



NEIL ABERCROMBIE
GOVERNOR

EXECUTIVE CHAMBERS
HONOLULU

**House Committee on Finance
Senate Committee on Ways and Means
Informational Briefing
January 6, 2014 1:30 pm**

**Supplemental Budget for FY 2014-2015
Office of the Governor**

Overview

Mission Statement

To enhance the effectiveness and efficiency of state programs by providing Executive direction, policy development, program coordination, and planning and budgeting.

Current economic and fiscal conditions:

Current economic and fiscal conditions have not had a substantive effect on the operations of the Office of the Governor.

Federal Funds

Programs that have lost or are at risk of losing federal funds:

There are no programs in the Office of the Governor that are at risk of losing federal funds.

Budget Request

Budget approach:

The top two priorities for the Office of the Governor are the budget requests for the early learning and healthcare transformation initiatives that will provide very tangible and enduring benefits to the people of Hawaii for generations.

The following table is a listing of our total general fund appropriation request for FY15. The categories are for the operations of the Office of the Governor (GOV100), the Executive Office on Early Learning, the Office of Healthcare Transformation, and funds requested in the event of a gubernatorial transition:

	<u>Act 134</u>	<u>Request</u>	<u>New Total</u>
GOV100	2,861,769	753,000	3,614,769
Early Learning	315,000	5,688,208	6,003,208
Healthcare Transformation	165,830	752,870	918,700
Gubernatorial Transition	-	800,000	800,000
Total	3,342,599	7,994,078	11,336,677

Significant adjustments:

The Early Learning request in the Office of the Governor’s budget consists of three parts:

- \$4,470,208 for a DOE-EOEL partnership to operate programs within the DOE structure
- \$1,000,000 for contracts with Family-Child Interaction Learning programs
- \$218,000 for additional staff

Additional information is also provided in a handout attached to this testimony.

Healthcare Transformation is requesting \$752,870 in general funds and \$319,300 in federal funds, primarily for staff to assist the Office in carrying out its mission to improve quality in our health care system.

Georgenne (GG) Weisenfeld, Executive Director for the Executive Office on Early Learning, and Beth Giesting, Coordinator for the Office on Healthcare Transformation, are both present to help provide details for their portions of the budget, should you have any questions about the aforementioned requests.

Funds are requested in the event of a gubernatorial transition - \$100,000 for the transition itself and \$700,000 as an estimate for vacation payout of existing personnel.

Finally, specifically for the operations of the Office of the Governor, we are requesting \$132,000 as a restoration of a vacancy reduction taken last year in our budget. We are also requesting an additional \$525,000 for liaisons based in Hawaii and Washington, D.C. to protect, enhance, and advance military presence in Hawaii.

Office of the Governor
Prioritized List of Functions

Table 1

<u>Priority</u>	<u>Description of Function</u>	<u>Activities</u>	<u>Prog ID(s)</u>	<u>Statutory Reference</u>
1	Early Learning	Development of a public-private comprehensive early childhood system.	GOV100	302L-A (Act 178/12)
2	Healthcare Transformation	Oversee implementation of the Patient Protection and Affordable Care Act. Improve patient outcomes and reduce healthcare costs.	GOV100	Executive Order 11-22
3	Boards and Commissions	Background checks on applicants, submittal of names of nominees to Senate for advice and consent.	GOV100	Article V, Hawaii State Constitution
4	Collective Bargaining	Negotiate with collective bargaining representatives	GOV100	Ch. 89A
5	Constituent Services and Neighbor Island Representation	Maintain liaison with the public on issues, proclamations, messages, and certificates. Operate Governor's Liaison Offices on all major islands.	GOV100	
6	Coordination of Policy and CIP	Maintain liaison among departments, oversee flow of capital improvement projects	GOV100	Ch. 26-3
7	Communications	Handle media inquiries and public events for the Governor. Inform the public of new developments in state government.	GOV100	
8	Pardons	Receive and review, with the Attorney General, petitions for pardons	GOV100	Article V, Hawaii State Constitution
9	Operations of the Office of the Governor	Backoffice - payroll, IT, procurement, human resources, workflow, payables	GOV100	

Office of the Governor
Department Totals

Table 2

Fiscal Year 2014				
Act 134/13 Appropriation	Restriction	Emergency Appropriations	Total FY14	MOF
\$ 3,247,921		\$ 132,000	\$ 3,379,921	A
\$ 1,086,250			\$ 1,086,250	N
			\$ -	
			\$ -	
			\$ -	
			\$ -	
\$ 4,334,171	\$ -	\$ 132,000	\$ 4,466,171	Total
Fiscal Year 2015				
Act 134/13 Appropriation	Reductions	Additions	Total FY15	MOF
\$ 3,342,599		\$ 7,994,078	\$ 11,336,677	A
\$ 125,000		\$ 319,300	\$ 444,300	N
			\$ -	
			\$ -	
			\$ -	
			\$ -	
\$ 3,467,599	\$ -	\$ 8,313,378	\$ 11,780,977	Total

Office of the Governor
Program ID Totals

Table 3

<u>Prog ID</u>	<u>Program Title</u>	<u>MOF</u>	<u>As appropriated by Act 134/13 (FY14)</u>			<u>Governor's Submittal (FY15)</u>			<u>Percent Change of \$\$\$</u>
			<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	
GOV100	Office of the Governor	A	24.00	28.00	\$ 3,247,921	24.00	39.50	\$ 11,336,677	249%
GOV100	Office of the Governor	N	0.00	1.00	\$ 1,086,250	0.00	3.50	\$ 444,300	-59%

Office of the Governor
Budget Request Decisions

Table 4

Prog ID	Description of Request	MOF	Initial Department Request			Budget & Finance Recommen			Governor's Final Decision		
			Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$
GOV100/HT	Healthcare Transformation	A		6.50	657,870		7.50	752,870		7.50	752,870
GOV100/HT	Healthcare Transformation	N		2.50	319,300		2.50	319,300		2.50	319,300
GOV100/EL	Early Learning	A			218,000		3.00	218,000		3.00	218,000
GOV100/EL	Early Learning Programmatic Costs	A			5,470,208			5,470,208			5,470,208
GOV100/AA	Gubernatorial Transition	A			100,000			100,000			100,000
GOV100/AA	Vacation Payout	A			690,000			700,000			700,000
GOV100/AA	Restoration of vacancy reduction	A			132,000			132,000			132,000
GOV100/AA	Funds for Hawaii and Washington, D.C. based liaison to protect, enhance and advance military presence in Hawaii.	A									525,000
GOV100/AA	Dues for National Governor's Association and Western Governor's Association	A									96,000

Office of the Governor
Proposed Budget Reductions

Table 5

<u>Prog ID</u>	<u>Description of Reduction</u>	<u>Impact of Reduction</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Carry-over?</u> <u>(Y/N)</u>
No reductions							

