disabilities whose services are high-cost and implement any cost-effective new service models as soon as practical.

Measure Report.
Current Value Incomplete.
Source N/A
Update Frequency By February 2011.
Comment N/A

2 Reconciliation of activities proposed in 1st progress report

2.1 Encourage small nursing homes to convert to Enhanced Residential Care Homes, thus reducing the regulator requirements for those homes while reducing expenditures.

Disposition In Session Adopted with modification
Changes in Activity Plan Legislature imposed additional regulatory oversight responsibilities
Change in FY11 Savings Target Regulatory oversight will reduce (but not eliminate) projected savings.
Use of FY10 Investment Funds None

2.2 Convert Vermont's last six-bed Intermediate Care Facility for the Mentally Retarded (ICF/MR) to an Enhanced Residential Care Home, reducing regulatory requirements while reducing expenditures.

Disposition In Session No legislative action. We are reviewing the feasibility and potential savings.

2.3 Strengthen estate recovery and maximize private contributions to Long Term Care Medicaid.

Disposition In Session Not adopted by the legislature – This effort sought to reduce long-term care Medicaid expenditures by increasing recoupment efforts beginning in January 2012. We conservatively estimated Vermont would recoup an additional \$1M annually, once the program was fully implemented. SFY 2011 was to be spent on building the regulatory and administrative structure to begin increased estate recovery collections by January 2012. No savings were expected to accrue until the second part of SFY 2012.

3 New approved activities since first progress report

3.1 Reduce cost of serving individuals with developmental disabilities who pose risk to public safety. (H.792 Sec. C25(a)(2); C24(18))

Description	<ul style="list-style-type: none">◆ Assess public safety risk of every individual with developmental disabilities in programs funded by the department of disabilities, aging, and independent living.◆ Develop protocols for evaluating the appropriateness of less restrictive residential placements based on the results of the assessment.
Benefits	Determine feasibility for reducing cost of serving individuals with developmental disabilities who pose public safety risk.
Related FY11 Savings Projection	N/A
Related Use Investment Funds	None
Measure	Compile risk analysis assessment data. Develop protocols for evaluation. Increase community capacity to support individuals posing highest risk.
Current Value	Step one begun (risk analysis).
Source	N/A
Update Frequency	Quarterly.
Comment	N/A

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 N/A

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
4/1/2010 – 6/30/2010	30 IFS meetings
4/1/2010 – 6/30/2010	34 DDAS Challenges project group meetings
4/1/2010 – 6/30/2010	30 DDAS Challenges project management meetings

5.2 Employee communication/involvement activities planned for next quarter

Date	Description
TBD	Continue developing project plans for highest priority projects

6 Outreach post legislative session

6.1 Stakeholder communication/involvement activities through report date

Date	Description
4/1/2010 – 6/30/2010	4 AAA meetings (1 hour each on Challenges)
4/1/2010 – 6/30/2010	3 Vermont Assoc of Adult Day Services (VAADS) (.5 each on Challenges)
4/1/2010 – 6/30/2010	2 Vermont Association of Home Health Care Council (VAHHA) (1.0 each on Challenges)
4/1/2010 – 6/30/2010	4 DAIL Advisory Board (2 hours each on Challenges)
4/1/2010 – 6/30/2010	6 DS Directors meetings (1.5 hours each on Challenges)
4/1/2010 – 6/30/2010	3 DS State Program Standing Committee (1 hour each on Challenges)

6.2 Stakeholder communication/involvement activities planned for next quarter

Date	Description
TBD	Continue to involve stakeholders to the greatest extent in highest priority projects.

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 **N/A**

8 Legislative reports pursuant to Challenges legislation

8.1 **N/A**

Agency of Human Services

Employment Workgroup – Creative Workforce Solutions

July 1, 2010

1 Outcomes and Measures

AHS employment services are provided across four departments and seven divisions. While the broad outcomes are similar, meaningful indicators of progress vary across populations and programs.

1.1 More AHS customers will be employed

Measure	<p><u>CWS overall measure:</u> Employment rate of customers served by Creative Workforce Solutions (CWS).</p> <p><u>Partner measures:</u> Employment rate for individual partners will also be calculated using the measure defined and used historically by each partner program.</p>
Current Value	<p><u>CWS overall measure:</u> not yet available; availability dependent on development of CWS data collection system and access to UI data across all AHS program populations. We expect both of these will be secured within a year or at most two.</p> <p><u>Partner measures:</u> DVR rehab rate: 61% for FFY09 DBVI rehab rate: 69% for FFY09 CRT employment rate: 24% for FY09 DS employment rate: 36% for FY09 ReachUp work participation rate: 29.3% for FFY09 as calculated by ACF for all families (23.9% for two-parent families). Corrections employment rate: not available, will generate baseline statistic based on first implementation year ending on 6/30/2011.</p>
Source	<p><u>CWS overall measure:</u> Vermont Department of Labor (VDOL) Unemployment Insurance (UI) quarterly earnings data for individuals recorded as receiving CWS individual services in CWS database (in development).</p> <p><u>Partner measures:</u> DVR rehab rate: DVR RSA-911 database DBVI rehab rate: DBVI RSA-911 database CRT employment rate: DMH PIP reports based on VDOL UI data matched with DMH program data. DS employment rate: DDAS program data reported in DDAS Annual Program Report. ReachUp work participation rate: ESD program data. Corrections: Will use VDOL UI data and CWS client data or Corrections program data as available.</p>
Update Frequency	Annually.
Comment	No alternative needed. Data for these measures are available for most segments of the AHS population served by CWS already, though no uniform measure across the entire population is yet available. This will happen as a data collection tool for CWS is phased in over time for partners, and if comprehensive access to UI data can be secured.

1.2 **Wages will increase**

Measure	CWS consumer earnings across programs as measured quarterly through VDOL UI data.
Current Value	Not available. Will generate baseline statistic based on first implementation year ending on 6/30/2011.
Source	Vermont Department of Labor (VDOL) Unemployment Insurance (UI) quarterly earnings data for individuals recorded as receiving CWS individual services in CWS database (in development).
Update Frequency	Annually.
Comment	No alternative needed. See explanation for 1.1.

1.3 **Employment retention will increase**

Measure	CWS consumer employment retention across programs as measured through VDOL UI data.
Current Value	Not available. Will generate baseline statistic based on first implementation year ending on 6/30/2011.
Source	Vermont Department of Labor (VDOL) Unemployment Insurance (UI) quarterly earnings data for individuals recorded as receiving CWS individual services in CWS database (in development).
Update Frequency	Annually.
Comment	No alternative needed. See explanation for 1.1.

1.4 **Benefits utilization and recidivism will decrease**

Measure	Measure is not expected to apply across all populations served by CWS. <u>Partner measure:</u> Cash benefit reductions—ReachUp, Supplemental Security Income (SSI), and General Assistance (GA)—resulting from employment for DVR, DBVI, Refugee Resettlement, and Corrections populations served by CWS. ReachUp consumer grants closed or reduced because of employment. Reduced recidivism (re-conviction) for Corrections and ReachUp consumers
Current Value	Not available. Will generate baseline statistic based on first implementation year ending on 6/30/2011.
Source	Public benefits participation and corrections re-offense data available through CSME data warehouse, matched with individuals recorded as receiving CWS individual services in CWS database (in development).
Update Frequency	Annually.
Comment	No alternative needed. Although this measure is dependent on the availability of data in CSME that is not yet available, and on the CWS client tracking system, we anticipate that these will be available in due time.

