Nebraska Partnership

for Health and Human Services

PROGRESS REPORT

SEPTEMBER 16, 1996

NEBRASKA PARTNERSHIP
FOR HEALTH AND HUMAN SERVICES

STATE OF NEBRASKA

• DEPARTMENT ON AGING • DEPARTMENT OF HEALTH • DEPARTMENT OF PUBLIC INSTITUTIONS •
• DEPARTMENT OF SOCIAL SERVICES • OFFICE OF JUVENILE SERVICES •

September 16, 1996

RE: The Nebraska Partnership for Health and Human Services *Progress Report*

Legislative Bill 1044, the Nebraska Partnership for Health and Human Services Act, was signed into law on April 3, 1996. This visionary legislation set the State of Nebraska on a course of reform of its health and human services system. It has drawn national attention for its comprehensive scope, participative design, and accelerated time frame. LB 1044 requires the Partnership submit a report to the Governor and the Legislature on December 1, 1996, setting recommendations for the creation and implementation of a new health and human services system for Nebraskans.

Hundreds of citizen volunteers and state employees have been working to develop Nebraska's plan. Preliminary recommendations are beginning to take shape. This September 16 *Progress Report* is an interim status report on the state's considerable progress toward operationalizing this new system.

Several supporting documents are available from the Nebraska Partnership for Health and Human Services, and include:

- Regulation and Licensure Proposal for Streamlining Credentialing. September, 1996
- Finance and Support Agency Organization Model. August, 1996.
- Service System Model. August, 1996.
- Services Coordination Proposal. August, 1996.
- Community/State Partnership Model. August, 1996.
- Nebraska Health and Human Services Indicators. September, 1996.

Additional reports are forthcoming as the Redesign Steering committees complete their work. You may request any of these documents by calling 1-800-254-4202 or, in Lincoln, 471-7898.

Sincerely,

Donald S. Leuenberger
Chair, Transition Policy Cabinet

BOX 95026, LINCOLN, NE 68509-5026
PHONE: 402-471-6035, FAX: 402-471-9449, EMAIL: GOVINFO@VMHOST.CDP.STATE.NE.US
OFFICEVISION: GOVINFO

printed on recycled paper

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

PRINTED WITH SOY INK

Progress Report on the Nebraska Partnership for Health & Human Services

September 16, 1996

Introduction

Legislative Bill 1044, the Nebraska Partnership for Health and Human Services Act, was passed by the Nebraska Unicameral on March 28, 1996, and signed into law by Governor Ben Nelson on April 3, 1996. This visionary legislation set the State of Nebraska on a course of reform of its health and human services system that has drawn national attention for its comprehensive scope, participative design, and accelerated time frame.

The work leading to LB 1044 began in January 1995, with the Governor's issuance of Executive Order 95-2. This Executive Order created the Health Policy Project under the leadership of Lt. Governor Kim Robak. A comprehensive review of health-related activities and issues revealed the close alignment of health issues and human services, and the initiative was renamed the Nebraska Partnership Project.

A "Preliminary Report" in September 1995, and a "Blueprint for Action" report in December 1995, became the basis for the legislation that is now the Nebraska Partnership for Health and Human Services Act (Partnership Act).

This report is an interim status report on the state's considerable progress toward operationalizing this new system since the passage of LB 1044 six months ago. LB 1044 requires that the Partnership submit a report to the Governor and the Legislature on December 1, 1996, setting forth recommendations for the creation and implementation of a new health and human services system for Nebraskans. Hundreds of citizen volunteers and state employees have been working to develop Nebraska's plan. Preliminary recommendations are beginning to take shape. State employees of the Partnership agencies are to be commended for ensuring the day-to-day responsibilities of the five agencies are performed and agency services are not disrupted despite the additional requirements for participation in Partnership activities.

Why Reform Now?

The need for change has never been greater. The current system of service delivery is constantly being challenged to weather increasingly dynamic political and

"The Legislature finds that each Nebraskan should have a quality of life that reflects safety, self-sufficiency, respect, health and well-being, and opportunities to achieve maximum potential through new partnerships between the state and local communities. The Legislature further finds that in order to achieve this vision, it is necessary to create and sustain a unified, accessible, caring, competent, and responsive health and human services system for each Nebraskan that maximizes local determination and achieves measurable outcomes. To this end, the state will work in partnership with communities and other public and private sector entities. The Legislature finds that one purpose of this legislative bill is to reduce the size of state personnel and reduce state expenditures with a focus on local control and which considers privatization of services."