Office of the Governor
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Request Category</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOE</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
GOV100/EL	ND	1	1	Early Learning Programmatic Costs	Extends prekindergarten services to an additional 1,040 four-year-olds.	A			5,470,208
GOV100/EL	ND	2	2	Early Learning	Positions needed to provide fiscal oversight and oversee programmatic requirements of the expanded School Readiness Program.	A		3.00	218,000
GOV100/HT	ND	3	3	Healthcare Transformation	The healthcare transformation program is established to identify and address issues to achieve improvement in quality, cost-effectiveness, and better outcomes from our health care system. The request supports essential staff to carryout health care transformation, contractual funds for actuarial/economic assessment of costs and trends, and basic operating costs.	A		7.50	752,870
GOV100/HT	ND	3	3	Healthcare Transformation		N		2.50	319,300
GOV100/AA	LR	4	4	Restoration of vacancy reduction	The Legislature reduced \$132,000 for vacancy savings. Although the positions were vacant, the money previously appropriated for those positions was already being used for other salaries. Restoration of this amount directly to salaries will help "true up" the budget.	A			132,000
GOV100/AA	O	5	5	Funds for Hawaii and Washington, D.C. based liaison to protect, enhance and advance military presence in Hawaii.	Funds for Hawaii and Washington, D.C. based liaisons to protect, enhance, and advance military presence in Hawaii	A			525,000
GOV100/AA	O	6	6	Dues for National Governor's Association and Western Governor's Association	Annual dues for National Governors Association and Western Governors' Association. The Office of the Governor participates in these associations in order to understand best practices of other states, learn and develop innovative solutions to improve state government, and to work collectively on matters of public policy.	A			96,000

Office of the Governor
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Request Category</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOE</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
GOV100/AA	O	7	7	Vacation Payout	Estimates for the payout for the accrued vacation for all staff in the Governor's Office is approximately \$687,363. In the event that the entire staff leaves state government, this amount would be necessary to pay their accrued vacation liability.	A			700,000
GOV100/AA	O	8	8	Gubernatorial Transition	HRS 30-6 requires the Governor to include a budget request for the purposes of carrying out Chapter 30, Gubernatorial Transition	A			100,000

Office of the Governor
 Current Year (FY14) Restrictions

Table 7

<u>Prog ID</u>	<u>MOF</u>	<u>Restriction \$\$\$</u>	<u>Percent of Act 134/13 Prog ID Appropriation</u>	<u>Impact</u>
No restrictions				

Office of the Governor
Emergency Appropriation Requests

Table 8

<u>Prog ID</u>	<u>Description of Request</u>	<u>Explanation of Request</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
GOV100	Emergency Appropriation	NGA dues, vacation payout, and Climate Change Taskforce travel	A			132,000

Office of the Governor
Expenditures Exceeding the Appropriation

Table 9

<u>Prog ID</u>	<u>MOF</u>	<u>Date</u>	<u>Appropriation</u>	<u>Amount Exceeding Appropriation</u>	<u>Percent Exceeded</u>	<u>Reason for Exceeding Ceiling</u>	<u>Legal Authority</u>	<u>Recurring (Y/N)</u>	<u>GF Impact (Y/N)</u>
None									

Office of the Governor
Intradepartmental Transfers

Table 10

<u>Actual or Anticipated Date of Transfer</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>From Prog ID</u>	<u>Percent of Program ID Appropriation Transferred From</u>	<u>To Prog ID</u>	<u>Percent of Receiving Program ID Appropriation</u>	<u>Reason for Transfer</u>	<u>Recurring (Y/N)</u>
No intradepartmental transfers										

Office of the Governor
Federal Awards

Table 11

<u>State Expending Agency</u>	<u>Program ID</u>	<u>Award Number</u>	<u>CFDA Number</u>	<u>Award Description</u>	<u>Awarding Federal Agency</u>	<u>Award Amount</u>	<u>Award Amount Allocated to the Pgm ID in Column B</u>	<u>State Appropriation Symbol</u>	<u>Contact Name</u>	<u>Contact Phone</u>	<u>Contact Email</u>
GOV	GOV100	09CD0017/01	93.600	Hawaii Head Start Collaboration Office	DHHS	\$118,413	\$118,413	S-14-235-Q	Christine Jackson	586-7556	christine.jackson@hawaii.gov
GOV	GOV100	1G1CMS331175- 01-04	93.624	State Innovation Models	DHHS	\$937,691	\$937,691	S-14-234-Q	Elizabeth Giesting	586-0009	beth.giesting@hawaii.gov

COLUMN	DATA ELEMENT	DEFINITION
A	State Expending Agency	State entity authorized to expend the funds as authorized by the appropriation or as delegated by the Governor. Select from drop-down menu. See legend below.
B	Program I.D.	The unique identifier for the specific program responsible for carrying out the program consisting of the abbreviation for the State entity followed by the organization number for the program. Format: XXX###
C	Award Number	The identifying number assigned by the awarding Federal Agency, such as the federal grant number, federal contract number or the federal loan number that appears in the federal award document.
D	CFDA No.	The number associated with the published description of Federal assistance program in the Catalog of Federal Domestic Assistance. Only applies to grants and loans. A list of CFDA codes can be searched at: https://www.cfda.gov/index?s=program&tab=list&mode=list Format: ##.###.
E	Award Description	Award title and description with purpose of funding action.
F	Awarding Federal Agency	Name of the federal agency that awarded and administers the award on behalf of the funding agency. Select from drow-down menu. See agency list below.
G	Award Amount	For Grants: The total amount of the award. For Loans: The total amount of the loan obligated by the Federal Agency; the face value of the loan. For Contracts: The total amount obligated by the Federal Agency.
H	Award Amount Allocated to the Program ID in Column B	Enter the portion of the total award amount allocated to this Program ID. For example, if a federal award in the amount of \$500 is allocated to only AGR100, the "Award Amount" and the "Award Amount Allocated to the Pgm ID in Column B" would both be \$500. However, if the \$500 will be allocated to AGR100, AGR200 and AGR300, in the amounts of \$100, \$250 and \$150, respectively, the "Award Amount" would be the \$500 for all three program IDs but the "Award Amount Allocated to the Pgm ID in Column B" would be \$100 for AGR100, \$250 for AGR200 and \$150 for AGR300.
I	State Appropriation Symbol	The account number established in FAMIS. The appropriation account is a combination of 4 fields: Fund Type, Fiscal Year, Appropriation Account Number, and Dept. Code. If an award has appropriation symbols for multiple fiscal years, enter the symbol for the first fiscal year. Format: X-YY-###-X
J	Contact Name	Name of the individual at the program level responsible for performance of the award.
K	Contact Phone No.	Phone no. of the individual at the program level responsible for performance of the award.
L	Contact Email	Email of the individual at the program level responsible for performance of the award.
	LEGEND:	
	State Expending Agency	
A (AGR)	Department of Agriculture	
B (BED)	Department of Business, Economic Dev & Tourism	
C (LNR)	Department of Land and Natural Resources	
D (TRN)	Department of Transportation	
E (EDN)	Department of Education	
F (UOH)	University of Hawaii	
G (DEF)	Department of Defense	
H (HTH)	Department of Health	
I (HHL)	Department of Hawaiian Home Lands	