1.5 **Cost per outcome will decrease**

Measure	Cost for initial placement and support. Cost for long and short term post placement support.
Current Value	Not available. The measure needs to be further defined as it relates specifically CWS employment services.
Source	To be developed. The CWS data collection system is a potential source, as well as partner financial data.
Update Frequency	Annually.

Comment No alternative needed at this point.

1.6 **Customer satisfaction will increase for employers, consumers and stakeholders**

Measure Employers: Feedback through CWS coalitions and formal survey data.

Consumers: Survey data as measured through the various departments/divisions.

Stakeholders: CWS partner meetings.

Current Value Not available. The measures needs to be further defined as it relates to CWS employment services.

Source To be developed. DVR has survey instruments for consumers and employers that could provide a model for a formal survey process for CWS, but consultation with partners must occur before the instruments could be finalized.

Update Frequency Annually initially, then every two or three years.

Comment No alternative needed.

2 **Reconciliation of activities proposed in 1st progress report**

No authorizing legislation needed.

3 **New approved activities since first progress report**

No newly approved activities to report.

4 **RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported**

N/A

5 **Inreach**

5.1 **Employee communication/involvement activities through report date.**

Date	Description
June 2, 2010	An all-day training and team building event for Reach Up Team Leaders, VR Regional Managers, and Reach Up Community Partners including VDOL Regional Managers and VT Adult Learning Coordinators.
June 14, 2010	A two-hour VIT session to update all VR staff on Creative Workforce Solutions.
June 15, 2010	A three-hour VIT session to bring “local leadership teams” together—including all state employee and community partner program managers—to educate them on what CWS is and is not and to begin some team building to determine how they might support their local CWS Employment Teams.
June 29, 2010	An all-day training and team building session at the Statehouse for members of the twelve CWS Employment Teams. Teams include state employees and community partners doing employer outreach and job development in the twelve AHS district locations.
July 1, 2010	An MOU has been signed by the Secretary and Commissioners to define the conditions under which AHS entities agree to participate and support the work of CWS. The MOU creates a Governance Group with representatives across the

four departments and seven divisions that do employment work.

July 1, 2010 Business Account Managers will be in place for each of the 12 AHS districts to lead the CWS employment teams and coordinate employer outreach by July 1, 2010. Training and team development will occur over the summer.

5.2 **Employee communication/involvement activities planned for next quarter.**

Date	Description
July 2010	VR will now receive all DCF ESD funding for employment services to DCF ESD customers. VR has developed sub-grant agreements with VDOL and VT Adult Learning to further coordinate employment activities through CWS. District targets will be established by August 1 st in the areas of work participation rates, closure for employment and countable activities with accountability shared across all partners.
September 2010	The unified grants for the Designated Agencies are on a three-month extension. VR has developed language reflecting the agencies' participation in CWS. In addition, VR has moved the funding for CRT supported employment programs to a "base plus performance" model.
November 2010	A meeting to bring local CWS leadership teams, local CWS employment teams and case managers from across the agency to assess how Creative Workforce Solutions is functioning—what is working and what is not. Results of meeting will lead to the development of an action plan.

6 Outreach post legislative session

6.1 **Stakeholder communication/involvement activities through report date**

Date	Description
Ongoing	CWS has a dual customer base—the job seeker and the employer. We are developing our employer data base that will be a source to conduct employer satisfaction surveys on a regular basis. Business Advisory Councils exist in about 6 AHS districts that will be expanded to include all CWS partners. Local CWS employment teams have been and will continue to invite employers to speak with them and to take company tours. We plan to conduct job seeker satisfaction surveys at the end of the first year and every year thereafter using a third party vendor. Input will inform our strategic planning for CWS.

6.2 **Stakeholder communication/involvement activities planned for next quarter**

Date	Description
Ongoing	Impacted departments and divisions are all involved in the subgroups working on population specific strategies including Reach Up, DOC, CRT, DS, DCF youth, and General Assistance. Designated agency staff and Homeless and Runaway Youth staff are on the appropriate groups. Each of the sub-groups working on CWS implementation plans has identified a strong need for the job seekers voice at the table. We will be holding focus groups over the next six months for each identified population. We plan to have feedback cards available for job seekers as they receive CWS services.
July 2010	The existing CWS web site and marketing materials are being adapted from a VR initiative to reflect a much broader AHS initiative and will be available in early July 2010.
July 2010	A CWS database is being developed for launch in July 2010 to track all AHS program participants served by CWS. The database will identify types of services received and identifiers to enable CWS staff to draw demographic and outcome data from other

administrative databases.

September 2010 Sharepoint software is being developed as a tool to track employer relationships across AHS and community partner employment staff and to promote communication and resource sharing among CWS team members. Ready for implementation on 9/1/10.

7 Board Appointments pursuant to Challenges legislation if applicable

N/A

8 Legislative reports pursuant to Challenges legislation

N/A

Agency of Human Services

Department of Mental Health (DMH) Workgroup
July 1, 2010

1 Outcomes and Measures

1.1 Adult Outpatient Program Restructuring

Measure	A redesigned AOP service will include a new service tier for CRT consumers who are in lower need service mode and new community based model for services will be established
Current Value	Current model creates waiting lists and lacks flexibility for non-office based services
Source	Evaluation by DMH, DA, and stakeholder community
Update Frequency	Monthly reporting to DMH
Comment	N/A

1.2 Increase 340B prescription participation with FQHC's & Hospitals

Measure	50% of clients at eight Designated Agencies (DA's) will utilize area FQHC's for 340B prescription benefit coverage
Current Value	\$0 (Annual Savings are projected at \$350,000)
Source	DA reporting of client 340B prescription service utilization
Update Frequency	Quarterly or Bi-Annual update
Comment	No alternative needed.

1.3 Refrain from Duplicating state reviews for Accredited DA's

Measure	Identification and cessation of redundant review activity to yield cost savings for DA and state entities [DMH, DAIL, and ADAP] for DA's and SSA's when certified by national accreditation organizations.
Current Value	\$50,000 savings projected
Source	Allocation adjustment of identified savings
Update Frequency	N/A
Comment	N/A

1.4 Improve employment outcomes for CRT clients - Continue Implementation of Dartmouth Supported Employment Model

Measure	Increase in employment of CRT consumers by at least 1.5% for FY11
Current Value	Employment Rate as end of 2 nd quarter of FY10 (December 2009) was 16%
Source	Department of Labor Employment Data and CRT enrollment data base
Update Frequency	Quarterly employment report
Comment	No alternative needed. Data is readily available from these two data sources.

1.5 Explore integration of psychiatry collaborations with FQHC's

Measure	At least 1.5 FTE positions of psychiatry and/or APRN will be shifted from DA system to FQHC, with improved Medicaid match rate to reduce state costs.
Current Value	\$200,000 savings projected
Source	DMH will establish with DA's who engage in this process. Measure will reflect

movement of payment for prescribing services to FQHC.
Update Frequency To be determined.
Comment N/A

1.6 **Integrate/Simplify Substance Abuse and Mental Health Funding and Administrative Services**

Measure Reporting by DA's to AHS will be standardized. Specific services array will be developed for sub-populations—i.e. persons using both systems for two years or more DA Adult Outpatient and ADAP Clients with co-occurring disorders will be served in a co-occurring modality by one provider. This will result in a decreased number of persons with concurrent services from AOP and ADAP funded services.)
Current Value \$0 (\$420,000 savings projected)
Source Individual level Monthly Service Report (MSR) and ADAP reported services data for dually-served population
Update Frequency To be determined
Comment Program cost savings via monthly financial reports

1.7 **DA – Mental Health – 2% Reduction**

Measure DA allocations will be proportionally adjusted downward 2%. Impact on services delivered will be monitored by DMH
Current Value \$1,300,000—Reduced in FY 2011 allocation
Source 2% less financial allocation
Update Frequency Monthly financial reporting to DMH
Comment No alternative needed. Financial information is tracked and reported monthly.

