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| LOCAL COMMISSIONERS MEMORANDUM |
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DSS-4037EL (Rev. 9/89)

Transmittal No: 96 LCM-48

Date: May 22, 1996

Division: Commissioner's
Office

TO: Local District Commissioners

SUBJECT: Department Restructuring

ATTACHMENTS: Governor's Press Release (available on-line)

Today, Governor Pataki issued an Executive Order creating a Task Force to Restructure Employment, Health and Social Services.

The work of the Task Force will directly affect the State Department of Social Services, as outlined in the attached Governor's press release.

Clearly, the reforms that the Governor envisions and the plan task force develops will eventually involve some broad realignments in the relationships between local districts and state agencies.

County and local governments will be represented on the Governor's task force. In addition, we will do our best to keep you fully informed of details as the work of the task force proceeds.

In the meantime, I am of course available to discuss concerns or answer questions that you may have about the new direction the Governor has set for renewing the way we provide services to our children, our families and our senior citizens.

Brian J. Wing

STATE OF NEW YORK
EXECUTIVE CHAMBER
GEORGE E. PATAKI, GOVERNOR

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FOR RELEASE:
IMMEDIATE, Wednesday
May 22, 1996

GOVERNOR OFFERS PLAN TO RESTRUCTURE DEPARTMENT OF SOCIAL SERVICES
New Agency to Improve Services to Families, Children, Seniors

Governor George E. Pataki today took a major step to make services for families, children and senior citizens more effective and efficient by creating a task force charged with developing plans to restructure the State Department of Social Services.

"We have made dramatic strides in reducing our welfare rolls and breaking the cycle of dependency by replacing welfare with workfare," Governor Pataki said.

"Today, we take yet another step in New York's renewal by replacing an outdated bureaucracy with a new vision that refocuses State government on its core missions of providing services in the most efficient and effective way possible.

"My task force will develop plans for the orderly restructuring of the State Department of Social Services to take advantage of the historic opportunity we have to change and improve the way we provide services to our children, our families and our senior citizens."

Since January 1995, the welfare rolls have been reduced by historic levels as a result of the Governor's welfare reform initiatives.

Those initiatives include Workfare, which requires able-bodied adults on Home Relief to work for their benefits; bolstering job search activities for all welfare applicants and recipients; Eligibility Verification Review, which is designed to ensure recipients and applicants are entitled to benefits; finger imaging, a program to combat welfare fraud; and requiring minors with children to live with their parents to qualify for benefits.

The Governor's Executive Budget calls for additional welfare reform, including establishing time limits on benefits for welfare recipients; reducing benefits by 26 percent for Home Relief clients and 7 percent for Aid to Families with Dependent Children clients; and new funding for child care and employment activities.

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"We must be bold as we chart a new course for health and welfare of New York State," Governor Pataki said.

Governor Pataki said the task force will evaluate plans to:

- o Create a new agency that incorporates child protective services, preventive services, foster care and adoption, and support services for families.
- o Transfer all public assistance programs from DSS to the State Department of Labor;
- o Transfer all Medicaid programs from DSS to the State Department of Health (DOH); and
- o Transfer child support collection enforcement from DSS to the State Department of Taxation and Finance.

"This realignment will make state government more efficient and effective by eliminating overlapping functions and administrative structure, allowing us to focus on delivering the vital services we provide our citizens," Governor Pataki said.

Governor Pataki said the restructuring will not require the reduction of the state workforce. The Governor said savings generated by the realignment will be used to supplement services for children, families and senior citizens.

"Moving public assistance programs to the Labor Department will link welfare directly to employment," the Governor said. "It will allow the Health Department -- not the welfare agency -- to provide more effective management of the largest state health care program in the nation.

"It will enable us to continue our crackdown on deadbeat parents, ensuring that children get the help from their parents that they need and deserve.

"It will allow us to make the protection of children and support for families the main focus of the new agency, allowing us to improve services and accountability," the Governor said.

Governor Pataki said his administration has already taken steps in this direction by moving Medicaid managed care from DSS to the Health Department in 1995 and employment and training activities to the Department of Labor beginning this year.

Additional realignment proposals, such as designating DOH as the single state agency for Medicaid, are included in the Executive Budget for fiscal year 1996-97.

"For the past twenty years, the Department of Social Services has attempted to be all things to all people, only to lose focus and fail in its mission," the Governor said.

"Despite all the good intentions of past administrations, at a current annual cost of over \$36.5 billion, DSS has become a welfare maintenance organization so large that it would rank 14th on the Fortune 500 if it were a corporation.

"That was never acceptable -- now it will no longer be tolerated. While President Clinton promised to change welfare as we know it, we've seen little but window dressing in the form of limited waivers and two vetoes. Similarly, state Assembly and Senate Democrats have no plan and are content to continue spinning the web of welfare dependency."

Governor Pataki today issued Executive Order No. 38, creating the Task Force to Restructure Employment, Health and Social Services.

Director of State Operations James Natoli will chair the task force, which must develop the plan for the realignment of DSS and report back to the Governor by October 1.

The task force will be comprised of representatives from the involved state agencies, county and local government, service providers and advocates, public employee unions and the business community.

It will develop a transition plan for the DSS restructuring, providing a blueprint for reforming state agencies, dealing with federal and local government and service providers.

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