J (JUD)	Judiciary	
K (HMS)	Department of Human Services	
L (LBR)	Department of Labor and Industrial Relations	
M (AGS)	Department of Accounting and General Services	
N (ATG)	Department of Attorney General	
O (BUF)	Department of Budget and Finance	
P (HRD)	Department of Human Resources Development	
Q (GOV)	Office of the Governor	
R (CCA)	Department of Commerce and Consumer Affairs	
S (LTG)	Office of the Lieutenant Governor	
T (TAX)	Department of Taxation	
V1 (PSD)	Department of Public Safety	
Z1 (OHA)	Office of Hawaiian Affairs	
	Federal Agency	
	Dept. of Agriculture	
	Dept. of Commerce	
	Dept. of Defense	
	Dept. of Education	
	Dept. of Energy	
	Dept. of Health and Human Services	
	Dept. of Homeland Security	
	Dept. of Housing and Urban Development	
	Dept. of Justice	
	Dept. of Labor	
	Dept. of State	
	Dept. of the Interior	
	Dept. of the Treasury	
	Dept. of Transportation	
	Dept. of Veterans Affairs	
	Corporation for National & Community Svc	
	Environmental Protection Agency	
	General Services Administration	
	NASA	
	National Science Foundation	
	Nuclear Regulatory Commission	
	Office of Personnel Management	
	Small Business Administration	
	Social Security Administration	
	U.S. Agency for International Development	

Office of the Governor
Non-General Fund Listing

Table 12

<u>Name of Fund</u>	<u>Purpose</u>	<u>Statutory Reference</u>	<u>MOF</u>	<u>Beginning FY14 Unencumbered Cash Balance</u>	<u>Estimated FY14 Revenues</u>	<u>Estimated FY14 Expenditures and Encumbrances</u>	<u>Estimated FY14 Net Transfers</u>	<u>Estimated FY14 Ending Unencumbered Cash Balance</u>	<u>Balance in Excess of Program Needs</u>
Trust - Early Childhood Initiative	To support Early Learning Initiatives		T	\$ 54,054.21	\$ 14,284.96	\$ 68,339.17	\$ -	\$ -	
Trust - Healthcare Transformation	To support Healthcare Transformation		T	\$ 96,094.31	\$ 213,000.00	\$ 309,094.34	\$ -	\$ -	
Trust - National Governor's Association	To support efforts to build and implement a birth through 3rd grade policy agenda		T	\$ -	\$ 25,000.00	\$ 25,000.00	\$ -	\$ -	
Trust - Omidyar Foundation	To fund a Program Manager position tasked with providing leadership, coordination, and facilitation of the Early Childhood Action Strategy		T	\$ -	\$ 100,650.00	\$ 100,650.00	\$ -	\$ -	
Trust - Hawaii Association of Health Plans	Personnel costs for a Healthcare policy analyst		T	\$ -	\$ 69,000.00	\$ 69,000.00	\$ -	\$ -	

Office of the Governor
 Vacant Positions as of November 30

Table 14

<u>Prog ID</u>	<u>Date of Vacancy</u>	<u>Expected Fill Date</u>	<u>Position Number</u>	<u>Position Title</u>	<u>Exempt (Y/N)</u>	<u>SR Level</u>	<u>BU Code</u>	<u>Perm Temp (P/T)</u>	<u>FTE</u>	<u>MOF</u>	<u>Budgeted Amount</u>	<u>Actual Salary Last Paid</u>	<u>Authority to Hire (Y/N)</u>	<u>Occupied by 89 Day Hire (Y/N)</u>	<u># of 89 Hire Appts</u>	<u>Describe if Filled by other Means</u>	<u>Priority # to Retain</u>
				No vacant positions													