1.8 **Reduce documentation and administrative requirements**

Measure DAIL, VDH, DMH, and DCF will assist DA's in identified paperwork reductions and efficiencies to increase productivity of staff by 1%
Current Value \$0 current value (\$500,000 savings projected)
Source Baseline from FY 2009 will be used to measure increased productivity of staff in FY 2011. Reduction and savings will be identified through workgroup activities.
Update Frequency To be determined.
Comment N/A

1.9 **Reduce psychiatric length of stay**

Measure DA's will have new model for adults that will provide brief office and home-based services that will allow for at least 200 persons to be discharged from hospitals 3 days earlier; total of 600 bed days less of hospitalization.
Current Value 600 fewer bed-days by identified patients in FY11
Source Programs will track number of days of services provided to persons referred by DMH/DHVA procedure to identify possible patients who have been in inpatient setting for more than 10 days.
Update Frequency To be determined
Comment N/A

1.10 Pursue Bulk Purchasing Options for DAs and SSAs

Measure	The DAs will reduce the cost of services by collaborating with the other DAs to take advantage of group/bulk purchasing opportunities
Current Value	\$0 (\$20,000 projected savings by DA's)
Source	DA allocation adjustment in areas reported to achieve financial savings. Workgroup activities will identify where reduction will be achieved.
Update Frequency	To be determined.
Comment	N/A

1.11 DMH – Forensic Evaluation

Measure	Reduce length of stay for forensic admissions not requiring acute inpatient admission
Current Value	\$0 (\$200,000 savings projected in FY11)
Source	Forensic admission length of stay data
Update Frequency	Monthly
Comment	No alternative needed. This information is readily available from DMH Legal Unit.

1.12 Improve Child Psychotropic Medication Practices

Measure	Identify best practice for health professionals prescribing psychotropic medication track prescriptions filled in 2011
Current Value	\$0
Source	DVHA prescription monitoring information
Update Frequency	To be determined.
Comment	No alternative needed. This information is readily available from DVHA.

2 Reconciliation of activities proposed in 1st progress report

2.1 Adult Outpatient Restructuring

Disposition In Session	Legislative approval; enacted into law
Changes in Activity Plan	No Changes
Change in FY11 Savings Target	No Changes
Use of FY10 Investment Funds	N/A

2.2 Increase 340B prescription participation with FQHC's & Hospitals

Disposition In Session	Legislative approval; enacted into law
Changes in Activity Plan	This effort will be combined with DHVA effort to increase use of 340B pharmacy in all eligible settings—e.g. FQHC and Critical Access Hospitals
Change in FY11 Savings Target	No Changes
Use of FY10 Investment Funds	N/A

2.3 Refrain from Duplicating state reviews for Accredited DA's

Disposition In Session	Legislative approval; enacted into law
Changes in Activity Plan	No Changes
Change in FY11 Savings Target	No Changes

Use of FY10 Investment Funds \$50,000 investment in 2011 as needed

2.4 Improve employment outcomes for CRT clients - Continue Implementation of Dartmouth Supported Employment Model

Disposition In Session Legislative approval; enacted into law
Changes in Activity Plan No Changes
Change in FY11 Savings Target No Changes
Use of FY10 Investment Funds N/A

2.5 Explore integration of psychiatry collaborations with FQHC's

Disposition In Session Legislative approval; enacted into law
Changes in Activity Plan No Changes
Change in FY11 Savings Target No Changes
Use of FY10 Investment Funds N/A

2.6 Integrate/Simplify Substance Abuse and Mental Health Funding and Administrative

Disposition In Session Legislative approval; enacted into law
Changes in Activity Plan No Changes
Change in FY11 Savings Target No Changes
Use of FY10 Investment Funds N/A

2.7 DA – Mental Health – 2% Reduction

Disposition In Session Reduction to DA's reduced to 2%. Legislative approval; enacted into law
Changes in Activity Plan No Changes
Change in FY11 Savings Target \$1,300,000 reduced in FY11 allocation
Use of FY10 Investment Funds N/A

2.8 Reduce documentation and administrative requirements

Disposition In Session Legislative approval; enacted into law
Changes in Activity Plan No Changes
Change in FY11 Savings Target No Changes
Use of FY10 Investment Funds N/A

2.9 Reduce psychiatric length of stay

Disposition In Session Legislative approval; enacted into law
Changes in Activity Plan No Changes
Change in FY11 Savings Target No change
Use of FY10 Investment Funds No change

2.10 Pursue Bulk Purchasing Options for DAs and SSAs

Disposition In Session Legislative approval; enacted into law
Changes in Activity Plan No Changes
Change in FY11 Savings Target No Changes
Use of FY10 Investment Funds N/A

2.11 DMH – Forensic Evaluation

Disposition In Session	Legislation was passed in S. 205, and enacted in Act 119, Sec. 12 and 13, which creates a new option for a disposition other than VT State Hospital for those who do not require such care.
Changes in Activity Plan	Education, data collection, and outreach needed for July 1 effective date.
Change in FY11 Savings Target	\$200,000 cost savings attached to passage of this legislation and Challenges for Change.
Use of FY10 Investment Funds	N/A

2.12 Improve Child Psychotropic Medication Practices

Disposition In Session	Legislative approval; enacted into law.
Changes in Activity Plan	Reports to be developed for the potential monitoring of multiple psychotropic medications for adults and children; and on the development of evidence-based protocols for prescribing multiple psychotropic medications to these populations.
Change in FY11 Savings Target	Legislation projects \$350,000 cost savings resulting from this activity
Use of FY10 Investment Funds	N/A

3 New approved activities since first progress report

3.1 Adult Outpatient Restructuring

Description	List of DA representatives received 6/21. Workgroups will be forming.
Benefits	N/A
Related FY11 Savings Projection	Same
Related Use Investment Funds	Same

3.2 Increase 340B prescription participation with FQHC's & Hospitals

Description	This Challenge is now being merged by DHVA and DMH as part of the larger \$1 million effort to move more Medicaid covered lives to use of 340-B pharmacy. Follow up meetings are being scheduled to discuss current status of DA/FQHC networking, further develop potential collaboration opportunities, and identify potential barriers that will need to be overcome.
Benefits	N/A
Related FY11 Savings Projection	Same
Related Use Investment Funds	N/A

3.3 Refrain from Duplicating state reviews for Accredited DA's

Description	Communication to the Vermont Council of Development and Mental Health Services (VCDMHS) on 5/27 requesting representatives on workgroup. List of DA representatives received 6/21. Workgroups will be forming.
-------------	--

Benefits	N/A
Related FY11 Savings Projection	Same
Related Use Investment Funds	Same

3.4 Improve employment outcomes for CRT clients - Continue Implementation of Dartmouth Supported Employment Model

Description	DMH is developing increased training opportunities for SE staff at DA's. DOL/DMH employment reports are in place and will be available quarterly.
Benefits	Cost savings yet to be determined. Will develop baseline statistic from FY 11.
Related FY11 Savings Projection	To be determined.
Related Use Investment Funds	N/A

3.5 Explore integration of psychiatry collaborations with FQHC's

Description	At this report, DA's (WCMHS, HC, LCC, NKHS, NCSS, CMC, HCRS) have engaged in discussions with FQHC's to explore this process. DMH will be meeting with Bi State Primary Care and DVHA to further discuss in July.
Benefits	N/A
Related FY11 Savings Projection	Same
Related Use Investment Funds	N/A

