

25 WAYS TO REDUCE THE COST OF STATE GOVERNMENT

By Sen. Randy Brock

Before anyone gets excited, please note that these are only ideas. They need to be examined and vetted. Some may make sense and will survive the scrutiny that would certainly follow consideration. But unless we begin to think more broadly, we'll be left with the typical cost reduction response: let's cut a certain percentage of cost across the board. That, in my judgment is the worst way to reduce cost. It guarantees mediocrity across government. We have to recognize that all things that government does are important, but that some are certainly more important than others. The challenge is to identify that things that are most important, fund them appropriately and then, once we have committed all of the resources we have available, stop doing the remainder.

✓ Evaluate the cost-benefit of OneCare. Consider eliminating it and its associated bureaucracy if the benefit is not there.	✓ Establish a Department of Innovation, without adding to the state's total workforce, as the state's premier internal consultant to drive change. Focus on artificial intelligence and robotics to shrink government staffing.
✓ Decrease the size of state government by taking advantage of the coming demographic changes in the state's workforce.	✓ Review every tax expenditure and repeal those that do not produce a return on investment.
✓ Systematically reengineer core state government functions, starting with environmental permitting, to increase efficiency, eliminate redundancies, establish measurement tools and improve timeliness.	✓ Force-rank every function of government and prioritize each from top to bottom. Make the tough decisions as to which government functions we cannot afford to continue performing.
✓ Establish key metrics for every governmental function; reward success, question stagnation, address sluggishness and not tolerate failure; use the COMSTAT methodology throughout government	✓ Create price transparency in medical provider fees and pharmaceutical costs. Incentivize Medicaid use of low cost providers. Create a centralized web site where patients can comparison shop for medications and non-urgent, elective medical and surgical services
✓ Aggressively root out fraud, waste, error and abuse. Conduct renewed performance audits of Medicaid and ensure that audit recommendations are implemented.	✓ Make Vermont the nation's go-to place to domicile a benefit corporation; create an industry infrastructure and super-responsive regulatory structure; market the concept nationally.
✓ Establish a target and create an action plan to make Vermont the headquarters of a Fortune 1000 company within the next ten years.	✓ Put to work the best minds in Vermont to put Vermonters to work. Think outside of the box to create new, unique regulatory structures to attract new businesses and new business models, especially in the financial services, insurance and health care industries.
✓ Perform independent performance audits to examine the return on investment to taxpayers of every state	✓ Review the "but for" test in Vermont's growth incentive programs to tighten and make more objective the decision

<p>loan, job training and business tax subsidy program; recognize that benefits may be qualitative as well as quantitative. Eliminate programs that are not cost beneficial</p>	<p>criteria; determine the value of providing a tax incentive for every new job created.</p>
<p>✓ Encourage industry cross selling and supply-chain development through a campaign to purchase products and service from in-state suppliers.</p>	<p>✓ Do an independent cost analysis of eliminating the Department of Liquor Control and replacing it with a market solution.</p>
<p>✓ Perform independent performance audits to examine every medical cost and the health-effectiveness of every mandate</p>	<p>✓ Perform an independent cost analysis of allowing health care insurance to be purchased outside the Exchanges</p>
<p>✓ Establish an Executive-in-Residence Program, borrowing executives from major corporations and universities to work in state government for up to a year.</p>	<p>✓ Concentrate on the Vermont brand. Reform Vermont's origin rules so that Vermont-based companies do not lose their competitive advantage. Redefine "Made in Vermont" to reflect reality. Allow for 100% Vermont-origin products, such as milk, to retain the "Made in Vermont" label.</p>
<p>✓ End Crony Capitalism; Support low-cost energy sources. Vermont already has the cleanest energy portfolio in the nation. We must balance the introduction renewable energy sources against the cost. We should resist the temptation to turn to high cost, intermittent power that has minimal impact on reducing carbon emissions.</p>	<p>✓ Stop paying for duplicate diagnostic testing when patients are moved to a tertiary care hospital. If we can't rely on community hospitals' tests, they shouldn't be conducting tests</p>
<p>✓ Institute Parallel Permitting. Remove the inefficiencies and duplication between municipal and state permitting. Explore creating a mechanism to present evidence to both municipal and state permitting bodies simultaneously instead of sequentially.</p>	<p>✓ Cut red tape. Systematically review every rule and regulation to reduce regulatory burdens and the cost of regulatory compliance to help companies grow their businesses in Vermont.</p>
<p>✓ Establish "One-Stop-Shopping" for all permits. Consolidate the permitting components of the Agency of Natural Resources, the Agency of Agriculture, the Agency of Transportation and the Department of Public Safety and the District Environmental Commissions into one super permitting agency. Eliminate redundancies and reduce duplicative administrative structures. Within the new agency, create permitting, enforcement and administrative law units, with the latter staffed with administrative law judges to deal with first level appeals, with strict timelines for fast, responsive decision-making.</p>	