Office of the Governor
Personnel Separations

Table 15

<u>Prog ID/Org</u>	<u>Separation Date</u>	<u>Position Number</u>	<u>Position Title</u>	<u>Exempt (Y/N)</u>	<u>SR Level</u>	<u>BU Code</u>	<u>T/P</u>	<u>MOF</u>	<u>Budgeted FTE</u>	<u>Budgeted Salary</u>	<u>Actual FTE</u>	<u>Actual Salary</u>
GOV 100	11/1/2013	100229	Administrative Svc Officer	Y	SRNA	73	P	A	100%	\$ 60,000	100%	\$ 62,400
GOV 100	10/31/2011	100295	Dep Chief of Staff	Y	SRNA	73	P	A	100%	\$ 96,000	100%	\$ 96,000
GOV 100	3/15/2013	100298	New Media Specialist	Y	SRNA	63	P	A	100%	\$ 47,500	100%	\$ 47,496
GOV 100	2/17/2012	100298	New Media Specialist	Y	SRNA	63	P	A	100%	\$ 47,500	100%	\$ 47,496
GOV 100	7/1/2012	100335	Dir of Wash Place	Y	SRNA	73	P	A	100%	\$ 80,400	100%	\$ 80,400
GOV 100	5/31/2013	100575	Sr Advisor	Y	SRNA	73	T	A	100%	\$ 67,032	100%	\$ 67,200
GOV 100	6/1/2012	100577	Gov Rep - West HI	Y	SRNA	73	T	A	100%	\$ 60,000	100%	\$ 60,000
GOV 100	7/1/2012	100578	Curator - Wash Place	Y	SRNA	73	T	A	100%	\$ 56,136	100%	\$ 56,136
GOV 100	1/18/2013	100679	Asst Gov Special Projects	Y	SRNA	63	P	A	100%	\$ 91,200	100%	\$ 56,000
GOV 100	10/26/2012	100941	Dir of Policy	Y	SRNA	73	T	A	100%	\$ 80,400	100%	\$ 80,400
GOV 100	10/1/2011	101016	Exec Receptionist	Y	SRNA	63	P	A	100%	\$ 39,900	100%	\$ 39,900
GOV 100	6/1/2012	101149	Clerk, Maui	Y	SRNA	63	P	A	100%	\$ 30,975	100%	\$ 30,984
GOV 100	12/31/2012	101149	Clerk, Maui	Y	SRNA	63	P	A	100%	\$ 30,975	100%	\$ 30,984
GOV 100	1/30/2012	101149	Clerk, Maui	Y	SRNA	63	P	A	100%	\$ 30,975	100%	\$ 29,436
GOV 100	7/13/2012	101278	Exec Receptionist	Y	SRNA	63	T	A	100%	\$ 39,900	100%	\$ 42,000
GOV 100	11/15/2013	101278	Exec Receptionist	Y	SRNA	63	T	A	100%	\$ 39,900	100%	\$ 39,528
GOV 100	7/1/2011	101868	Const Svc Rep-Oahu	Y	SRNA	63	P	A	100%	\$ 39,900	100%	\$ 40,000
GOV 100	10/31/2012	101869	Dep Dir of Communications	Y	SRNA	73	T	A	100%	\$ 75,000	100%	\$ 76,848
GOV 100	11/25/2011	102025	Protocol Officer	Y	SRNA	73	T	A	50%	\$ 72,204	50%	\$ 34,200
GOV 100	1/1/2013	102148	Boards&Comm Researcher	Y	SRNA	73	T	A	100%	\$ 45,000	100%	\$ 45,000
GOV 100	12/2/2011	102253	Exec Asst to Chief of Staff	Y	SRNA	63	T	A	100%	\$ 60,000	100%	\$ 52,260
GOV 100	1/31/2013	102253	Exec Asst to Chief of Staff	Y	SRNA	63	T	A	100%	\$ 60,000	100%	\$ 60,000
GOV 100	6/27/2012	102339	Const Svc Rep-West HI	Y	SRNA	63	T	A	50%	\$ 42,000	50%	\$ 21,000
GOV 100	9/30/2012	102401	Dir of Communications	Y	SRNA	73	T	A	100%	\$ 76,380	100%	\$ 80,400
GOV 100	10/15/2011	102401	Dir of Communications	Y	SRNA	73	T	A	100%	\$ 76,380	100%	\$ 80,400
GOV 100	6/8/2012	102340	Const Svc Rep-West HI	Y	SRNA	63	T	A	50%	\$ 42,000	50%	\$ 21,000
GOV 100	10/31/2012	102340	Const Svc Rep-West HI	Y	SRNA	63	T	A	100%	\$ 42,000	100%	\$ 42,000
GOV 100	7/1/2011	102432	Const Svc Rep-Oahu	Y	SRNA	63	T	A	100%	\$ 40,850	100%	\$ 40,000
GOV 100	7/19/2012	102432	Dep Dir Const Services	Y	SRNA	63	T	A	100%	\$ 45,000	100%	\$ 45,000
GOV 100	10/21/2011	102434	Dep Dir of Communications	Y	SRNA	63	T	A	100%	\$ 75,000	100%	\$ 66,000
GOV 100	9/23/2011	102527	Boards&Comm Assistant	Y	SRNA	63	T	A	100%	\$ 39,900	100%	\$ 39,900
GOV 100	7/28/2011	102527	Boards&Comm Assistant	Y	SRNA	63	T	A	100%	\$ 42,000	100%	\$ 42,000
GOV 100/EL	7/5/2013	111579	Policy Analyst	Y	SRNA	73	T	A	100%	\$ 62,000	100%	\$ 124,496
GOV 100/EL	7/1/2013	120361	Director Early Learning	Y	SRNA	73	T	A	100%	\$ 100,000	100%	\$ 98,388
GOV 100	6/6/2012	120395	Health Sr Advisor	Y	SRNA	73	T	T	100%	\$ 175,000	100%	\$ 175,000
GOV 100	8/5/2013	120900	Clinical Specialist	Y	SRNA	73	T	B	100%	\$ 160,000	100%	\$ 160,000
GOV 100	9/30/2013	120901	Medical Informaticist	Y	SRNA	73	T	B	100%	\$ 175,000	100%	\$ 175,000
GOV 100	11/30/2013	120902	Grant Manager	Y	SRNA	73	T	B	100%	\$ 55,000	100%	\$ 55,000
GOV 100	11/30/2013	120907	Policy Analyst	Y	SRNA	63	T	B	100%	\$ 50,830	100%	\$ 45,000

Office of the Governor
Personnel Separations

Table 15

<u>Prog ID/Org</u>	<u>Separation Date</u>	<u>Position Number</u>	<u>Position Title</u>	<u>Exempt (Y/N)</u>	<u>SR Level</u>	<u>BU Code</u>	<u>T/P</u>	<u>MOF</u>	<u>Budgeted FTE</u>	<u>Budgeted Salary</u>	<u>Actual FTE</u>	<u>Actual Salary</u>
GOV 100	11/30/2013	120908	Health IT Director	Y	SRNA	73	T	B	100%	\$ 175,000	100%	\$ 175,000
GOV 100	9/30/2013	120899	Health IT Manager	Y	SRNA	73	T	B	100%	\$ 75,000	100%	\$ 75,000
GOV 100	10/25/2013	120973	Const Svcs Rep-East HI	Y	0	63	T	A	100%	\$ 42,000	100%	15.00Hourly
GOV 100	11/30/2013	121043	Health Actuary	Y	SRNA	73	T	B	100%	\$ 75,000	100%	\$ 75,000

Office of the Governor
New Hires

Table 16

<u>Prog ID/Org</u>	<u>New Hire Effective Date</u>	<u>Position Number</u>	<u>Position Title</u>	<u>Exempt (Y/N)</u>	<u>SR Level</u>	<u>BU Code</u>	<u>T/P</u>	<u>MOF</u>	<u>Budgeted FTE</u>	<u>Budgeted Salary</u>	<u>Actual FTE</u>	<u>Actual Salary</u>
GOV 100	11/4/2013	100229	Administrative Svcs Officer	Y	SRNA	73	P	A	100%	\$ 60,000	100%	\$ 58,000
GOV 100	12/1/2011	100295	Dep Chief of Staff	Y	SRNA	73	P	A	100%	\$ 96,000	100%	\$ 125,496
GOV 100	11/1/2011	100471	Chief of Staff	Y	SRNA	73	P	A	100%	\$ 114,420	100%	\$ 140,220
GOV 100	9/29/2013	100575	Legislative Advisor	Y	SRNA	73	T	A	100%	\$ 75,000	100%	\$ 75,000
GOV 100	6/4/2012	100577	Gov Rep - West HI	Y	SRNA	73	T	A	100%	\$ 60,000	100%	\$ 60,000
GOV 100	7/1/2011	100941	Director of Policy	Y	SRNA	73	T	A	100%	\$ 80,400	100%	\$ 83,616
GOV 100	11/16/2011	101001	Exec Asst to Dep Chief of Staff	Y	SRNA	63	P	A	100%	\$ 55,000	100%	\$ 57,204
GOV 100	11/16/2011	101016	Exec Receptionist	Y	SRNA	63	P	A	100%	\$ 39,900	100%	\$ 43,680
GOV 100	4/4/2012	102014	Admin Asst - Policy	Y	SRNA	63	T	A	100%	\$ 42,000	100%	\$ 43,680
GOV 100	2/11/2013	102253	Exec Asst to Chief of Staff	Y	SRNA	63	T	A	100%	\$ 60,000	100%	\$ 62,400
GOV 100	12/31/2012	102340	Const Svcs Rep - West HI	Y	SRNA	63	T	A	100%	\$ 42,000	100%	\$ 43,680
GOV 100	6/1/2012	102341	Const Svcs Rep - Kauai	Y	SRNA	63	T	A	100%	\$ 42,000	100%	\$ 43,680
GOV 100	4/16/2012	105758	Gov Rep - Maui	Y	SRNA	73	P	A	100%	\$ 60,000	100%	\$ 62,400
GOV 100	10/1/2013	111579	Policy Analyst	Y	SRNA	73	T	A	100%	\$ 62,000	100%	\$ 78,000
GOV 100	7/1/2013	112345	Head Start Director	Y	SRNA	73	T	B	100%	\$ 60,000	100%	\$ 60,000
GOV 100/EL	7/16/2013	120361	Director Early Learning	Y	SRNA	73	T	A	100%	\$ 100,000	100%	\$ 98,388
GOV 100	9/1/2011	120362	Health Transformation Coord	Y	SRNA	73	T	B/T	100%	\$ 115,000	100%	\$ 129,996
GOV 100	9/7/2011	120751	Policy Analyst	Y	SRNA	73	T	B	100%	\$ 50,830	100%	\$ 55,000
GOV 100	4/24/2013	120923	Policy Analysts II	Y	SRNA	73	T	B	100%	\$ 55,000	100%	\$ 55,000
GOV 100/EL	9/3/2013	120999	Exec Asst - Early Learning	Y	SRNA	63	T	A	100%	\$ 50,000	100%	\$ 50,000
GOV 100/EL	9/9/2013	121000	Action Strategy Coor - Early Learn	Y	SRNA	73	T	A	100%	\$ 85,000	100%	\$ 85,000