3.6 Integrate/Simplify Substance Abuse and Mental Health Funding and Administrative

Description	Review of better services for this group by a single provider is model being considered at this time. Also engaging with VDH and DMH IT and Business Offices to review how billing and reporting for either service can be standardized.
Benefits	N/A
Related FY11 Savings Projection	Same
Related Use Investment Funds	N/A

3.7 DA – Mental Health – 2% Reduction

Description	Allocations reflecting the 2% reductions were sent to the DAs on May 21 st . Budget submissions due back June 25 th .
Benefits	2% cost savings
Related FY11 Savings Projection	\$1,300,000
Related Use Investment Funds	N/A

3.8 Reduce documentation and administrative requirements

Description	No new activities
Benefits	Projected cost savings
Related FY11 Savings Projection	Same
Related Use Investment Funds	N/A

3.9 Reduce psychiatric length of stay

Description	DMH issued RFP on 3/15/10 for electronic bedboard tracking with only one bidder who identified an extended timeline for possible implementation. RFP will be re-issued in FY11. DMH has also explored electronic Level of Care Utilization System (LOCUS) software application for use in determining level of care needs for inpatient, crisis bed, and residential programs. .
Benefits	Projected cost savings from utilization review tracking activities
Related FY11 Savings Projection	Same
Related Use Investment Funds	Same

3.10 Pursue Bulk Purchasing Options for DAs and SSAs

Description	No new activity
Benefits	Projected cost savings
Related FY11 Savings Projection	Same
Related Use Investment Funds	N/A

3.11 DMH – Forensic Evaluation

Description	DMH Legal provided education on the changes in the forensic law effective July 1 to judges at the June Judicial College. Legal also has clarified procedures with state Sheriff's Association.
Benefits	Timely and appropriate disposition of applicants for forensic examination
Related FY11 Savings Projection	No Changes
Related Use Investment Funds	N/A

3.12 Improve Child and Adult Psychotropic Medication Practices

Description	DMH Adult Services Director will participate in the DUR Board meetings to address the reporting requirements for prescribing practices and recommendations for adults.
Benefits	Improved prescribing practices and patient outcomes
Related FY11 Savings Projection	Same
Related Use Investment Funds	N/A

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 To Develop a Central, State-Wide Mental Health Emergency Response Call Center.

Description	DMH sought proposals to develop a central state-wide phone response for mental health emergency services after regular office hours. This service is for adults and children.
Link	http://mentalhealth.vermont.gov/rfp
Date	March 8, 2010
Last Response Date	April 19, 2010
Selection Made	Collaborative Solutions Corporation
Significant Issues & Lessons Learned	No significant issues. Process will be inclusive of gaining information from all DA's, stakeholders, and community gatekeepers as well as other state departments who use emergency services.

4.2 To Implement an Electronic Bed Board for tracking acute inpatient and crisis beds

Description	DMH sought proposals to implement a "real time" electronic bed tracking system for use in hospitals and crisis bed programs. This software could be used for both adults and children.
Link	No longer posted on DMH website
Date	March 15, 2010
Last Response Date	April 16, 2010
Selection Made	No
Significant Issues & Lessons Learned	Bidder identified an extended timeline before implementation would be possible. DMH will issue a new RFP in FY11.

5 Inreach

5.1 DMH Internal Planning

Date	Description
June 2010	Internal workgroup goals and objectives are being established.

5.2 Employee communication/involvement activities planned for next quarter]

Date	Description
June 2010	Workgroup leaders will establish internal and external communication of activities and develop resources for plan goals.

6 Outreach post legislative session

6.1 Engagement with stakeholders

Date	Description
May 24, 2010	Mental Health Transformation Council provides input for commissioner regarding the role members will play in helping to review and implement challenges.
June 14, 2010	Adult Mental Health Standing Committee provides input for commissioner regarding the role members will play in helping to review and implement

challenges.

- June 21, 2010 Meeting with Emergency Services Directors regarding Forensic examination changes effective July 1, 2010
- May/June 2010 Communication to the VCDMHS on 5/27 requesting representatives on workgroup. List of DA representatives received 6/21. Workgroups on paperwork reductions, 340-B Pharmacy and Emergency Service 1800 line have begun.
- June 7, 2010 Commissioner Hartman met with CEO's and Directors of VT FQHC's at Bi-State Primary Care event.
- June 28, 2010 Commissioner Hartman attended annual meeting of Community Health Services of Lamoille Valley Board of Directors to speak on FQHC integration

6.2 **DMH Communications to Stakeholders**

Date	Description
May/June 2010	Information on Challenges for Change at DMH is posted on website and began being updated in bi-weekly update which is sent to stakeholders across the system.

7 **Board Appointments pursuant to Challenges legislation if applicable**

7.1 **N/A**

8 **Legislative reports pursuant to Challenges legislation**

8.1 **N/A**

Agency of Human Services

Department of Vermont Health Access Direct Care Coordination Expansion July 1, 2010

1 Outcomes and Measures

The Department of Vermont Health Access (DVHA) will expand its direct care coordination capacity in two (2) counties to improve health care and medical outcomes for beneficiaries with significant medical needs while reducing health care costs. Estimated net savings for SFY11 is \$652,000.

1.1 More beneficiaries will receive care coordination services

Measure	3.8% increase in OVHA beneficiaries receiving direct care coordination services in SFY 2011
Current Value	Final numbers for SFY 10 will be available on 8/1/2010
Source	DocSite (Patient-centric clinical data registry with imbedded evidenced based guidelines)
Update Frequency	Annually
Comment	None Required

1.2 Reduction in unnecessary inpatient admissions

Measure	1% reduction
Current Value	Final numbers for SFY10 not yet available(6-month claims lag; final numbers available 1/1/2011)
Source	Medicaid Management Information System- Claims processing system
Update Frequency	Quarterly and Annually
Comment	None Required

1.3 Reduction in unnecessary emergency room use

Measure	1% reduction
Current Value	Final numbers for SFY10 not yet available (6-month claims lag; final numbers available 1/1/2011)
Source	Medicaid Management Information System- Claims processing system
Update Frequency	Quarterly and Annually
Comment	None Required

1.4 Increased consumer satisfaction

Measure	Increased Satisfaction
Current Value	Comparison questions from the 2008 Consumer Assessment of Health Plan Satisfaction (CAHPS)survey have not yet been selected (selection scheduled for the second Qtr of SFY 2011)
Source	Consumer Assessment of Health Plan Satisfaction
Update Frequency	Annually
Comment	None Required

2 Reconciliation of activities proposed in 1st progress report

2.1 No activities to reconcile

3 New approved activities since first progress report

3.1 No newly approved activities to report

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 No RFP to report

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
May-June 2010	<p>a) Several meetings have occurred with the Integrated Family Services (IFS) team leaders to assure savings are not duplicated by the two (2) teams and to strategize ways to strengthen coordination between the DVHA and IFS teams. Next steps include a half day meeting to discuss common tools such as DocSite, predictive modeling software, transition/referral protocols between teams, and to explore the possibility of piloting the programs together in Franklin county.</p> <p>b) Ongoing meetings between DVHA senior management and the Blueprint leads to develop and refine the financial model that will be used to compare return on investment (ROI) opportunities between the current disease management model and the expanded DVHA care coordination model.</p> <p>c) Multiple meetings with DVHA clinical leads to finalize DocSite care team planners and to identify future DocSite dashboard elements and managed condition planers that need to be added or the Medicaid population.</p>

5.2 Employee communication/involvement activities planned for next quarter

Date	Description
July 2010	<p>a) Integrated Family service meeting to discuss pilot in Franklin county and common care tools</p> <p>b) Financial modeling meeting between DVHA senior management and Greg Peters</p> <p>c) DocSite training for new and existing staff</p>

6 Outreach post legislative session

6.1 Stakeholder communication/involvement activities through report date

Date	Description
April - June 2010	a) Ongoing Franklin and Rutland County BP Meetings (clinical and steering committees)

b) Weekly meetings with Docsite clinical and contracting leads to finalize the data feeds (eligibility and claims)

c) Monthly meetings with APS clinical leads to develop transition protocols to ensure a seamless transition into direct care coordination for beneficiaries currently managed by APS in Rutland and Franklin HAS

- d) Ongoing meetings with Medicaid providers who treat the majority of beneficiaries in Franklin and Rutland counties.