LB1044

economic forces. As discussed in the December 1995, "Blueprint for Action" report, the following factors have convinced Nebraska's policymakers that bold steps are needed to ensure our state is prepared to meet the health and human services challenges of the next century:

- Overall, federal funding levels are likely to be reduced. Federal budget and welfare reforms signal an end to open-ended, entitlement-based support for health and human services;

- It is unlikely that Nebraska's tax system will be able to keep up with the growing service needs of children, the elderly, and people with disabilities who are increasingly supported by government services;

- The general public wants government to be more efficient, to reduce duplication, and to show positive results with the use of tax dollars;

- People in need of services must wade through a confusing maze of seemingly unconnected agencies and programs;

- Communities remain burdened with inflexible rules and requirements that detract from their capability to provide quality service delivery; and, finally,

- State employees are in a system that prevents them from carrying out their responsibilities in ways that could be more productive and efficient.

Benefits To Be Realized

No reform effort - certainly not one of this magnitude - should be undertaken unless clear benefits are realized. The Nebraska Partnership for Health and Human Services has been guided by the following five criteria set forth by Lt. Governor Kim Robak as the key measures for the Partnership's success and resulting benefits for Nebraskans:

- **Better services** must be provided for Nebraskans;

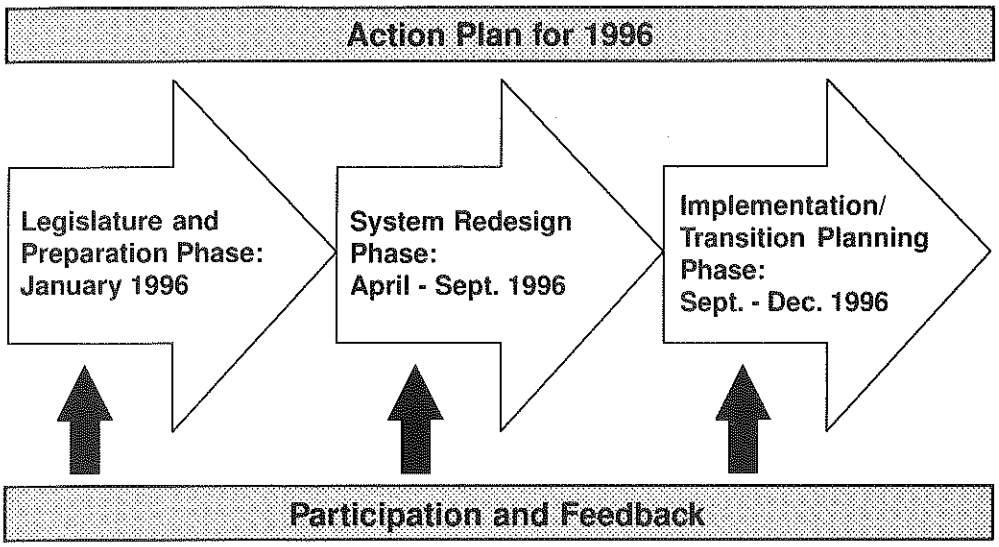
- Services must be **simple** and **efficient**;

- Services must be based on **common sense**, and understandable to someone coming into the system for the first time;

- The redesign must **realize cost savings**; and

- Nebraskans must know **who is accountable** for achieving results. The public wants to get its dollar's worth, with increased decision-making at the local level.

Redesign and Participation Phase Nearing Completion



With the Lt. Governor's five criteria for the Nebraska Partnership as a guide, the State of Nebraska engaged private citizens and public employees in an accelerated process to redesign the State's complex health and human services system beginning in April 1996. In six short months, the process is beginning to yield results.

Transition Policy Cabinet

The Transition Policy Cabinet, made up of the directors of the five Partnership agencies, leads the Nebraska Partnership during the transition from five agencies to three. The Transition Policy Cabinet makes the key policy decisions, in consultation with the Governor or Lt. Governor, as appropriate, to achieve the Partnership's overall objectives. It is also the Transition Policy Cabinet's responsibility to forward the December 1 report to the Governor and the Legislature, as required by LB 1044.

