

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2104 Session of 2018

INTRODUCED BY BLOOM, GROVE, FRITZ, RYAN, WALSH, DOWLING, ROTHMAN, CUTLER, BERNSTINE, FEE, DUSH, KEEFER, SCHEMEL, EVERETT, COX, B. MILLER, MCGINNIS, NELSON, KLUNK, PHILLIPS-HILL, WHEELAND AND GILLEN, APRIL 18, 2018

AS REPORTED FROM COMMITTEE ON STATE GOVERNMENT, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 19, 2018

AN ACT

1 Amending Title 71 (State Government) of the Pennsylvania
2 Consolidated Statutes, in boards and offices, providing for
3 Department of Health and Human Services.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Part V of Title 71 of the Pennsylvania
7 Consolidated Statutes is amended by adding a chapter to read:

8 CHAPTER 49

9 DEPARTMENT OF HEALTH AND HUMAN SERVICES

10 Subchapter

11 A. General Provisions

12 B. Departmental Administration

13 SUBCHAPTER A

14 GENERAL PROVISIONS

15 Sec.

16 4901. Scope of chapter.

17 4902. Definitions.

1 § 4901. Scope of chapter.

2 This chapter relates to the Department of Health and Human
3 Services.

4 § 4902. Definitions.

5 The following words and phrases when used in this chapter
6 shall have the meanings given to them in this section unless the
7 context clearly indicates otherwise:

8 "Continuous improvement process system." A management
9 methodology system that combines tools to improve process speed
10 and reduce waste with data-driven project analysis to provide
11 products and services with improved quality at a lower cost. The
12 term may involve any of the following strategies:

13 (1) Developing a process map that describes the lean
14 government principles or another widely accepted business
15 process improvement system by which an executive agency
16 engages in specific activities that have the purpose of
17 increasing efficiency and eliminating waste in the processes
18 used to deliver goods and services to taxpayers and customers
19 of this Commonwealth. This strategy includes the measurement
20 of the outcomes regarding increased efficiency and the
21 elimination of waste and procedures by which the executive
22 agency produces goods or serves its customers.

23 (2) Engaging in specific activities to rapidly improve
24 an executive agency's processes that will increase value or
25 decrease staff time, inventory, defects, overproduction,
26 complexity, delays or excessive movement.

27 (3) Involving executive agency employees at all levels
28 to map the executive agency's processes and recommend
29 improvements, with specific importance placed on the
30 involvement of executive agency employees closest to the

1 customer or end user of the State government product or
2 service.

3 (4) Providing the means to measure each process in order
4 to demonstrate the effectiveness of each process or process
5 improvement.

6 (5) Training executive agency employees to mentor and
7 train other executive agency employees in continuous
8 improvement process systems.

9 "Department." The Department of Health and Human Services
10 established under section 4911 (relating to establishment of
11 department).

12 "Secretary." The Secretary of Health and Human Services.

13 SUBCHAPTER B

14 DEPARTMENTAL ADMINISTRATION

15 Sec.

16 4911. Establishment of department.

17 4912. Organization of department.

18 4913. General duties of department and transfer provisions.

19 4914. Redesignation.

20 4915. ~~Civil service status~~ (RESERVED).

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21 4916. Secretary.

22 4917. Strategic plan.

23 § 4911. Establishment of department.

24 The Department of Health and Human Services is established as
25 an administrative department within the executive branch of the
26 government of this Commonwealth.

27 § 4912. Organization of department.

28 (a) Division of responsibilities.--The department shall be
29 divided into the following:

30 (1) The Bureau of Child Development.

- 1 (2) The Bureau of Children, Youth and Families.
- 2 (3) The Bureau of Developmental Programs.
- 3 (4) The Bureau of Eligibility and Self-Sustainability.
- 4 (5) The Bureau of Health Care Quality and Licensure.
- 5 (6) The Bureau of Public Health.
- 6 (7) The Bureau of Medical Programs and Pharmacy
- 7 Services.

8 (b) Supervision.--

9 (1) Each bureau of the department shall be headed by a
10 deputy secretary appointed by the secretary.

11 (2) Each deputy secretary shall be under the supervision
12 of the secretary.

13 § 4913. General duties of department and transfer provisions.

14 (a) Authority.--The department shall exercise the authority
15 and perform the duties of the following as specified in this
16 chapter:

17 (1) The Department of Health.

18 (2) The Department of Human Services.

19 (b) Transfer of powers and duties.--

20 (1) The powers and duties vested in the Secretary of
21 Health and the Secretary of Human Services are transferred to
22 the secretary, who shall exercise the powers and perform the
23 duties that those secretaries exercised or performed prior to
24 the effective date of this section. Any reference to the
25 Secretary of Health or the Secretary of Human Services shall
26 be a reference to the secretary on or after the effective
27 date of this section.