6.2 Stakeholder communication/involvement activities planned for next quarter

Date	Description
July 2010	Ongoing Blueprint, Provider, and DocSite meetings

7 Board Appointments pursuant to Challenges legislation if applicable

N/A

8 Legislative reports pursuant to Challenges legislation

N/A

Agency of Human Services

Department of Vermont Health Access Blueprint for Health Expansion July 1, 2010

1 Outcomes and Measures

DVHA will reduce overall healthcare expenditures through the accelerated expansion of the Blueprint model and expansion to other populations and systems, building off its primary care foundation of medical homes and community health teams. The Department of Vermont Health Access (DVHA) will implement “statewide expansion of the Blueprint for Health.” No estimated Challenges savings for SFY11.

1.1 Medical Home and Community Health Team Expansion

Measure	At least 2 medical homes and a community health team operating in each hospital service area statewide by July 1, 2011
Current Value	\$0.00
Source	Division of Health Care Reform, DVHA
Update Frequency	Quarterly
Comment	None.

2 Reconciliation of activities proposed in 1st progress report

2.1 This Challenge remains consistent with the 1st progress report, but the implementing language for Blueprint expansion is in Act 128, with only a reference in the Challenges bill to supporting that expansion.

Disposition In Session	Act 128, Section 13 codified the Blueprint structure and expansion.
Changes in Activity Plan	None
Change in FY11 Savings Target	None
Use of FY10 Investment Funds	None

3 New approved activities since first progress report

3.1 There are not new activities but the legislative authority for the activities is external to the Challenges legislation.

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 N/A

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
May-June 2010	Blueprint leadership engaged in active discussions with leadership and staff throughout AHS to articulate the connection of Blueprint expansion to better

integration with Agency Challenges initiatives, particularly opportunities for linking Community Health Teams to AHS case management and coordination teams, Integrated Family Services, long term care initiatives, and mental health and substance abuse services.

Development of integration protocols between Blueprint and DVHA Care Coordination Challenge initiative.

Development of further integration of Blueprint and statewide Health Information Technology (HIT) and Health Information Exchange (HIE) initiatives.

5.2 **Employee communication/involvement activities planned for next quarter**

Date	Description
July – September 2010	With move of Blueprint to Division of Health Care Reform at DVHA, communication to all DVHA employees about both “Blueprint basics” and opportunities for comprehensive integration of Blueprint delivery system reforms with DVHA to benefit Medicaid beneficiaries.

Collaboration with DAIL related to Blueprint application to CMS for Multi-Payer Advanced Practice Primary Care demonstration program.

In addition to routinely scheduled meetings with Department and Blueprint leadership, VDH district office staff serve as critical linkages to ensure coordination with public health and the Department as a whole through their role on Blueprint Community Health Teams. They will be part of inter-departmental trainings and meetings with Blueprint staff to ensure complementary programs and other resources are fully maximized through clear and consistent communication.

6 **Outreach post legislative session**

6.1 **Stakeholder communication/involvement activities through report date**

Date	Description
May – June 2010	Continued regional, hospital service area (HSA) based discussions about “expansion readiness.” Includes development of regional, locally led steering committees and implementation work groups focused on HIT infrastructure alignment and Community Health Team composition / construction.

On-going communication with state-level stakeholders through Blueprint Executive Committee and Design / Evaluation and Payers Work Groups.

Continued engagement with national level stakeholders and colleagues in other states with complementary medical home programs for development of cross-state evaluation infrastructure, provider development and training models, and alignment with federal delivery system reform initiatives.

6.2 **Stakeholder communication/involvement activities planned for next quarter**

Date	Description
July – September 2010	Continued regional development in each HSA statewide.

Intensified work with the Blueprint advisory work groups as program expansion details, especially development of CMS Demonstration application, are articulated.

Development of administrative rules to support Blueprint expansion as codified in Act 128.

Continuing engagement with national level stakeholders and other state medical home programs, with particular focus on CMS Demonstration application.

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 **N/A**

8 Legislative reports pursuant to Challenges legislation

8.1 **N/A**

Agency of Human Services

Department of Vermont Health Access 340B Expansion

July 1, 2010

1 Outcomes and Measures

The Department of Vermont Health Access (DVHA) will expand “*participation in the 340B drug pricing program by eligible disproportionate share hospitals, the critical access hospitals, or the sole community hospitals in order to reduce the cost of pharmaceuticals provided on an out-patient basis and ensure savings to Medicaid.*” DVHA will also work to expand the participation in the 340B program by Federally Qualified Health Centers (FQHC’s). Estimated savings for SFY11 are \$1M.

1.1 340B Pharmacy Programs will be established for out-patient settings at all eligible VT hospitals.

Measure	11 Vermont hospitals will enroll as 340B covered entities to maximize savings.
Current Value	Fletcher Allen Health Care, the only hospital currently enrolled as a 340B covered entity, does not bill Medicaid as a 340B provider.
Source	Office of Pharmacy Affairs (OPA), Health Resources & Services Administration (HRSA), Department of Health & Human Services
Update Frequency	Quarterly
Comment	None.

1.2 Hospital 340B Pharmacy Programs will be enrolled as Medicaid providers.

Measure	12 Vermont hospitals will enroll their own or contracted pharmacies as Medicaid 340B pharmacy providers.
Current Value	(No VT hospital is currently enrolled as a Medicaid 340B pharmacy provider.)
Source	Pharmacy Services Unit, DVHA
Update Frequency	Quarterly
Comment	None.

1.3 Medicaid prescription drug expenses will be lowered for eligible patients of 340B Covered Entities

Measure	Number and dollar value of Medicaid beneficiaries’ prescriptions filled at 340B pharmacies written by eligible FQHC providers.
Current Value	Estimated SFY11 savings by drug class will be developed based on actual Medicaid SFY10 pharmacy expenses.
Source	Pharmacy Services Unit and Data Unit, DVHA
Update Frequency	Quarterly and Annually
Comment	None.

2 Reconciliation of activities proposed in 1st progress report

2.1 This Challenge was not included in the 1st progress report.

Disposition In Session	The language at 1 above was added during the final days of the Challenges legislative debate.
------------------------	---

Changes in Activity Plan None
Change in FY11 Savings Target \$1 million dollars.
Use of FY10 Investment Funds None

3 New approved activities since first progress report

3.1 New activities summarized above.

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 N/A

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
May-June 2010	DVHA senior management, Pharmacy and Data Unit staff met for a basic orientation to the 340B pharmacy program (what is a covered entity, what makes providers and patients eligible, etc.) and an overview of the opportunities for expanding the program in VT. Subsequent meetings with the Pharmacy Unit have focused on development of estimates of potential budget targets by drug category, as well as meetings with DMH staff to coordinate the DVHA Challenge activity with the DMH 340B Challenge.