By virtue of the expertise of its members, the Transition Policy Cabinet is in the best position to define how the new system will be governed to ensure consistent and integrated policy decision-making. This includes the roles and responsibilities of the Policy Cabinet, the Policy Secretary, and the Partnership Council, which will come into existence with the three new agencies on January 1, 1997. Cabinet-sponsored, crosscutting teams will be used to address policy and planning issues, such as those involving strategic planning and resource allocation, that require system-level consistency and integration.

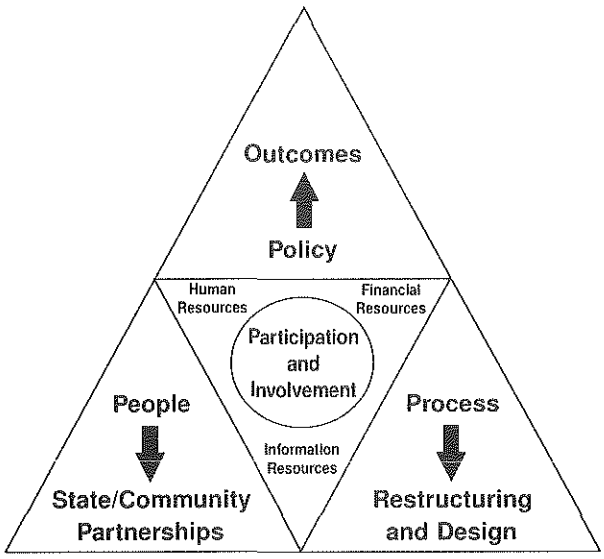
Redesign Steering Committees

In April 1996, the Transition Policy Cabinet sponsored and chartered three Redesign Steering Committees, one for each of the three new agencies - Health and Human Services, Health and Human Services Regulation and Licensure, and Health and Human Services Finance and Support - to develop the core set of recommendations for the December 1 report.

Each Redesign Steering Committee consists of approximately 15-20 individuals, with more than half of the members coming from outside the current five agencies. Geographic and ethnic diversity were sought, while all members were deemed to have breadth of perspective, systems thinking and the ability to think "outside the box" as common qualities. At least two of the agency members on each Steering Committee are bargaining unit staff selected by the NAPE/AFSCME labor union. The team leaders and professional staff for each Redesign Steering Committee form the Partnership Integration Team which meets weekly to address crosscutting issues and integrate planning from a system-wide perspective.

At their kickoff conference at the end of April 1996, the Redesign Steering Committees were asked to address the following four areas of work:

- **Restructuring the Organization** - To answer the question: "How do we need to be organized to be more accessible and responsive?"
- **Reengineering Work Processes** - To answer the question: "How can we do our ongoing work more effectively and efficiently?"
- **Redesigning the System** - To answer the question: "How do we need to operate to be outcome-driven and community-based?
- **Recommendations/Implementation** - To answer the questions: "What changes do we recommend? How would those changes be implemented?"



Dedicated, committed Redesign Steering Committee members have met intensively throughout the summer and have begun to develop initial proposals and recommendations. Members developed clear charters and detailed workplans as tools to ensure that all three Redesign Steering Committees are proceeding in a manner consistent with the Nebraska Partnership's underlying principles and values.

As work has been completed, the Redesign Steering Committees have presented their recommendations to the Transition Policy Cabinet for feedback and further refinement. The process has been similar to molding a sculpture out of a piece of clay as opposed to building a house with solid bricks - and the new system is beginning to take shape.

Redesign Work Teams

In May 1996, the three Redesign Steering Committees began sponsoring and chartering Redesign Work Teams to develop proposals on selected topics that would inform and enable the Committees to produce recommendations. To date, each Redesign Steering Committee has chartered from five to ten work teams varying in size from 10 to 20 members. The Work Teams include a mix of agency and community representatives, and include frontline workers selected by the NAPE/AFSCME labor union. For the most part, Work Team members have some specific expertise or interest in the topic their team is being asked to address.

Crosscutting Work Teams have been formed in three key areas to ensure that the perspectives of all three Redesign Steering Committees are represented and reconciled. These "Combination Work Teams" focus on: Restructuring (sponsored by the Finance & Support Redesign Steering Committee); Performance Accountability (sponsored by the Regulation & Licensure Redesign Steering Committee); and Community/State Partnerships (sponsored by the Services Redesign Steering Committee).

