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R.I. may lack personnel to redo Medicaid

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PROVIDENCE — Governor Carcieri faces at least one major hurdle as he begins to reshape health care coverage for more than 180,000 elderly, disabled and poor Rhode Islanders.

He doesn't have enough employees.

The governor's office, key legislators and interest groups agree that Carcieri's agreement with the federal government to overhaul the state's Medicaid programs probably cannot move forward until the state hires dozens more people.

"I have concerns," House Finance Committee Chairman Steven M. Costantino said last week. "At this point, they don't have the capacity they need."

Widespread vacancies created by an exodus of workers who retired last fall to avoid reduced retirement benefits have already complicated state government's ability to process unemployment checks, distribute food stamps, and staff the Division of Motor Vehicles.

And the governor's Medicaid changes — more than a year in the making — probably won't begin until the state hires scores of long-term care specialists, nurses, clinical physicians, case workers, and implementation aides.

Among other things, the new system will shift hundreds of seniors and disabled Rhode Islanders from nursing homes to community placements. State government will create assessment teams to work with Medicaid recipients — there are tens of thousands — to determine the appropriate setting and regularly update their eligibility.

"I know that you all know we've lost a lot of people over the last 18 months," Carcieri told the Senate Finance Committee during a Jan. 13 hearing. "I've committed ... that we will hire what we need to make sure we get this job done and get it done properly."

The Carcieri administration identified for the General Assembly 82 positions across five state departments to be filled by next month. But even that isn't enough, according to the governor's office.

The administration is seeking bids from private vendors on a contract to "assist in coordinating the development and implementation of [these] Medicaid reforms," although it has yet to say when a company would be hired or when the bids would be opened. And the governor's office last week said it would also offer short-term contracts to an unspecified number of "companies or individuals with specific areas of expertise."

But the hiring hasn't begun. And there are signs the Carcieri administration is already missing deadlines the governor's staff presented to the General Assembly last month.

Instead of hiring 82 people by March 1, as outlined in a presentation to the legislature, the governor now plans to hire between 25 and 30 people by mid-April, according to Carcieri spokeswoman Amy Kempe.

"The state is not really in a position to go on a hiring spree and departments need to make the determination of critical positions," she said, characterizing the staffing plan submitted to the legislature as a "wish list."

"We will not make the self-imposed March wish list," Kempe said. "But we are committed to staffing levels needed to implement the waiver and deliver the services."

The hiring of state employees has become an increasingly sensitive issue.

Carcieri has spent much of the last two years pushing to reduce the number of unionized workers on Smith Hill. Facing fierce resistance from organized labor, he forced a round of layoffs last year and proposed changes to retirement benefits that helped push more than 1,500 people into retirement between May 1 and Sept. 30.

The shrinking size of government was a political victory for the governor, despite the subsequent strain on state services.

And the justification for the staffing cuts — deepening state budget deficits — has not gone away.

Facing a \$357-million current-year budget shortfall, Carcieri called for broad staffing cuts at human service agencies in his recently-released budget repair plan. He has since reversed his position in statements to the legislative committees, acknowledging the monumental task of changing the state's Medicaid programs that serve one in six residents.

"As conscious as I am of the budget and pressures we're under, it's more important to me that we do this well and do it properly," the governor told the Senate Finance Committee. "So I have committed to [Department of Human Services Director] Gary [Alexander] and the team that we'll have the people that we need."

Data released by the governor's office last week suggests that there is a substantial need for staff at the moment.

Staffing levels have dropped substantially in recent months at health and human service agencies. At the end of December, 13,331 full-time state workers were employed, down about 6 percent from last July, according to figures the governor's office gave The Journal.

But the Department of Human Services, which largely manages Medicaid programs, lost 101 employees — 11 percent of its work force. Among them was the state Medicaid director, Frank Spinelli, whose successor will be chosen by mid-April, according to the governor’s office.

Other agencies involved fared worse.

The Department of Mental Health, Retardation and Hospitals lost 209 employees, more than 14 percent of its staff, according to the governor’s data. And the Department of Elderly Affairs, which will play a critical role in shifting seniors from nursing homes to community placements under the new system, lost 30 percent of its staff.

“It does raise concerns about the capacity to implement huge changes,” said Linda Katz, policy director of Rhode Island College’s Poverty Institute. “If you try calling in to the Department of Human Services, the workers’ mailboxes are full. We’re hearing people are having a hard time getting through to their workers already.”

Costantino said he doesn’t expect a problem with the Medicaid overhaul as long as the governor lives up to his promise to add staff.

“They have a schedule of who they’re going to hire,” Costantino said. “They need to follow through.” Feeling the loss

State government is reeling from the exodus of state workers who retired in the fall. Key departments involved with the governor’s Medicaid overhaul plan have been particularly hard hit.

State department	Workers lost *	% of dept.
MHRH	209	14.4
Human Services	101	11.0
DCYF	63	8.8
Health	43	10.5
Elderly Affairs	10	30.0
* Numbers reflect jobs losses between July and end of Dec.		
Source: Governor’s office		

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