5.2 Employee communication/involvement activities planned for next quarter

Date	Description
July - August 2010	DVHA will send representatives (Hunt Blair, Vicki Loner) to the annual 340B Coalition Conference, where Office of Pharmacy Affairs (OPA) staff are expected to announce details related to the expansion of covered entities to include Critical Access and Sole Community Hospitals and other information critical to this Challenge.

Based on the federal schedule for enrollment of eligible covered entities into the program (the essential first step, Measure 1.1), will develop a work plan and time line for working with hospitals. Will also establish a work plan with time line for working with FQHCs on expanding existing participation (by 5 of 8 VT FQHCs) and extending (the remaining 3 FQHCs) participation as 340B Medicaid pharmacy providers.

The Pharmacy and Data Units at DVHA will continue to build estimates and model potential Medicaid savings that can be achieved by hospital utilization of 340B for prescriptions to Medicaid beneficiaries accessing hospital out patient services.

6 Outreach post legislative session

6.1 Stakeholder communication/involvement activities through report date

Date	Description
May – June 2010	Solicited Heinz Family Philanthropies for financial support of legal and technical assistance needs related to development of the 340B program at Vermont hospitals.

6.2 Stakeholder communication/involvement activities planned for next quarter

Date	Description
July – August 2010	Meetings with Vermont Association of Hospitals & Health Systems staff, as well as meetings with representatives of individual hospitals. Meetings with Bi-State Primary Care Association staff, as well as meetings with representatives of individual health centers. Continued communication with Vermont Congressional delegation and with OPA to advocate for broad definition of eligible hospital out patient services. (e.g. to include hospital-owned primary care and specialty practice prescribers and their patients.)

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 **N/A**

8 Legislative reports pursuant to Challenges legislation

8.1 **N/A**

Agency of Human Services

Department of Vermont Health Access Hospital-sited Outpatient Clinics July 1, 2010

1 Outcomes and Measures

The Department of Vermont Health Access (DVHA) “shall collaborate with the federally qualified health centers [FQHCs] and other interested parties to create urgent care clinics to ensure that nonemergency health services are available outside emergency departments in hospitals, especially during evenings and weekends. The department may apply or may assist the FQHCs in applying for federal grants funds available for clinics, including nurse-managed health clinics.”

No estimated savings for SFY11.

1.1 Lower utilization of hospital emergency rooms by individuals requiring non-emergent care, especially during evening and weekend hours when primary care practices are typically closed.

Measure	To be determined late summer / fall 2010 based on analysis of current ER utilization for non-emergent care.
Current Value	\$0.00
Sources	DVHA Data Unit; BISHCA; Vermont Association of Hospitals and Health Systems
Update Frequency	To be determined.
Comment	To be determined.

1.2 Increased enrollment of individuals in primary care medical homes.

Measure	Number of individuals referred by hospital-sited clinics and enrolled in primary care medical homes per Hospital Service Area.
Current Value	\$0.00
Source	DVHA Division of Health Care Reform, VT Blueprint for Health
Update Frequency	To be determined.
Comment	To be determined.

2 Reconciliation of activities proposed in 1st progress report

2.1 This Challenge was not included in the 1st progress report.

Disposition In Session	The language at 1 above was added during the final days of the Challenges legislative debate.
Changes in Activity Plan	None
Change in FY11 Savings Target	None
Use of FY10 Investment Funds	None
Changes in Activity Plan	None
Change in FY11 Savings Target	None

3 New approved activities since first progress report

3.1 **As summarized above, this is a new initiative since the first progress report.**

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 **N/A**

5 Inreach

5.1 **Employee communication/involvement activities through report date**

Date	Description
May-June 2010	DVHA and BISHCA staff have discussed opportunities related to this Challenge, data sources (VHCURES multi-payer data base and DVHA Date Unit), and possible models for the clinics.

5.2 **Employee communication/involvement activities planned for next quarter**

Date	Description
August – September 2010	DVHA staff will begin to catalog existing infrastructure supporting non-emergent care at or near hospital campuses, as well as to explore models for co-locating FQHC clinic sites or other primary care provider clinics at hospitals. The Data Unit at DVHA and colleagues at BISHCA will begin to build model potential Medicaid and commercial insurer savings that can be achieved expanding access to primary care on site at Vermont hospitals.

6 Outreach post legislative session

6.1 **Stakeholder communication/involvement activities through report date**

Date	Description
May – June 2010	Responded to request from Senator Sanders for data on non-emergent care provided to Medicaid beneficiaries in hospital emergency departments. Began dialogue with Vermont Association of Hospitals and Health Systems (VAHHS) and Bi-State Primary Care Association staff about the this Challenge.

6.2 **Stakeholder communication/involvement activities planned for next quarter**

Date	Description
August – September 2010	Additional meetings with Vermont Association of Hospitals & Health Systems staff, as well as meetings with representatives of individual hospitals. Meetings with Bi-State Primary Care Association staff, as well as meetings with representatives of individual health centers.

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 **N/A**

8 Legislative reports pursuant to Challenges legislation

8.1 Report required by Act 146

By January 15, 2011, the department shall provide a progress report on this initiative with any recommendations, to the house committees on health care and on human services and the senate committee on health and welfare.

Agency of Human Services

Department of Vermont Health Access Clinical Utilization Review Board (CURB)

July 1, 2010

I Outcomes and Measures

The department shall conduct comprehensive evaluations of the board's success in improving clinical and utilization outcomes using claims data and a survey of health care professional satisfaction. Estimated net savings for SFY11 is \$4M.

1.1 CURB recommendations reviewed and implemented

Measure	Percentage of CURB recommendations implemented by DVHA
Current Value	Not yet available (CURB has not begun its meetings)
Source	CURB meeting agendas and minutes; DVHA edits and audits in claims processing system and State Plan Amendments
Update Frequency	Quarterly and Annually
Comment	None.

1.2 Reduction in both the over and under utilization of services

Measure	% change in utilization based on each specific recommendation implemented
Current Value	Not yet able to be identified (must be based on CURB recommendations)
Source	Medicaid Managed Information System (MMIS) claims system
Update Frequency	Quarterly and Annually
Comment	None.

1.3 Changes in costs of medical services for specific medical conditions

Measure	% change in specific service cost based on each specific recommendation implemented
Current Value	Not yet able to be identified (must be based on CURB recommendations)
Source	MMIS
Update Frequency	Quarterly and Annually
Comment	None.

1.4 No decrease in consumer satisfaction

Measure	Consumer Satisfaction
Current Value	Comparison questions from the 2008 Consumer Assessment of Health Plan Satisfaction (CAHPS) survey will be selected in SFY 2012
Source	Consumer Assessment of Health Plan Satisfaction
Update Frequency	Annually
Comment	None.

1.5 No decrease in provider satisfaction

Measure	Provider Satisfaction
Current Value	Comparison questions from the 2009 BISHCA Health Provider Satisfaction Survey will be selected and repeated at next scheduled

Source BISHCA Healthcare Provider Satisfaction Survey
 BISHCA Vermont Health Care Provider Satisfaction Survey
 Update Frequency Annually
 Comment None.

1.6 Changes in the number of Vermont-enrolled health care providers who treat Medicaid beneficiaries

Measure Provider enrollment
 Current Value 2010 Provider enrollment across provider type still being collected
 Source OVHA administrative data on provider enrollment
 Update Frequency Annually
 Comment None.