The Redesign Steering Committees and their Work Teams are coming forward with thoughtful and creative ideas for how each of the three new agencies, comprising Nebraska's new Health and Human Services system, should be structured and operate.

Services - Improving Service Delivery for Nebraskans

The goal of the Services Redesign Steering Committee has been to develop a collaborative, community-based health and human services system that has a simple, common-sense, cost-efficient approach to quality services to achieve desired outcomes. The Committee commissioned work teams in four key areas:

Services System Model

A Services System Model is being designed that includes an organizational structure for the new Department of Health and Human Services. The Services System Model Work Team is recommending that an effective Services model have the following characteristics:

- Authority, resources, and accountability are all aligned to promote system effectiveness and efficiency and to balance cost, quality and access;
- Outcomes drive the system;
- The system is flexible and adaptive to geographic and community needs and changes in the environment; and
- Elements of the system are integrated at appropriate levels to achieve system outcomes.

"The Department of Health and Human Services shall manage all health and human services system services and programs, whether contracted or delivered directly by the state, with responsibility to:

a. Provide services in accordance with established policies, desired outcomes, priorities and goals;

b. Identify strategies jointly with communities for accomplishing identified goals and outcomes;

c. Deliver services

(Continued)

directly or by contract or grant to achieve stated vision;

d. Work in partnership with communities and other public and private sector entities to support current best practices, integrate services and functions when possible, and find solutions that emphasize responsibility and local determination;

e. Promote the development of community partnerships to ensure needed services are available across Nebraska;

f. Assure service coordination and access through public education and information, community resource development, technical assistance, and coordinated service management; and

g. Develop a health and human services system focused on achieving outcomes based on needs of Nebraskans and accountable to Nebraskans."

LB1044

With these principles in mind, this work team is proposing that the new Department of Health and Human Services be organized around four core units: Individual Services, Community Support, Public Wellness, and Administration. Later in September, the organizational design will be more fully developed using a participative process involving the Redesign Work Team, members from the Services Redesign Steering Committee, and additional employees from the five existing agencies whose work would be affiliated with the new Services work units. In October, the Services System Model will be integrated with the organizational structures of the other two agencies to form a unified health and human services system.

Services Coordination Model

One work team sponsored by the Services Redesign Steering Committee is developing a Services Coordination Model to provide Nebraskans in need with simplified access to all health and human services. An underlying premise is that actual service coordination is not an ongoing need for everyone, but rather should be targeted to those most likely to benefit. Eligibility criteria should be applied based on need as well as potential for outcome achievement, state responsibility, and cost effectiveness.

Multiple access points in communities or state agencies will mean that clients will not have to move from system to system and duplicate their activities and agency staff activities to access services. A comprehensive system will be achieved through flexible access to services; enhancing supports from technology; and standardizing appropriate policies, procedures, and staff development. Standardized screening and cross-program assessments are being recommended in this new model.

Plan for Effective Preventive Strategies

The Partnership Act requires the development of a Plan for Effective Preventive Strategies that will lead to a reduction in the use of more intensive, often more costly, after-the-fact, intervention strategies. The Preventive Strategies Work Team is developing a plan based on the vision, mission, values, and principles of the Partnership, as well as research findings on effective prevention across all areas of health and human services. The plan will consider opportunities for cost savings as well as strategies for reinvestment of savings in services that will prevent the need for more intrusive and more costly services.

Community/State Partnership Model

The Community/State Partnership Work Team has designed a dynamic Community/State Partnership Model that is based upon local accountability for results in exchange for state flexibility. It reflects the evolving nature of the partnership relationship over time and recognizes that communities have differing needs, priorities and capacities. This model is based on local communities becoming ready to assume responsibility for achieving measurable results. The state's role will move from being a prescriber and enforcer of rules and requirements to becoming a facilitator of resources and technical support to delivery of services that achieves designated outcomes.

The Community/State Partnership model proposes that the state begin to work proactively with communities by providing technical assistance for capacity building, tools for communities to assess readiness for partnering with the state, and other incentives for a successful partnership.

Community/State Partnership Learning Labs

Before any community/state partnership model is adopted for the state, the Transition Policy Cabinet determined that much could be gained by initiating a learning process with a small number of communities in 1996. This learning process will involve the testing of the partnership model developed by the Community/State Partnership Work Team, and the negotiation of partnership agreements that forge the terms of a new relationship between the state and select communities by mid-November 1996. The partnership negotiations will follow the protocol set forth in the Center for the Study of Social Policy's paper, "Trading Outcome Accountability for Fund Flexibility."