Office of the Governor
Unauthorized Positions

Table 17

<u>Prog ID/Org</u>	<u>Date Established</u>	<u>Legal Authority</u>	<u>Position Number</u>	<u>Position Title</u>	<u>Exempt (Y/N)</u>	<u>SR Level</u>	<u>BU Code</u>	<u>T/P</u>	<u>MOF</u>	<u>FTE</u>	<u>Annual Salary</u>	<u>Filled (Y/N)</u>	<u>Occupied by 89 Day Hire (Y/N)</u>
				No unauthorized positions									

Office of the Governor
Overtime Expenditures

Table 18

Prog ID	Program Title	MOF	FY12 (actual)			FY13 (actual)			FY14 (estimated)			FY15 (budgeted)		
			<u>Base Salary</u> \$\$\$\$	<u>Overtime</u> \$\$\$\$	<u>Overtime</u> Percent	<u>Base Salary</u> \$\$\$\$	<u>Overtime</u> \$\$\$\$	<u>Overtime</u> Percent	<u>Base Salary</u> \$\$\$\$	<u>Overtime</u> \$\$\$\$	<u>Overtime</u> Percent	<u>Base Salary</u> \$\$\$\$	<u>Overtime</u> \$\$\$\$	<u>Overtime</u> Percent
	No Overtime expenditures													

Office of the Governor
Overpayments

Table 19

<u>Employee Name</u>	<u>Date of Over- payment</u>	<u>Gross Amount Overpaid</u>	<u>Amount Recovered</u>	<u>Balance</u>	<u>Category</u>				<u>Reason for Overpayment</u>	<u>Referred to Attorney General</u>
					<u>Employed</u>		<u>Not Employed</u>			
					<u>Occurred > 2 Years</u>	<u>Occurred < 2 Years</u>	<u>Occurred > 2 Years</u>	<u>Occurred < 2 Years</u>		
No Overpayments										

Office of the Governor
Contract Costs

Table 20

Prog ID	MOF	Frequency		Max Value	Outstanding Balance	Term of Contract			Organization	Category E/L/P/C/ G/S	Description	Method and Frequency of Monitoring	POS Y/N
		Amount	(M/A/O)			Date Executed	From	To					
GOV100	A	\$0.01	per page						Xerox/RICOH	S	b&w per page		
GOV100	A	\$0.10	per page						Xerox/RICOH	S	color per page		
GOV100	A	\$3,115.08	M						Xerox/RICOH	L	leased copy machine		
GOV100	A	\$135.31	M						RICOH	E	leased copy machine		
GOV100	A	\$2,400.00	M			12/1/2010	1/1/11	present	Verizon	E	Data for iPad and phone usage		
GOV100	A	\$3,500.00	M						Hawaiian Telcom	S	Phone Service for October 2012 (varies by month depending on usage)		
GOV100	A	\$103.66	M						Oceanic Time Warner	S	Cable television		
GOV100	A	\$844.72	M	\$ 43,025.96		6/1/2011	6/1/11	5/1/15	JN Automotive	E	Vehicle lease for Governor's vehicle		
GOV100	A	\$788.90	M			10/1/2006	10/15/06	10/14/12	Clark Realty	L	Kona Liaison Office Lease	month to month	
GOV100	A	\$565.51	M			10/1/2006	10/15/06	10/14/12	Clark Realty	S	Janitorial	month to month	
GOV100	A	\$101.78	M						Inmarsat	S	Satellite phone service		
GOV100	A	\$50.00	M						Menehune Water	E	Water coolers		

Office of the Governor
Capital Improvements Program Requests

Table 21

<u>Prog ID</u>	<u>Prog ID</u> <u>Priority</u>	<u>Dept-</u> <u>Wide</u> <u>Priority</u>	<u>Project Title</u>	<u>MOF</u>	<u>FY14 \$\$\$</u>	<u>FY15 \$\$\$</u>
None						

Office of the Governor
Capital Improvements Program Lapses

Table 22

<u>Prog ID</u>	<u>Act/Year of Appropriation</u>	<u>Project Title</u>	<u>MOF</u>	<u>Amount \$\$\$\$</u>	<u>Reason</u>
None					