1.7 Changes in the number of Vermont-enrolled health care providers accepting new Medicaid beneficiaries

Measure Providers accepting new beneficiaries
 Current Value 2010 Providers accepting new Medicaid beneficiaries across provider type will be collected at end of 2010
 Source DVHA administrative data on provider enrollment
 Update Frequency Annually
 Comment None.

2 Reconciliation of activities proposed in 1st progress report

Disposition In Session No change in activities
 Changes in Activity Plan No change in activities
 Change in FY11 Savings Target None
 Use of FY10 Investment Funds None

3 New approved activities since first progress report

3.1 No newly approved activities to report

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 N/A

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
May - June, 2010	OVHA staff informed of CURB purpose at OVHA All Staff Meetings
June, 2010	Job description for CURB Clinical Data Analyst drafted

June, 2010 OVHA Management Team began discussion of interaction, measurement, and how to avoid duplication of multiple cost savings initiatives in SFY11 Budget Bill, including Program Integrity Savings, Transportation Program savings, Care Coordination savings, ER Utilization savings, and CURB savings

5.2 Employee communication/involvement activities planned for next quarter.

Date	Description
July – Sept, 2010	CURB Clinical Analyst position approved, recruited and hired; until hired, existing DVHA staff will provide data support to the CURB to assist in their review of program utilization.
July – Sept, 2010	Continued discussion of interaction, measurement, and how to avoid duplication of multiple cost savings initiatives in SFY11 Budget Bill, including Program Integrity Savings, Transportation Program savings, Care Coordination savings, ER Utilization savings, and CURB savings

6 Outreach post legislative session

6.1 Stakeholder communication/involvement activities through report date

Date	Description
April – June, 2010	DVHA’s Medical Director has worked with the Vermont Medical Society, UVM College of Medicine and other healthcare system entities to identify candidates for CURB membership (eight of the ten candidates have been identified) DVHA has worked with healthcare providers regarding utilization management proposals proposed in the Governor’s recommended budget.

6.2 Stakeholder communication/involvement activities planned for next quarter

Date	Description
July – Sept, 2010	DVHA will continue to engage the Vermont Medical Society, the Vermont Association of Hospitals and Health Systems, and other providers and healthcare system entities statewide.

7 Board Appointments pursuant to Challenges legislation if applicable

The board shall comprise 10 members with diverse medical experience, to be appointed by the Governor upon recommendation of the Commissioner of Vermont Health Access.

7.1 Clinical Utilization Review Board (CURB)

Date	Description
April – June 2010	DVHA’s Medical Director has worked with the Vermont Medical Society, UVM College of Medicine and other healthcare system entities to identify candidates for CURB membership (eight of the ten candidates have been identified)
July 10, 2010	CURB members will be submitted to the Governor for appointment to the CURB

8 Legislative reports pursuant to Challenges legislation

8.1 Annual Legislative Report on CURB Activities

Recipient	House Committee on Health Care and Senate Committee on Health and Welfare
Date Due	January 15 th (annually)
Date Delivered	Not yet applicable
Link	Not yet applicable

Agency of Human Services

Department of Corrections
July 1, 2010

1 Outcomes and Measures

1.1 The number of people returned to prison for technical violation of probation and parole, while ensuring public safety, shall decrease.

Measure 1 Incarcerated sanctions and revocations for substance abuse decreases through the use of residential treatment – baseline to be established

Current Value Not yet available; availability dependent on development of DOC data collection system. The system will be developed and operational by the end of this year.

Source DOC Database Application Pending Development

Update Frequency Quarterly

Comment None

Measure 2 Incarcerated sanctions for probations charged with a technical violation decreases through the use of graduated sanctions– baseline to be established

Current Value Not yet available; availability dependent on development of DOC data collection system. The system will be developed and operational by the end of this calendar year.

Source DOC Database Application Pending Development

Update Frequency Quarterly

Comment None

1.2 The number of people coming into the corrections system shall decrease.

Measure 1 Incarcerated offenders being detained on a new offense or violation decreases through the use of home detention as a sentencing option– baseline to be established

Current Value Database supports pending completion. The system will be completed by July 6, 2010.

Source Pending Implementation

Update Frequency Quarterly

Comment None

Measure 2 Offenders transition more promptly from jail to community-based supervision/intervention by expanding program availability (32 beds) and reducing program suspension periods – baseline to be established

Current Value Not yet available; availability dependent on development of DOC data collection system. The system will be developed and operational by the end of this calendar year.

Source DOC Database Application Pending Development

Update Frequency Quarterly

Comment None

Measure 3	Offenders diverted from correctional services (facility and field) increases through the use of adult court diversion programs – baseline to be established DOC is in the process of seeking proposals from the community.
Current Value	TBD
Source	TBD
Update Frequency	TBD
Comment	TBD

1.3 The number of nonviolent offenders diverted from prison into the community while ensuring public safety and providing effective consequences for criminal behavior shall increase.

Measure	Offenders incarcerated pre-minimum and eligible for release decreases (Reintegration window expanded by legislation from 90 to 180 days prior to an offenders minimum sentence)– baseline has been established
Current Value	DOC Database Applications System
	<u>Utilization of Reintegration Furlough Based upon 90-Days Prior to Minimum Release:</u>
	FY2007 – 27%
	FY2008 – 32%
	FY2009 – 30%
Source	DOC Database Applications System
Update Frequency	Monthly
Comment	None

1.4 Recidivism shall decrease

Measure	Increase in the number of offenders addressed through alternatives to traditional correctional services (facility and field) through expanded use of restorative justice programs– baseline to be established
Current Value	Manual Reports from Community Justice Centers and Reparative Boards. Database supports will be required to assess performance-based measures.
	<u>FY 2009</u>
	# Offenders utilizing restorative justice through local Justice Centers:
	<ul style="list-style-type: none"> • Reparative Cases: 846 • Court Diversion: 605 • Other Cases: 140
	# Community Justice Centers – 15
	# Volunteers – 650
	# Reparative Board Panels – 70 (48 Operated by the Community vs. DOC)
	# Work Service Hours Received by the Community as Ordered by the Panels – 5,300
Source	Manual Reports
Update Frequency	Annually

Comment TBD

1.5 Short-term lodgings in department of corrections facilities shall decrease.

Measure 1	Incarcerated offenders serving short sentences on a new offense or violation decreases through the use of home confinement as a sentencing option – baseline to be established
Current Value	Database supports pending completion. We expect a system will be completed by July 6, 2010.
Source	Pending Implementation
Update Frequency	Quarterly
Comment	None
Measure 2	Reduction in the Number of Persons being Detained Pretrial is Pending Development
	Bail supervision capped at 300 or less offenders, per daily average, by January 1, 2011.
Current Value	DOC Database Applications System
	<u>Average Number of Detainees:</u>
	FY2008 – 336
	FY2009 – 370
	First Six Months of FY2010 - 402
Source	Pending Implementation
Update Frequency	Quarterly
Comment	None

2 Reconciliation of activities proposed in 1st progress report

Disposition In Session	The legislature changed the 3/30/2010 DOC proposal by taking out the 18-bed reduction for offenders convicted of DWI #3 due to a lack of housing as well as reducing the availability of treatment beds at Valley Vista from 18 to 6.
Changes in Activity Plan	The 3/30/10 Activity Plan proposed by the DOC changed as follows: <ol style="list-style-type: none">1. Removed 18 beds (DWI#3 offenders) from the Lack of Housing releases: -\$416,3762. Reduced Valley Vista Treatment capacity by 12 beds: -\$277,5843. Reduced targeted savings produced by Court project: -\$101,4324. Added a valued for Home Detention: +\$578,300
Change in FY11 Savings Target	The change to the FY11 savings target was \$217,092, however, this does not include the \$1M increased savings target related to the AHS SFI RFP.
Use of FY10 Investment Funds	We did not use FY10 funds.