Three "learning lab" communities have been invited to partner with the state in this first phase - metropolitan Omaha, the Panhandle, and South Sioux City/Dakota County. Diverse in their makeup, size, and scope, these three communities were selected based upon their reputations for long-standing, positive experiences working collaboratively across program and departmental lines to build integrated health and/or human services delivery systems at the local level. Additional communities will have the opportunity to participate in this learning process when state resources, focused on community support, become available through the upcoming realignment and restructuring.

As the three learning lab communities test various approaches and models with their state counterparts, their experiences will help inform the recommendations that will be forwarded to the Legislature and the Governor.

Regulation & Licensure - Ensuring Quality and Maintaining Standards

The Regulation and Licensure Redesign Steering Committee has focused on the following four high priority areas:

Accountability for Results

Three work teams were commissioned to address performance accountability. The first was charged with developing a performance accountability system, the second with identifying outcomes and indicators for the health and human services system, and the third with developing pilot outcomes and indicators to test various components of the new work processes and design among the three agencies.

The conceptual model of the performance accountability system stresses the pivotal role of outcomes and depicts the relationships between the outcomes,

The Center for the Study of Social Policy proposes the parties ask each other the following questions as part of the state local partnership negotiations:

- ***Who is accountable?***
- ***For what outcomes?***
- ***With what money?***
- ***With what standards and safeguards?***
- ***With what risks, rewards and penalties?***
- ***Over what time period?***

"The Department of Health and Human Services Regulation and Licensure shall preserve the quality of the health and human services system based on outcomes and performance measures, with responsibility to:

a. Develop evaluation measurements and

(Continued)

analyze results throughout the health and human services system;

b. Certify and license facilities and professionals;

c. Evaluate services or programs to determine compliance with state, federal or other contractual requirements;

d. Develop, review and revise rules and regulations in accordance with established system-wide policies and objectives;

e. Coordinate with the Department of Health and Human Services to develop appropriate technical assistance, education, training and joint problem solving; and

f. Provide a common sense approach to regulation and licensure that focuses on the outcomes of the health and human services system and assures compliance with those outcomes."

LB1044

indicators, strategies, programs, performance, and performance measures. It incorporates an analysis component to determine the quality, efficiency, and effectiveness of strategies and programs in the context of an outcome-driven system. This analysis component provides feedback and supports continuous improvement and achievement of results. The more detailed system model will provide recommendations about the development and operation of each part of the system and the appropriate roles and responsibilities associated with each activity.

Nineteen system level outcomes have been developed in four categories reflecting the state's vision for Health and Human Services. These categories are Safety, Self-Sufficiency, Health and Well-being, and Opportunities for Maximized Participation. The outcomes describe the desired well-being of Nebraskans and incorporate the suggestions, priorities, and concerns expressed by citizens through community and employee meetings, recommendations from the current agencies, and input from the three Redesign Steering Committees. A set of indicators will be developed for each of these outcomes. Three pilot outcomes have been suggested and indicators are being selected which will allow testing of various components of the new design and work in the three agencies.

Restructuring

One work team was charged with structuring a Health and Human Services Regulation and Licensure agency. After generating, sharing, receiving, and analyzing feedback on nearly a dozen possible models for the new Department, a matrix model tailored to provide access in several locations across the state was selected. The model describes how the agency will look to both community users and staff from the other two agencies, as well as to those working within. A key feature of the design is the definition of a role for Regulation and Licensure "facilitators" to assist citizens and licensees in accessing services of the agency.

Streamlining Regulations

Three work teams were organized to address the streamlining of regulations. They are examining: a) overlaps in inspection processes among the current five agencies; b) overlaps in the credentialing process of the five agencies; and c) the use of unlicensed personnel in the administration of medication.

The Inspections Work Team is evaluating a flexible approach to conducting inspections that maintains the necessary protection and preservation of quality with health and human services. The options to be recommended are based on numerous factors that might include the setting, the content of the inspection information, history and the cost involved in conducting different types of inspections. Input obtained from more than 145 currently inspected entities will be incorporated into the proposal.