28 (2) The following are transferred to the department:

29 (i) All bureaus, organizations and divisions in the
30 Department of Health and the Department of Human Services

1 responsible for the functions specified in this chapter.

2 (ii) All personnel, allocations, appropriations,
3 equipment, files, records, contracts, agreements,
4 obligations and other materials which are used, employed
5 or expended by the Department of Health or the Department
6 of Human Services in connection with the functions
7 transferred by this chapter to the department in the
8 first instance and as if these contracts, agreements and
9 obligations had been incurred or entered into by the
10 department.

11 (c) Apportionment.--The personnel, appropriations, equipment
12 and other items and material transferred TO THE DEPARTMENT by <--
13 this section shall include an appropriate portion of the general
14 administrative, overhead and supporting personnel,
15 appropriations, equipment and other material of the Department
16 of Health or the Department of Human Services and shall also
17 include, where applicable, Federal grants and funds and other
18 benefits from any Federal program.

19 (d) Status of employees.--All personnel transferred under
20 this chapter shall retain any civil service employment status
21 assigned to the personnel.

22 § 4914. Redesignation.

23 (a) Department of Health.--

24 (1) The Department of Health shall be known as the
25 Bureau of Health under the department.

26 (2) A reference to the Department of Health in a statute
27 or regulation shall be deemed a reference to the department.

28 (3) To provide an efficient and cost-minimizing
29 transition, licenses, contracts, deeds and other official
30 actions of the ~~Department of Health~~ DEPARTMENT OR ANY BUREAU <--

1 SPECIFIED IN THIS SUBSECTION shall not be affected by the use
2 of the designation as Bureau of Health. The Department of
3 Health may continue to use the name "Department of Health" on
4 badges, licenses, contracts, deeds, stationery and other
5 official documents until existing supplies are exhausted. The
6 Department of Health DEPARTMENT may substitute the title <--
7 "Department of Health and Human Services" for "Department of
8 Health" on its documents and materials on a schedule that is
9 deemed appropriate.

10 (4) The Department of Health DEPARTMENT shall not <--
11 replace existing signage at its locations with the
12 redesignated name until the signs are worn and in need of
13 replacement. This transition shall be coordinated with
14 changes in administration.

15 (5) The Department of Health DEPARTMENT shall continue <--
16 to use the name "Department of Health" on its computer
17 systems until the time of routine upgrades in each computer
18 system in the Department of Health DEPARTMENT. The change in <--
19 name shall be made at the time of the routine upgrade to the
20 computer systems.

21 (b) Department of Human Services.--

22 (1) The Department of Human Services shall be known as
23 the Bureau of Human Services under the department.

24 (2) A reference to the Department of Human Services in a
25 statute or regulation shall be deemed a reference to the
26 department.

27 (3) To provide an efficient and cost-minimizing
28 transition, licenses, contracts, deeds and other official
29 actions of the Department of Human Services DEPARTMENT OR ANY <--
30 BUREAU SPECIFIED IN THIS SUBSECTION shall not be affected by

1 the use of the designation as Bureau of Human Services. The
2 Department of Human Services DEPARTMENT may continue to use <--
3 the name "Department of Human Services" on badges, licenses,
4 contracts, deeds, stationery and other official documents
5 until existing supplies are exhausted. The Department of <--
6 Human Services DEPARTMENT may substitute the title <--
7 "Department of Health and Human Services" for "Department of
8 Human Services" on its documents and materials on a schedule
9 that is deemed appropriate.

10 (4) The Department of Human Services DEPARTMENT shall <--
11 not replace existing signage at its locations with the
12 redesignated name until the signs are worn and in need of
13 replacement. This transition shall be coordinated with
14 changes in administration.

15 (5) The Department of Human Services DEPARTMENT shall <--
16 continue to use the name "Department of Human Services" on
17 its computer systems until the time of routine upgrades in
18 each computer system in the Department of Human Services <--
19 DEPARTMENT. The change in name shall be made at the time of <--
20 the routine upgrade to the computer systems.

21 § 4915. Civil service status. <--

22 All positions in the department shall be deemed to be
23 included in the list of positions under section 3(d) of the act
24 of August 5, 1941 (P.L.752, No.286), known as the Civil Service
25 Act, and the provisions and benefits of that act shall apply to
26 the employees of and positions in the department. (RESERVED). <--

27 § 4916. Secretary.

28 (a) Nomination.--No later than 30 days after the effective
29 date of this section, the Governor shall nominate an individual
30 to serve as acting secretary until the individual or another

1 individual is confirmed as secretary by the Senate under section
2 8 of Article IV of the Constitution of Pennsylvania. The acting
3 secretary shall have the same authority as the secretary.

4 (b) Appointments.--The secretary shall appoint the deputy
5 secretary of each of the bureaus within the department <--
6 SECRETARIES. Each deputy secretary shall possess appropriate <--
7 qualifications to serve in that capacity.

