

ONE HUNDRED THIRD LEGISLATURE

SECOND SESSION

LEGISLATIVE RESOLUTION 535

Introduced by Mello, 5; Bolz, 29; Campbell, 25; Conrad, 46; Crawford, 45; Gloor, 35; Harms, 48; Howard, 9; Kintner, 2; Krist, 10; Nelson, 6; Nordquist, 7; Seiler, 33; Watermeier, 1; Wightman, 36.

PURPOSE: The purpose of this resolution is to conduct a comprehensive review of the structure of health and human services functions currently administered by the Department of Health and Human Services (DHHS), as well as to examine similar structures and functions in other states.

Prior to 1996, the health and human services functions currently administered by DHHS were delegated to four separate state agencies. These were the Department on Aging, the Department of Health, the Department of Public Institutions, and the Department of Social Services, in addition to the Office of Juvenile Services in the Department of Correctional Services.

Since the merger of these agencies, DHHS has grown to account for more than one-third of annual expenditures in the overall state budget for fiscal year 2012-13.

Historical expenditures for DHHS have grown at a higher rate than overall state expenditures, increasing by more than \$1.7 billion with an average growth rate of 5.26% since fiscal year 1995-96.

As of December 2013, DHHS had 6,162 employees which represents nearly three times the number of state employees than that of any other state agency.

The Auditor of Public Accounts has performed 103 separate audits of DHHS and its programs and facilities since 2000, including major audits

relating to the Beatrice State Developmental Center, the Thomas Fitzgerald Veterans' Home, the Youth Rehabilitation and Treatment Center-Kearney, child welfare reform efforts, and management of federal medicaid and Low Income Home Energy Assistance Program (LIHEAP) funds.

The continuing growth of DHHS has made it increasingly difficult for the Auditor of Public Accounts, the Legislative Performance Audit Committee, and the Appropriations Committee to engage in meaningful oversight of taxpayer dollars expended by DHHS.

This study shall include, but not be limited to, an examination of whether shifting to a less consolidated structure of health and human services functions could result in greater fiscal accountability and improved quality of service, and whether such a restructuring should include transferring programs to other existing state agencies or new state agencies.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED THIRD LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Appropriations Committee and Health and Human Services Committee of the Legislature shall be designated to conduct a joint interim study to carry out the purposes of this resolution.

2. That the committees shall upon the conclusion of the study make a report of their findings, together with their recommendations, to the Legislative Council or Legislature.