The Credentialing Work Team has developed recommendations to consolidate current activities occurring within the five agencies and to define the relationship that should exist between licensing providers and selecting vendors (specific providers to provide state-funded services). Much of the overlap identified results from these two somewhat different purposes.

The work team addressing provision of medication by unlicensed assistive

personnel is developing recommendations for a consistent process to determine the necessary qualifications for a person to assist individuals not able to take their own medications.

Finally, members of the Redesign Steering Committee interested in streamlining regulations have been reviewing comments received through a proposed study of licensing laws. The intention of this study is to identify potential processes for improved coordination in regulatory activities while meeting the outcomes intended for regulations.

Streamlining Emergency Medical Services

The Redesign Steering Committee, working with State Senator Bob Wickersham, established two task forces to work on streamlining the regulatory structure of emergency medical services. One task force is addressing the consolidation of two regulatory boards that license pre-hospital emergency medical personnel, the Board of Ambulance Advisors and the Board of Advanced Emergency Medical Care. The second task force is examining and attempting to simplify the numerous licensing levels used in emergency medical services.

The Regulation and Licensure Redesign Steering Committee believes that cost savings will be identified in the Health and Human Services system by eliminating overlap among the current five agencies, improving the coordination within the system, and evaluating when regulations are truly required to maintain the safety and well-being of the public.

By reaching agreement on the outcomes desired for Nebraskans, developing coordinating strategies within state government and in partnership with communities focused to achieve those outcomes, evaluating our progress and continuously making the appropriate improvements, the Health and Human Services system will realize the full potential of success in addressing the needs of Nebraskans.

Finance & Support - Aligning System Resources

The Finance and Support Redesign Steering Committee's purpose is to create a system for providing administrative, financial, and management functions for the Health and Human Services System that allows for flexibility, information flow, quality services, and accountability. The Committee's focus has been to lay the groundwork for a support structure that allows for smooth implementation of the Partnership Act. The Committee chose priority areas in all three areas (restructuring, redesign, and reengineering) of Partnership activities:

Restructuring

The first priority has been to focus on restructuring the functions of finance and support currently distributed across five agencies in the Partnership into one

"The Department of Health and Human Services Finance and Support shall perform administrative activities, finance, and information management functions for all three departments, with responsibility to:

a. Integrate and manage information systems

(Continued)

across programs and functions, provide meaningful data to determine whether desired outcomes are achieved and support policy development;

b. Consolidate program funds of the departments whenever appropriate to accomplish desired results;

c. Analyze financial status and impacts for the departments;

d. Develop and manage a consistent accounting, contracting, disbursement, and fiscal compliance system; and

e. Consolidate operational support services such as budget, information management, purchasing and procurement, personnel, audit, and contract management."

LB1044

recommended structure for the Health and Human Services Finance & Support agency. The process used to develop these recommendations has been based on collaborative decision-making and has demonstrated the Finance and Support agency's role of supporting the needs of the Health and Human Services System.

The work of restructuring involves the merging of five programmatically organized agencies into three functionally organized departments. This not only requires changing program structure to functional structure but also the merging of five different organizational structures and cultures.

Over 200 employees performing finance and support related functions have been engaged in a participative design process to create the organizational structure for the new Finance and Support agency. This process begins by identifying the major work units of the agency and then proceeds to define the structure within each work unit in increasing levels of detail as the process proceeds through multiple phases. The first phase of the process was completed by mid-June and produced a working model for the broad structure of the new Finance and Support agency that consists of eight organizational units: Human Resources, Legal Systems, Financial Services, Information Systems, Training, Public Affairs, Professional Support Services, and Planning and Community Support.

The Transition Policy Cabinet approved moving ahead with six of the organizational units. Legal Services and Planning and Community Support are on hold pending integration with the organization proposals forth coming from the other two Redesign Steering Committees. A second series of employee workshops produced recommendations for how each of the six would be organized on the next level of restructuring. At every stage of the process, the recommendations were shared with state employees as well as the general public, and their comments were incorporated into the next version of the design.

The Finance and Support Redesign Steering Committee plans to make its final recommendation on the broad structure for the new Finance and Support agency to the Transition Policy Cabinet before the end of September. In October, the Transition Policy Cabinet will integrate the organizational structures proposed from all three Redesign Steering Committees into a "macro" structure for the new system as a whole. As the work moves forward and the organizational focus of the system becomes a set of concrete outcomes, new organizational structures and relationships will emerge. Restructuring is an evolutionary process rather than a one-time change.