3 New approved activities since first progress report

N/A

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

Transitional Housing

Description	An RFP for transitional and supportive housing was issued in April. We will be negotiating with respondents. A DOC RFP for community-based re-entry and diversion services was issued on June 23, 2010.
Link	http://intra.doc.state.vt.us/
Date	June 22, 2010
Last Response Date	July 23, 2010
Selection Made	Pending
Significant Issues & Lessons Learned	Pending

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
Ongoing	Entire staff updates from the commissioner through communications and meetings at facility and field sites and central meetings of supervisors.

5.2 Employee communication/involvement activities planned for next quarter

Date	Description
Ongoing	Similar to those noted above in Section 5.1

6 Outreach post legislative session

6.1 Stakeholder communication/involvement activities through report date

Date	Description
Ongoing	The DOC met with members of the legislature, all branches of the criminal justice system, local government bodies and municipal officials, non-profits including service providers and the housing community, advocacy groups, academics, and other key stakeholders during the past quarter.

6.2 Stakeholder communication/involvement activities planned for next quarter

Date	Description
Ongoing	Next quarter DOC will continue our meetings and partnerships with members of the legislature, the judiciary, law enforcement, municipal officials, non-profits including service providers, the housing community, educational and employment partners, advocacy groups, academics, other correctional professionals, and additional stakeholders.

7 Board Appointments pursuant to Challenges legislation if applicable

N/A

8 Legislative reports pursuant to Challenges legislation

- Recipient
- Report on Inmate Mail, Telephone Monitoring and Child Visitation by Inmates required to the Senate Judiciary and the House of Corrections and Institution Committee
 - Report on strategies to reduce people in corrections required to the Senate and House Judiciary and the House of Corrections and Institution Committee
- Date Due 1/15/11 & 3/15/11, respectively
- Date Delivered Pending
- Link Pending Development

Agency of Human Services

AHS Community Based Initiatives Request for Proposals July 1, 2010

1 Outcomes and Measures

1.1 AHS shall issue a request for proposals from community based providers

Measure	Unknown at this time; depends on substance of proposals. In most cases should be outcomes and measures included in other challenges
Current Value	Unknown at this time
Source	Unknown at this time
Update Frequency	Will be quarterly
Comment	N/A

2 Reconciliation of activities proposed in 1st progress report

Disposition In Session	This initiative started in the legislative process
Changes in Activity Plan	
Change in FY11 Savings Target	
Use of FY10 Investment Funds	\$2M available through enhanced FMAP

3 New approved activities since first progress report

3.1 AHS Community Based RFP

Description	This entire activity is new since the March 30 th report
Benefits	Designed to produce sustainable, cost effective change in delivery of human services and save \$2 million in FY11 and more in out years.
Related FY11 Savings Projection	\$2M
Related Use Investment Funds	\$2M in investment funds will be used to initiate RFP contracts

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 Sec. C 35 AHS: Request for Proposals

Description	RFP for community based initiatives to produce new, more efficient and effective service delivery models, through performance based contracts.
Link	http://humanservices.vermont.gov/news-info/whats-new/challenges-for-change-rfp-2
Date	Released June 15, 2010
Last Response Date	Due no later than August 17, 2010
Selection Made	
Significant Issues & Lessons Learned	Just begun. Bidders' conference held via VT ITV on June 23, strong interest.

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
June 7, 2010	Draft of RFP released to broad audience asking for comments or questions.

5.2 Employee communication/involvement activities planned for next quarter

Date	Description
Continuous	Agency staff will be involved in community discussions under the auspices of the Field Services Director

6 Outreach post legislative session

6.1 Stakeholder communication/involvement activities through report date

Date	Description
June 7, 2010	Draft of RFP sent out broadly for comments and questions. Bidder's conference held on ITV June 23, 2010

6.2 Stakeholder communication/involvement activities planned for next quarter

Date	Description
Continuous	Stakeholders will be involved all over the state in the human services system discussing and planning responses to the proposals. Field Services Directors are expected to convene and lead the process if necessary. AHS Secretary's office has offered to meet with local groups if desired to provide technical assistance.

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 Name of board and citation from legislation

Appointment Date Appointment Name

Appointments to be made by the Governor, Speaker of the House and Senate Committee on Committees. AHS CO will be following up with each entity in the next two weeks.

8 Legislative reports pursuant to Challenges legislation

8.1 **N/A**

Agency of Human Services

RFP with Designated Agencies for Services to Persons in Correction with Serious Functional Impairments

July 1, 2010

1 Outcomes and Measures

1.1 AHS shall issue a request for proposals from Designated Agencies to Serve Persons in Corrections with Serious Functional Impairments (SFI)

Measure	Reduced number of persons incarcerated who have SFI
Current Value	Approximately 100, but the number changes daily
Source	DOC data on population
Update Frequency	Will be monthly
Comment	N/A

2 Reconciliation of activities proposed in 1st progress report

Disposition In Session	This initiative started in the legislative process
Changes in Activity Plan	
Change in FY11 Savings Target	
Use of FY10 Investment Funds	No investments targeted to this initiative. Assumption is that as people are moved out into community services, savings will be gained in DOC.

3 New approved activities since first progress report

3.1 AHS Community Based RFP

Description	This entire activity is new since the March 30 report
Benefits	Designed to reduce incarceration and save \$1 million GF in FY11
Related FY11 Savings Projection	\$1M GF
Related Use Investment Funds	None

4 RFPs issued pursuant to Challenges legislation not previously reported or with change of status since last reported

4.1 Sec. C 35 AHS: Request for Proposals

Description	After discussion with the designated agencies, we have determined a formal RFP process is unnecessary and extra work. Because we know the impacted population we will be sending instruction and guidance to the DA's on how to begin serving the targeted population.
Link	none
Date	Instructions will be released in late June
Last Response Date	Work with individual clients should begin in early July 2010
Selection Made	
Significant Issues & Lessons Learned	As above; an RFP process would be counterproductive.

5 Inreach

5.1 Employee communication/involvement activities through report date

Date	Description
Month of June	Draft of RFP discussed with all departments. Alternative to use directions and guidance being reviewed by Departments in late June.

5.2 Employee communication/involvement activities planned for next quarter

Date	Description
Continuous	Agency staff will be involved in Designated Agency planning under the auspices of the Field Services Director

6 Outreach post legislative session

6.1 Stakeholder communication/involvement activities through report date

Date	Description
June 18, 2010	Met and discussed RFP versus alternative approach with Designated Agency representatives. Agreed to alternative approach.

6.2 Stakeholder communication/involvement activities planned for next quarter

Date	Description
Continuous	AHS Secretary's Office will continue to meet probably monthly with DA's to discuss progress and problems with this initiative.

7 Board Appointments pursuant to Challenges legislation if applicable

7.1 N/A

8 Legislative reports pursuant to Challenges legislation

8.1 **N/A**

EDUCATION

Challenges for Change Progress Report

Education
July 1, 2010

1. Status Report from the Department of Education

- 1.1 The Department is working to determine FY 2012 education spending reductions for each the supervisory union and district as well as the three technical center school districts. Sec. E1 of Act 146 requires the department to inform each supervisory union, district and technical center district of the reduction by August 1, 2010. In preparation the Commissioner and department staff on June 23, 2010, met with executive directors of the Vermont Superintendents Association, the Vermont School Board Association, and the Vermont Principals Association to discuss possible methodologies.