Office of the Governor
Division Resources

Table 23

<u>Division</u>	<u>Associated Program IDs</u>						
not applicable							

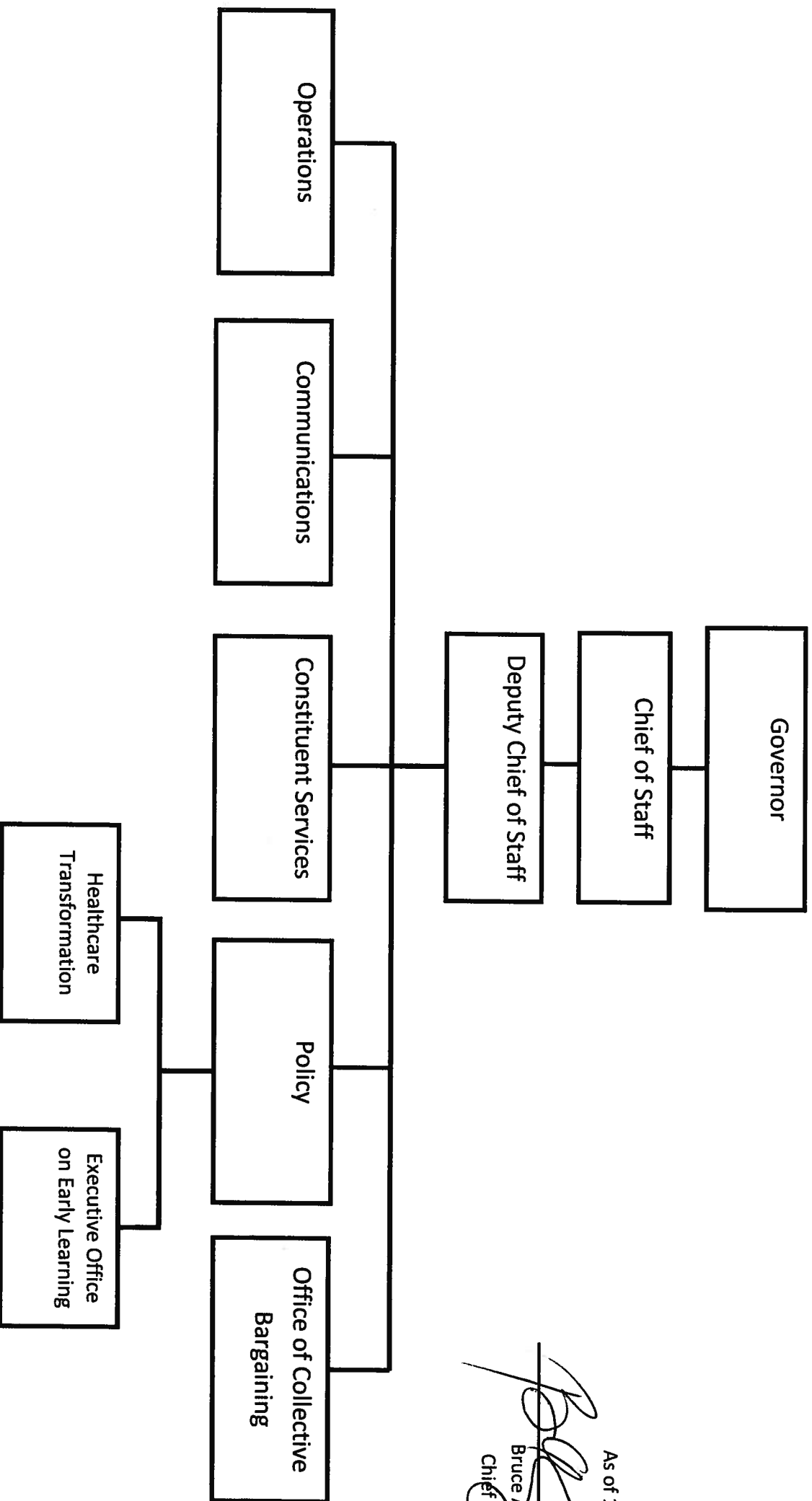
Office of the Governor
Organizational Charts

Table 24

<u>Year of Change</u> FY14/FY15	<u>Page</u> <u>Number</u>	<u>Description of Change</u>
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State of Hawai'i
Office of the Governor – GOV100

Position Organization Chart
Executive Office



As of 12/2013

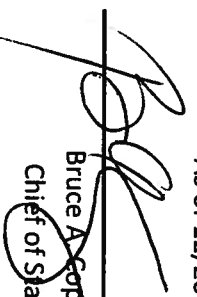
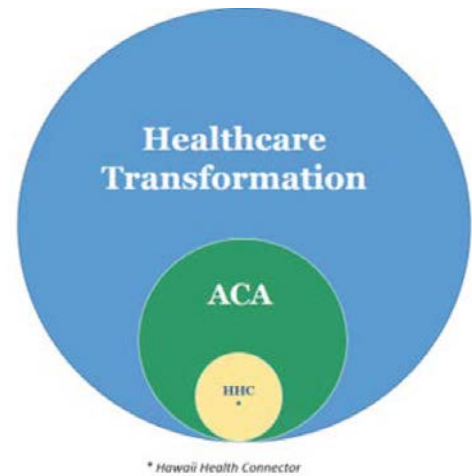

Bruce A. Coppia
Chief of Staff

Chart 1

What is Health Care Transformation?

Health care delivery and payment practices are not economically sustainable or meeting society's needs for quality and outcomes. Changing the system requires more than tweaks – it needs a transformation that involves all parts of health care: a renewed emphasis on quality and best practices, improved care coordination, more patient engagement, training a new type of workforce, effective use of information technology, and payment reforms that support these changes.

Transforming the entire health care system is the overarching goal. The Affordable Care Act (ACA) and the Hawai'i Health Connector are just tools for transformation, providing opportunities for enrollment and support for service and payment change.



What's at Stake?

Hawai'i is facing a "silver tsunami" and trends for obesity and chronic disease are rapidly increasing. We need to align our health care system to address these needs more humanely and cost-effectively. 2012 data for Hawai'i shows:

- **1 in 10 ER visits and hospitalizations could be avoided. Cost: \$353 million.**
- **ER and hospital charges related to diabetes: \$1.3 billion.**
- **ER and hospital charges related to mental health: \$99 million.**

The implications for State MedQUEST and EUTF investment are significant.

What is the State's Role in Transforming Health Care?

The State is a powerful force for transforming the health care system as a payer, convener, and regulator. 25% of the state budget is dedicated to health care purchasing, and the State provides coverage for approximately 40% of the population. Since health insurers and providers are largely private sector entities, transforming the way care is delivered and paid for requires active State oversight to avoid real or perceived anti-trust violations.

What's Been Accomplished Over the Past 2 Years?

Since beginning the health care transformation initiative in September 2011, we have:

- Effectively implemented the ACA across State agencies and with Health Connector.
- Created Hawai'i Healthcare Project, a public-private partnership to develop a comprehensive plan for health care innovation for Hawai'i (completion date: 1/31/14). Partnership includes more than 150 health care consumers, providers, state agencies, and other stakeholders.
- Convened health plans to standardize approaches to payment, quality, and administrative processes.
- Begun work on a database to collect, analyze and report on health care cost drivers.
- Coordinated state/federal funding enhancements for FQHCs and Hawai'i Health Information Exchange.
- Secured technical assistance to focus on health care workforce development.

What Are We Requesting for FY15?

In the last budget cycle, **\$53,000** was appropriated for FY14 and **\$165,830** in FY15. As part of the Governor's supplemental budget request, we are seeking additional support in the amount of **\$752,870** for FY15 to support six staff and retain consultants to analyze and report on key health care economic information. Funds also leverage opportunities to attract federal grants, such as one for an All Payer Claims Database. We also propose creating a permanent Hawai'i Health Care Planning & Policy Authority in an attached agency by amending the Health Planning and Resources Development and Health Care Cost Control statute.

What Will be Accomplished with Additional Support?

As reflected in our plan and similar work in other states, the health care transformation initiative expects to improve the quality of care, reduce unsustainable cost increases, improve health status, and reduce disparities in care among ethnic groups and islands.

