

# New state agency proposed

01:00 AM EST on Thursday, December 13, 2007

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The Providence Journal / Bill Murphy

PROVIDENCE — Lawmakers sparred among themselves yesterday over the General Assembly's own spending, after House Finance Chairman Steven M. Costantino proposed a government "restructuring" plan that would eliminate the jobs of five Cabinet-level directors in the Carcieri administration who make between \$95,387 and \$134,975 a year.

Costantino wants to merge into one mega-agency the five separate state agencies that provide financial aid and a variety of other services to the young, the old, the poor, the disabled and thousands of abandoned, troubled and delinquent youth. They include the Department of Health; the Department of Human Services; the Department of Elderly Affairs; the Department of Mental Health, Retardation and Hospitals; and the Department of Children, Youth and Families.

At close to \$2.7 billion, these five health, social-service and welfare agencies account for more than one-third of Rhode Island's \$6.977-billion state and federally subsidized budget.

At a State House news conference, Costantino, D-Providence, acknowledged that he does not yet know how much money his proposal might save, and whether any savings can be wrested from it as early as next year, when the state is facing a potential \$450-million deficit. But looking ahead, he said the consolidation would provide "a major opportunity to cut administrative costs, achieve greater economies of scale and make the system as a whole more client-centered."

A spokesman for Governor Carcieri said the governor "welcomes any debate about how we can further consolidate state government functions to save money for Rhode Islanders and improve how state benefits are delivered," but "we will need to examine how any proposal will reduce costs next year and in the years to come. At this moment, we don't have that information about this specific proposal."

But Rep. Joe Trillo, R-Warwick, said: "It's just another power grab from the governor.... I mean, at this point, they have no figures, no numbers, all they are talking about is zeroing in on how these appointments are going to be made and how many people they are going to eliminate [that] the governor has already appointed as cabinet heads."

Rep. John J. Loughlin, R-Tiverton, said legislative leaders could make a more immediate dent by cutting the Assembly's \$37.8-million budget which costs an estimated \$37 per capita, when "Massachusetts pays \$9 per person, and they've got a full-time legislature.... We need a minimum of a 25-percent cut, probably more than that."

As an example of the legislature's lack of accountability, the Republicans issued a statement citing the award year after year of what was supposed to be a one-time legislative grant to a private school to build a playground: "They got the same grant every year after that without even asking for it — long after the playground had been built and paid for."

In response, House Majority Leader Gordon D. Fox, D-Providence, squelched one possibility by saying: "We are not favoring any increase in broad-base taxes at this point."

On the subject of the legislature's own spending, he said: "We in the leadership are ready, willing and able to take a look inward and do whatever we need to do to contribute to the solution.... I am not even ruling out layoffs at this point." He would not elaborate, but defended the part-time lawmakers' compensation package which averages out to \$28,000, including their \$13,508 pay.

Sparking this exchange was Costantino's effort to draw attention to a draft bill that he acknowledged was a "work in progress" despite its proposed Oct. 1, 2008, implementation date.

Each of the agencies he seeks to eliminate has its own director, with DHS Director Gary Alexander making \$115,837; DCYF Director Patricia Martinez, \$127,501; MHRH Director Ellen Nelson, \$126,582; DEA Director Corinne Russo, \$95,387; and state health director David Gifford, \$134,975. Overseeing them all now is a director of the health and human services, a job with a starting salary of \$123,329 a year that former state budget officer Lee Grossi has performed without charge, on an interim basis, since the retirement of his predecessor, Jane Hayward.

Most serve at the governor's discretion; Gifford has a contract through March 2010.

Under Costantino's proposal, the responsibilities of these agencies would be divided among six new divisions within the new super agency, which encompasses "children and family services," "behavioral health," "developmental disabilities," "public health," and "elderly and long-term care." Added to these would be a brand new "division of veterans affairs," for which veterans' advocates have long lobbied.

Each division would have its own chief, appointed by the new secretary of health & human services who, in turn, would be appointed — subject to Senate confirmation — by the governor. The division chiefs would be appointed by the new secretary, with the governor's approval, and would also require Senate confirmation.

As was already contemplated by this year's budget, legal services, purchasing, personnel, licensure and regulation, and other back-office functions, such as communications, information management and the administration of the \$1.9-billion Medicaid program would be handled out of "one department-wide office."

Costantino was adamant: "It isn't a power play."

Speaking in broad concepts, Costantino said: "Right now, Rhode Island serves children and families through DCYF, people with mental health issues through MHRH, and elders through the Department of Elderly Affairs. Our health-care infrastructure operates on a micro level, with small, independent organizations doing the best they can to help underserved Rhode Islanders deal with health issues. The result is low operational efficiency, more barriers to information sharing, higher costs, and greater risk that some critical department, in a tight budgeting year, will be cut into functional oblivion."

Noting that other states, including Nebraska have embarked on similar reorganizations, Costantino said the new structure he envisions should help the state provide "a continuum of care to its citizens, who now deal with separate agencies depending on their age and what type of help they need from the state."

A recent hearing on a General Assembly-initiated proposal to merge the state's five advocacy offices — including the offices of the child advocate and mental health advocate — into a new Department of Advocacy drew loud protests at an October hearing. There was no such immediate reaction yesterday. "We certainly like the idea of strengthening families by integrating services offered across departments," said Kate Brewster, director of Rhode Island College's Poverty Institute. "But clearly, if this is to work, it will require a very competent secretary of the EOHHS [Executive Office of Health and Human Services] with vision. We hope that whoever is nominated for that position... will have the skills that are going to be necessary to pull this off."

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