

VOLUNTARY BUYOUT PROGRAM BUSINESS JUSTIFICATION PLAN

HEALTH SERVICES AND DEVELOPMENT AGENCY

I. Executive Summary

The Tennessee Health Services and Development Agency is an independent body responsible for implementing the public policy of the state related to the establishment and modification of health care facilities, services, and other related duties. That policy requires that needed facilities and services be developed in an orderly and economical manner. Prior to July 2002, the Health Facilities Commission performed these duties.

The Agency's sole responsibility is the certificate of need (CON) program. A certificate of need is a permit for the establishment or modification of health care institutions, acquisition of major medical equipment, and the initiation or elimination of certain services that impact health care availability and utilization. The process is designed to promote access to high quality facilities and services, prevent unnecessary duplication of services, guide the establishment of facilities and services that best serve public needs, and promote cost savings. The state health plan provides guidance on these issues.

The 11-member HSDA board is responsible for all CON decisions. It meets monthly in an open forum to consider certificate of need applications based upon the criteria of need, economic feasibility, and contribution to the orderly development of health care. Board members receive monthly informational packets that easily may contain several thousand pages of information. The Agency employs 10 staff members, two of which are Administrative Assistant 1 s responsible for all program support duties, including duties related to copying and mailing those informational packets.

Currently, the CON process is a labor-intense paper-driven process, both on the front end when an application is filed as well as at the end, when the application is submitted to Agency members for review prior to a board meeting. As such, it has traditionally required at least two staff members to prepare information packets for each monthly board meeting. Agency staff has worked with the Office of Information Resources to streamline its processes and the Department of General Services to make more information available online. This has already significantly reduced the number of paper informational packets produced each month. It sought funding both in this current fiscal year and in the next, for funds needed to develop an electronic web-based application system, which would further reduce the amount of paper handled monthly. The funding was not approved last year but has received favorable recommendation in the Senate Health Committee this year. Nevertheless, even it is not approved this year; it will be requested again next year, and each year thereafter, until it does receive approval.

Following a review of the business needs of the Agency, the Administrative Assistant 1 class has been identified for participation in the Voluntary Buyout Program because the Agency has an imbalance in the number of employees it needs in that classification due to its streamlined business processes.

This agency plan identifies positions that the Department presently believes may need to be eliminated, or relocated, or reclassified downward (to a lower pay level), or reclassified upward if certain VBP-eligible employees do not elect the VBP. These positions are identified in the accompanying chart of VBP eligible positions. However, no final decision has been made in these regards. No position eliminations, relocations or reclassifications will occur until after VBP participants have separated from employment on July 31, 2015. Any position eliminations or the like will be conducted in accordance with State law, including notice requirements.

II. Business Justification and Assessment

One Administrative Assistant 1 is sufficient to perform support functions for the Agency. The other position will be reclassified to an Executive Administrative Assistant 2 position to work primarily with the Executive Director and General Counsel who currently have no administrative support. HSDA will not abolish the AA1 position if the plan is approved. It will be reclassified into an Executive Service position.

III. Estimated Net Cost Savings

The financial spreadsheet is attached.

IV. Justification for Eligibility Appendix

No different eligibility factors are being requested.



Melanie M. Hill, Executive Director

5/5/15

Date