The Health Care Transformation Innovation Plan Attention to all these areas will address the cost drivers noted on page 1 - ER use and hospitalizations that are avoidable, that are related to diabetes, and that are for mental illnesses. They focus on quality, efficiency, and cost-effective care.

Service Delivery Priorities

- Expand “patient-centered medical homes” so that most patients have a regular source of primary care.
- Help primary care providers add care coordination services to meet the needs for growing numbers of patients with complex chronic diseases.
- Implement strategies that help primary care providers address patient mental health needs more effectively.
- Develop intervention programs targeted to “super utilizers” to reduce ER, EMS, and hospital costs.
- Develop infrastructure to enable better use of telehealth for specialty, mental health, and home health needs.

Payment

- Align insurers to focus on quality and payment strategies.
- Reform payment systems to pay for good outcomes, not visits and procedures.
- Reduce administrative waste by standardize certain processes.

Workforce

- New care delivery models are based on health care teams. Our workforce planning, training, and licensing need to be reviewed and brought up to date.

Health Information Technology

- Health care transformation depends on effective use of electronic health records and clinical information exchange.
- Care coordination, reduction of errors and duplication, and management of chronic diseases rely on HIT.

Government Policy

- Leverage opportunities to transform health care via state policy, funding, and regulations, which remains spread across at least six different agencies.
- Convene stakeholders from private sector on transformation priorities.
- Evaluate and report on health care costs, utilization, trends, and outcomes of transformation activities.
- Administer federal grant to develop all-payer claims database to aid accurate information and reporting.
- Continue to oversee effective implementation of Affordable Care Act requirements and activities.

Staffing Request for Office of Health Care Transformation

Staff responsibilities for each will include extensive work with public and private stakeholders and consumers and will involve planning, convening, oversight, research, evaluation, communication, and contract management.

Positions supported by our legislative request include the following:

1. Healthcare transformation coordinator
2. ACA implementation manager
3. Healthcare program manager
4. Health information technology coordinator
5. Clinical specialist
6. Executive assistant

Contact: **Beth Giesting, Healthcare Transformation Coordinator, Office of the Governor**
Email: Beth.Giesting@hawaii.gov
Phone: (808) 586-0009



EXECUTIVE OFFICE ON EARLY LEARNING
HONOLULU

GG Weisenfeld, Ed.D.
DIRECTOR

**Senate Committee on Ways and Means and House Committee on Finance
Informational Briefing Testimony
For Supplemental Budget Request
By GG Weisenfeld, Director
(Program ID GOV100 & EDN700)**

**January 6, 2014
1:30 p.m.**

Honorable Chairs and Members of the Committees:

Good afternoon, I am GG Weisenfeld, Director of the Executive Office on Early Learning. I am here today to present the EOEL portion of the GOV100 supplemental budget request for fiscal year 2015.

I have a PowerPoint presentation (a hard copy is attached to this testimony) after which I will be happy to answer any questions.

By way of introduction to the PowerPoint, I would like to thank the Legislature and particularly the Senate Education, House Education, Ways and Means, and Finance committees for their support last year of early learning – both the School Readiness Program administered by the Department of Human Services and for the operations of the Executive Office on Early Learning.

The EOEL request, we believe, is modest while significantly adding to the number of four-year-olds (1040 children) who can benefit from participation in a pre-kindergarten program.

We look forward to working with the Chairs and members of the Committees throughout the coming session.



EXECUTIVE OFFICE ON EARLY LEARNING

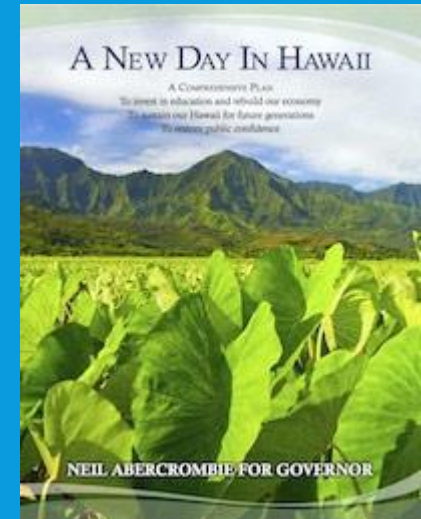
January 2014

EXECUTIVE OFFICE ON EARLY LEARNING

Established by Act 178; signed into law by Governor Abercrombie, June 2012

Charged with developing a comprehensive and integrated statewide early childhood system

GG Weisenfeld appointed Director, July 2013



EARLY CHILDHOOD PRIORITIES

In order to identify our priorities for this year:

Build upon previous legislative efforts:

- Change in Kindergarten Entry Age -- Act 178, 2012
- Creation of School Readiness Program -- Act 169, 2013

Review current national research

- Linked to child outcomes
- Economic returns on investments



SUPPLEMENTAL BUDGET OVERVIEW

Funding Amount	Name	Benefit
\$4.5 million	DOE Prekindergarten	640 more children participate
\$2.5 million	Preschool Open Doors	Increasing state subsidy
\$1 million	Family Child Interaction Learning	400 more children participate
\$218,000	EOEL Staff	Quality Infrastructure

CHANGE IN K ENTRY AGE

- Increase number of children who do not have access to preschool
- Income breakdown of these 5,100 children*

Families earning less than \$54,180**	Families earning \$54,180-\$135,450	Families earning more than \$135,450
2,040 children***	2,295 children	765 children

* 2012 DOE estimate

** based on the 2013 Hawaii Poverty Guidelines for a family of 4

*** Income distribution based on 2011 American Community Survey



**KINDERGARTEN
AGE HAS
CHANGED!**

Starting August 2014, your child must be 5 on or before July 31 to enter kindergarten.

For more information, visit earlylearning.hawaii.gov

PRESCHOOL OPEN DOORS

Will fund 1200 children who make below 250% of Hawaii Poverty Guidelines

Sliding fee scale, so some families will be asked to pay

Asking for an addition \$2.5 million to go to DHS:

- Reduce the co-payment scale from 10 levels to 4
- The most a family would pay is 30% of the allowed amount, plus any additional fees
- Covers families making LESS than \$67,725*

* Family of four

3RD GRADE TEST SCORES: PREDICTOR OF FUTURE SUCCESS

- First time we can accurately measure a child's success and academic potential
- 3rd grade reading scores linked to 9th grade GPA
- Students who are not reading by grade level by 3rd grade are six times more likely to drop out of high school
- Fewer than 20% reading below grade level in 3rd grade go on to attend college



3RD GRADE TEST SCORES: PREDICTOR OF FUTURE SUCCESS

One of the key strategies to achieve this: access to **QUALITY** early childhood programs



HOW DO WE ACHIEVE 3RD GRADE READING SUCCESS?



- Certain discrete skills we can teach
- Set the stage for learning
 - Children need to feel safe to take risks and be curious
 - Students need to know how to behave within a group
- Wanting to read
- Vocabulary acquisition

Best method for delivering this is through a school readiness program.