Redesign

The Finance and Support Redesign Steering Committee felt there were two critical support elements which need to be in place by January 1, 1997, to develop a workable framework for the new agency: 1) a framework for outcome-based budgeting; and 2) an employee classification and compensation system that supports state employees working on cross-functional teams between agencies. The Redesign Steering Committee sponsored work teams to address both of these priority areas:

Ongoing Budget Process

The purpose of this work team is to design a simplified and consistent budget process that focuses on operational and long-term outcomes. The work team reviewed literature available on the subject of outcome-based budgeting from North

Carolina, Texas, Oregon, and other jurisdictions on how those states are attempting to implement Outcome/Performance Based Budgeting and will have a recommendation proposed by mid-September.

Employee Classification and Compensation

The Employee Classification and Compensation Work Team is charged with the development and implementation of a strategic plan to establish a framework for a flexible, equitable classification and compensation system that supports the values and principles of the Partnership. This Work Team is working in conjunction with the Nebraska Department of Administrative Services, Division of State Personnel, which is currently developing a new classification and compensation package for all state employees. The work of the two committees is mutually beneficial to all state employees, and working simultaneously will ensure their work products address the needs of both work efforts while avoiding duplication.

The four major components identified by the Employee Classification and Compensation Work Team are: 1) identifying and evaluating automated compensation and classification models in the private and public sectors which meet current and future employee/employer needs; 2) developing a flexible work force design system which focuses on retention of current permanent employees; 3) developing a system that supports horizontal skill development and vertical career opportunities for management and nonmanagement employees; and 4) designing a comprehensive structure of classification, compensation, salary administration, and performance management.

Reengineering

The other critical support being developed to strengthen the new community/state partnership is reengineering the granting/contracting process. The Finance and Support Redesign Steering Committee is sponsoring a work team whose purpose is to design a process of contracting and/or granting to community-based organizations that ensures quality services are provided.

Contracting/Granting

The Contracting/Granting Work Team has been charged with reengineering the process for contracting/grant-making to ensure it supports quality services and meets the needs of the communities and the state.

Work team members posed a set of questions to individuals across the state through community forums, employee forums, and meetings of boards and associations. Participants were asked what they liked about the current contracting/granting process, what changes they would make to the current system, and what they would propose to better meet their needs. Community representatives on the work team also surveyed their colleagues in the community to obtain more direct "customer" feedback about the strengths and barriers they saw in the current state contracting process.

Results indicated:

- an appreciation for current opportunities of local collaboration and determi-

nation of needs but more opportunities were needed;

- accountability and outcomes at all levels need to be stressed;
- technical assistance is a critical need for all communities; and
- the need to develop a common format that streamlines contracting/granting processes.

By mid-October, the Contracting/Granting Work Team will recommend a "model" or "template" contract which streamlines the contracting/granting process by identifying common elements across all programs and funding sources of the Health and Human Services system. The work team will also make recommendations for a model subgranting process that recommends a phase-in period for adopting the reengineered process. A final work product will be to determine the priority technical assistance needs (grant writing, appeals process, community planning, program development, etc.) of subgrantees and/or contractors and recommend timelines and staffing requirements to address those needs.

Transitioning Employees

To ensure a smooth transition from the current five agencies to the new Health and Human Services system, the Partnership has developed a plan of transition management to assist employees making the changes. Two overall outcomes are guiding the Transition Management activities:

1) The management of change: Employees receive the support they need to deal with the uncertainties and stresses associated with merging five agencies into three.

2) Changing the work culture: The workplace culture needed to effectively implement the Partnership outcomes and values is defined and cultivated.

Sequentially, the management of change has been initiated first to provide support to employees as planning and implementation of the new system occurs. The initial focus has been to assess the perceptions of employees about the Partnership and how the Transition Policy Cabinet can support them through this transition. Telephone interviews have been conducted with a random sample of employees to gauge employee perceptions of the Partnership and to determine their individual needs. Summary data from the interviews will provide guidance as the management of change strategies are fine-tuned. The data will allow closer focus on the unique needs of groups of employees.

Several employee support services will become available within the next few weeks:

- Expanded services are being negotiated with the Methodist Employee Assistance Program (EAP). At this time, employees can make use of the counseling services in order to deal with the stresses associated with the transition. Additional change management training and consultation needs that can be met through the EAP are being identified.