8 (c) Salary.--The annual salary of the secretary shall be <--
9 \$166,000 or at a higher level as established by the Governor
10 with the approval of the executive board.

11 § 4917. Strategic plan.

12 (a) Development.--Subject to subsection (b), within 120 days
13 of the effective date of this section, the Governor shall
14 contract with a qualified third party to develop a strategic
15 plan under this section.

16 (b) Third-party contract.--The Governor may enter into a
17 contract with a qualified third-party organization under this
18 section if the organization:

19 (1) has experience with large corporate mergers of a
20 company which has more than 500 employees;

21 (2) has experience assisting in the merging of
22 government agencies in other states; and

23 (3) utilizes continuous improvement process systems to
24 strengthen the efficiency and delivery of service of agencies
25 or corporations undergoing a merger.

26 (c) Parameters.--The strategic plan under this section shall
27 detail the merger of the Department of Health and the Department
28 of Human Services, in accordance with the provisions of this
29 chapter, and shall provide for:

30 (1) A 20% reduction in administrative costs.

1 (2) A 20% reduction in regulations promulgated by the
2 Department of Health and the Department of Human Services.

3 (3) The establishment of a Regulatory Advisory Committee
4 consisting of members of the regulated communities for
5 activities regulated or overseen by the department.

6 (4) The establishment of a Statewide and uniform
7 interpretation of regulations and laws from inspectors used
8 by the department.

9 (5) The establishment of an independent office separate
10 from the department to oversee any medical assistance program
11 operated by the Commonwealth.

12 (6) The improvement of agency services to residents of
13 this Commonwealth at a lower cost to taxpayers.

14 (7) The consolidation of redundant rules and regulations
15 promulgated by the Department of Health and the Department of
16 Human Services.

17 (8) The development of expected outcomes to improve the
18 health and well-being of residents of this Commonwealth.

19 (9) Value-based purchasing for agency programs.

20 (10) The use of evidence-based programs.

21 (11) A proposal for the development of medical homes.

22 (12) The development of a plan to establish a uniform
23 coordinated delivery of services.

24 (13) Recommendations to maximize the amount of Federal
25 funds received by the Commonwealth.

26 (14) A detailed analysis of Federal funding for the
27 department, including, but not limited to, long-term costs to
28 the Commonwealth required for maintenance of effort
29 agreements.

30 (15) THE APPORTIONMENT OF PERSONNEL, APPROPRIATIONS,

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1 EQUIPMENT AND OTHER ITEMS AND MATERIAL TRANSFERRED TO THE
2 DEPARTMENT UNDER SECTION 4913 (RELATING TO GENERAL DUTIES OF
3 DEPARTMENT AND TRANSFER PROVISIONS).

4 (d) Submittal.--No later than 240 days after the effective
5 dates of this section, the strategic plan under this section
6 shall be submitted to the General Assembly for review and any
7 hearings deemed necessary.

8 Section 2. All other acts or parts of acts are repealed
9 insofar as they are inconsistent with this act.

10 Section 3. Except as otherwise provided in 71 Pa.C.S. Ch.
11 49, all activities regarding the powers and duties under 71
12 Pa.C.S. Ch. 49 which were initiated under the Department of
13 Health or the Department of Human Services shall continue and
14 remain in full force and effect and may be completed under 71
15 Pa.C.S. Ch. 49. Orders, regulations, rules and decisions which
16 were made under the authority of the Department of Health or the
17 Department of Human Services regarding the powers and duties
18 under 71 Pa.C.S. Ch. 49 and which are in effect on the effective
19 date of 71 Pa.C.S. Ch. 49 shall remain in full force and effect
20 until revoked, vacated or modified under 71 Pa.C.S. Ch. 49.
21 Contracts, obligations and collective bargaining agreements
22 entered into under the authority of the Department of Health or
23 the Department of Human Services are not affected nor impaired
24 by the transfer of powers and duties under 71 Pa.C.S. Ch. 49.

25 Section 4. Any expenditures needed to implement this act
26 shall be paid using encumbered funds of the respective executive
27 agency.

28 Section 5. Within 10 days of the nomination under 71 Pa.C.S.
29 § 4916(a), the Secretary of the Commonwealth shall provide
30 notice of the nomination to the Legislative Reference Bureau,

1 which shall publish the notice in the Pennsylvania Bulletin.

2 Section 6. This act shall take effect as follows:

3 (1) The following shall take effect immediately:

4 (i) This section and section 5 of this act.

5 (ii) The addition of 71 Pa.C.S. §§ 4901, 4902, 4916
6 and 4917.

7 (2) The remainder of this act shall take effect 30 days
8 after publication in the Pennsylvania Bulletin of the notice
9 under section 5 of this act.