SCHOOL READINESS PROGRAM 2014

Three methods to increase capacity and provide access to children:

- Preschool Open Doors funded through DHS to attend private preschools
- DOE-EOEL partnership to create a 4-year-old program on DOE campuses
- Family Child Interaction Learning programs to support families in preparing children

DOE-EOEL PARTNERSHIP

Cost: \$4.47 million goes to EOEL, then to DOE through an MOA

Characteristics:

- Operates within DOE structure
 - Staffed by HSTA/DOE Teachers and HGEA Assistants
- 32 classrooms in 30 schools, statewide
- 640 children
- Schools identified: rural, has a 4's program, Title 1, limited preschool capacity in community, principal support
- EOEL will offer ECE expertise and training



FAMILY-CHILD INTERACTION LEARNING

Cost: \$1 million, funds go to EOEL

Characteristics:

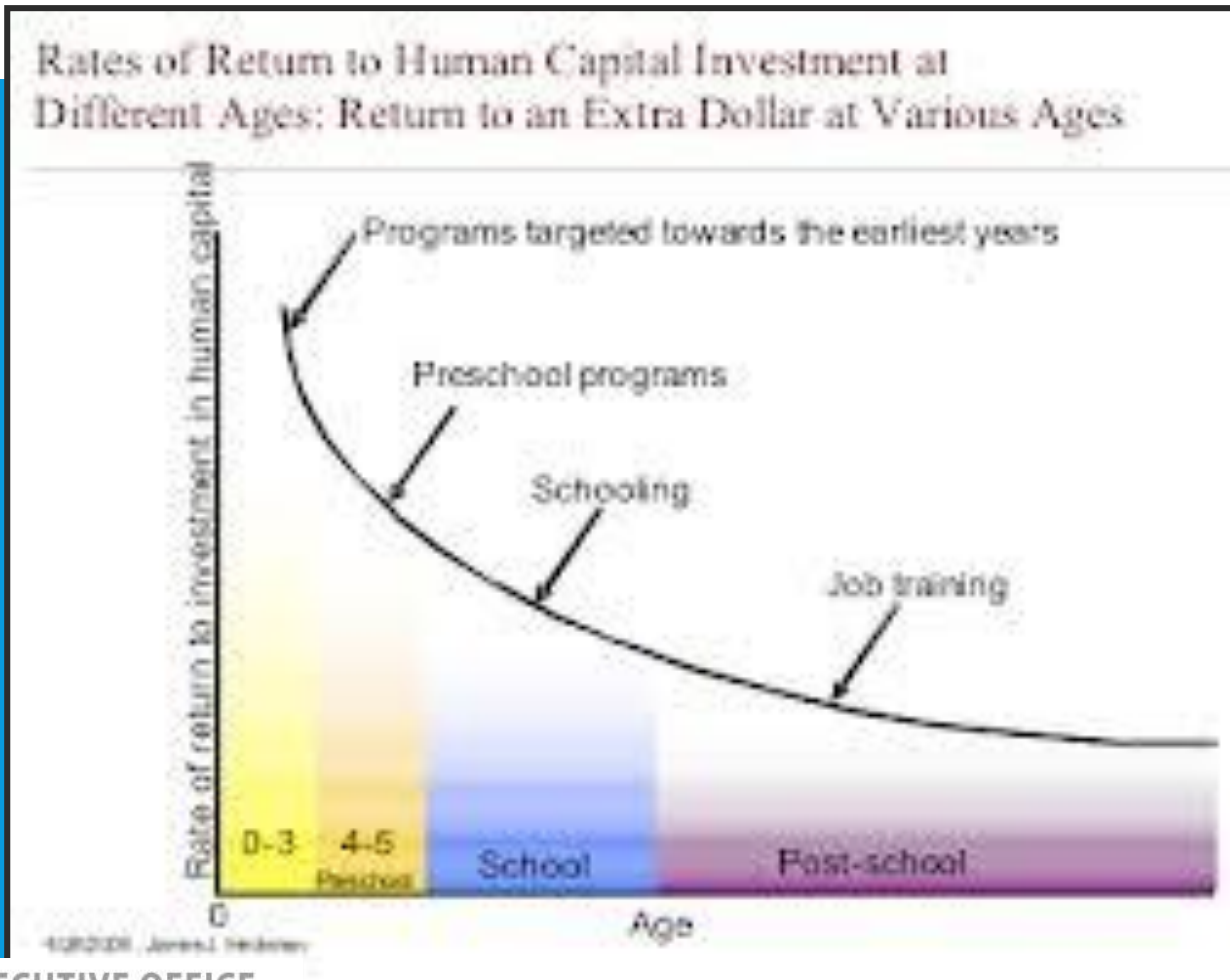
- Contracts with providers
- Programs will help families support young children's development and learning
- Will serve 400 families that have a child who is 4 years old
- EOEL will monitor implementation of quality standards and provide support

EOEL INFRASTRUCTURE BUILDING

EOEL additional staff:

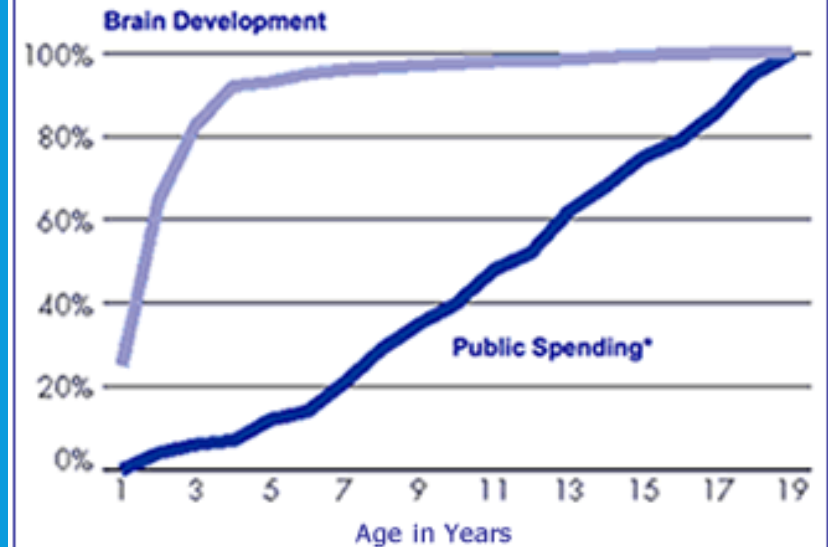
- Policy Analyst, specializing in data
- Fiscal Manager, oversee EOEL budget
- Program Manager, oversee FCIL and DOE contracts

ECONOMIC INVESTMENT IN SCHOOL READINESS



Public Spending & Brain Research: The Disconnect

Source: The Rand Corporation



*Portion of total public investment in children being spent during indicated year in children's lives.

SUPPLEMENTAL BUDGET SUMMARY

Funding Amount	Name	Benefit
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CONTACT INFORMATION

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