- Career Planning services are intended to assist employees whose career paths may be disrupted as a result of combining five agencies into three. Currently being explored are transition services, opportunities to apply for open positions in Partnership or non-Partnership agencies, and other services intended to help employees redirect their career goals in a manner beneficial to them.

- Peer-to-peer communication is known to be highly effective during times of change. To address this horizontal sharing of information, "Local Bridge Teams" are being developed. The local teams will participate in frequent updates on the Partnership, so they can provide as current information as possible to their local peers. Specialized training will be provided to the teams, so they can offer a safe place for peers to discuss their thoughts about the changes to come.

- As the current five agencies are moved into three new agencies, many will want to celebrate the successes, to say good-bye to peers who move to other agencies, and to formally acknowledge the changes of agency identities. The Partnership will be providing a central source of ideas on how managers might organize meaningful rites of passage and support employees in making their personal transitions into the new entities.

Anticipating these management of change services will be in place within the next few weeks, attention will shift to the process of defining and implementing the work culture needed to bring about the Partnership outcomes and values. The most essential task will be to explicitly define the desired workplace values. Once defined, these values will help redefine many of our human resource processes such as recruitment and selection of the new agency leaders, the performance evaluation process for all employees, and training of employees throughout the system so their expectations and performance are consistent with the workplace values. While activities in this area are expected to begin in early fall, they are anticipated to become an ongoing part of the new system with a formal assignment to the organizational development segment of the Finance and Support agency.

Participation and Involvement Continues

Nebraska is taking the idea of "partnership" to a new level through a highly participative process involving broad-based information sharing, meaningful participation, and robust dialogue about the issues throughout the redesign process. Participation and involvement are fundamental precepts of the creation of a unified health and human services system that is responsive to the needs of Nebraskans.

Participation has taken, and will continue to take, many forms. These have included: 57 people serving on the three Redesign Steering Committees; over 300 non-state employed people attending Partnership community forums at 6 locations across the state; 120 people serving on community "learning lab" teams; over 300 state employees and community members serving on Redesign Work Teams; over 640 state employees attending 24 employee forums held at 9 locations around the state; over 13,000 people receiving a monthly newsletter with up-to-date information about the Partnership; over 1,200 visits to the Nebraska Partnership web page; and numerous written and verbal comments received through the mail, Partnership Infoline; or e-Mail.

Each Redesign Steering Committee has a "dialogue coordinator" to ensure that ideas and issues raised in any of the forums, fairs, videoconferences, etc. have a direct input and feedback line into the Committee.

As Redesign Steering Committees and Work Teams produce initial proposals and recommendations, future dialogue opportunities will be available to seek feedback about key aspects of the work products, allowing as much time as possible for consideration and meaningful incorporation of ideas and suggestions.

Looking Ahead

The charge to restructure, redesign, and reengineer five state agencies, currently organized by programs and driven by funding streams, into three agencies that are consumer-driven, functionally-organized, and outcome-based has been a challenging task, but one that has been met with enthusiasm.

The Transition Policy Cabinet has identified eight primary areas for accomplishment by the Partnership:

1) five agencies restructured;

2) new governance structure for health and human services defined;

3) accountability for outcomes established;

4) integrated 1997-1999 Financial Management Plan submitted;

5) coordinated legislative package submitted;

6) government processes streamlined and cost savings identified;

7) new community/state partnership model created; and

8) transition and next steps planned.

As the Partnership moves toward a new year, Nebraskans have the opportunity to look upon this as a new beginning. The basic restructuring of five agencies into three will be completed by January 1997. Governance, accountability, and financial management structures for the new unified health and human services system will be getting started. Legislative proposals will be submitted for consideration by the Unicameral during the 1997 session.

However, there will be ongoing work of redesign and reengineering that will continue beyond January 1, 1997. A critical part of the ongoing work will be the taking on of new roles and responsibilities on the part of all players in the new system and the related changes in relationships and culture. Through participation and involvement, those impacted by the changes are helping us shape how those changes can occur most successfully.

We have begun to create a shared vision of a health and human services system that is comprehensive, coordinated, and responsive to the needs of the citizens of the State of Nebraska. We are well on our way to creating the roadmap for getting us to that destination.