

Iowa Efficiency Review

Report to Governor Chet Culver and Lt. Governor Patty Judge

Highlights and Fact Sheet

	Year 1 Estimated General Fund Savings/ Revenue	5 Year Estimated Savings/ Revenue
TOTAL	\$340,962,500	\$1,693,270,500

Recommendations That the Governor Can Implement Through Executive Order

Section I <i>Recommendations for Executive Action (40)</i>	\$128,130,500	\$713,700,500
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Recommendations for Legislative Action in 2010

Section II. <i>Recommendations for Legislative Action (45)</i>	\$207,120,000	\$941,810,000
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Recommendations for Further Analysis and Consideration

Section III. <i>Recommendations for Further Analysis and Consideration (5)</i>	\$5,712,000	\$37,760,000
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The Iowa Efficiency Report contains 90 detailed recommendations. Each of the recommendations in the Efficiency Review Report has a detailed discussion of how the cost calculations were arrived at, as well as an action plan on how each recommendation could be implemented through Executive Order, administrative rule change or by statute.



SUMMARY OF RECOMMENDATIONS

		Year 1* Estimated General Fund Savings/ Revenue	5 Year Estimated Savings/ Revenue
TOTAL		\$340,962,500	\$1,693,270,500
Report Page #	I. Recommendations for Executive Action	\$128,130,500	\$713,700,500
Deliver Government Services More Efficiently			
11	Eliminate least efficient print shops	\$200,000	\$1,000,000
12	Consolidate administrative functions at DHS institutions	\$1,400,000	\$7,000,000
13	Modify and simplify entrepreneurial model	\$365,000	\$1,800,000
15	Modify warehouse policies to take advantage of newest techniques to reduce costs	\$600,000	\$3,000,000
16	Consolidate mailrooms and modify mail delivery policies	\$110,000	\$550,000
17	Reduce spending on periodicals and subscriptions	\$230,000	\$1,200,000
18	Reduce architecture, engineering and attorney contracts when cost-benefit indicates state can perform work at reduced cost**	\$7,400,000	\$37,000,000
18	Require employees pay for safety course when required because of driving violation	\$2,500	\$12,500
19	Reduce Human Resource staff in departments	\$425,000	\$2,100,000
20	Expand use of state garages to reduce cost of contracted private garages**	\$115,000	\$1,400,000
20	Conduct energy efficiency retrofits for state buildings	\$460,000	\$6,900,000
24	Require new hires to use payroll direct deposit	\$45,000	\$383,000
25	Conduct audit of state health enrollees to identify ineligible dependents	\$3,000,000	\$3,000,000



		Year 1* Estimated General Fund Savings/ Revenue	5 Year Estimated Savings/ Revenue
25	Improve coordination of law enforcement at state parks	\$0	\$400,000
26	Increase volunteer and intern programs at State parks	\$70,000	\$325,000
27	Accelerate assessments for compliance violations under Iowa's Workers' Compensation Law	\$960,000	\$960,000
28	Expand Iowa Law Enforcement Academy (ILEA) on-line offerings	\$150,000	\$750,000
29	Encourage larger state agencies to support budget, accounting, and pre-audit services for smaller state agencies	\$0	\$0
29	Board of Regent's participation	\$25,000,000	\$150,000,000
Take Full Advantage of E-Government Solutions			
35	Consolidate IT planning and operations	-\$7,900,000	\$26,800,000
36	Consolidate state e-mail systems	-\$1,000,000	\$830,000
36	Consolidate wireless equipment purchasing and service contracts	\$250,000	\$1,250,000
37	Negotiate statewide Information Technology service contract	\$1,500,000	\$7,500,000
38	Negotiate statewide IT and office equipment maintenance contract	\$2,000,000	\$10,000,000
39	Increase use of new technologies such as thin-client technology	\$100,000	\$4,300,000
Manage State Assets -- Fleet and Property -- Better			
40	Reduce fleet and change mileage and take-home policies	\$3,500,000	\$17,500,000
42	Consolidate DNR offices Des Moines	\$300,000	\$1,500,000
Improve Financial Management, Leverage Funding and Position State to Be Smart Purchaser			
43	Require purchasing from master contracts	\$15,000,000	\$60,000,000
44	Improve debt collections	\$22,200,000	\$111,000,000
46	Modernize Iowa's unclaimed property search capabilities	\$40,000,000	\$160,000,000
49	Join multi-state lawsuit on escheat of unclaimed US Bonds	\$0	\$37,500,000



		Year 1* Estimated General Fund Savings/ Revenue	5 Year Estimated Savings/ Revenue
Manage Health and Human Services			
51	Strengthen Medicaid integrity efforts -- Part One	\$8,100,000	\$35,300,000
52	Ensure Iowa is getting the best purchase price for required medical equipment	\$500,000	\$4,100,000
53	Modify Durable Medical Equipment rental vs purchase policies	\$200,000	\$1,300,000
54	Update Nursing Home Recoverable Cost Regulations	\$800,000	\$7,300,000
54	Claim federal reimbursement for eligible inmate hospital care	\$1,500,000	\$7,200,000
56	Reinstate use of telemedicine services between DOC and UI	\$200,000	\$800,000
57	Modify child support recovery funding	\$228,000	\$1,140,000
58	Increase Juvenile Court Services' claims for Title IV-E reimbursement	\$240,000	\$1,200,000
58	Claim Title IV-E reimbursement for eligible placements and license all relative homes	\$30,000	\$150,000
II. Recommendations for Legislative Action		\$207,120,000	\$941,810,000
60	Appoint a Chief Information Officer	Included in IT consolidation	Included in IT consolidation
61	Offer retirement incentive	\$59,800,000	\$282,650,000
63	Centralize real estate leasing and property management	Included in audit savings	Included in audit savings
64	Perform a full audit of the state's real estate portfolio to maximize the value of these assets	\$29,900,000	\$29,900,000
65	Perform a full audit of the state's office leases	\$2,500,000	\$12,500,000
66	Pursue sale/leaseback of state office building assets where terms would be most favorable to the state	\$0	\$3,000,000
66	Consolidate legal services for real estate	Included in audit savings	Included in audit savings
67	Require employers to transmit child support payments electronically	\$23,000	\$115,000
67	Lower casino winnings threshold to collect required taxes	\$5,000,000	\$25,000,000



		Year 1* Estimated General Fund Savings/ Revenue	5 Year Estimated Savings/ Revenue
68	Improve state financial management by combining the State Accounting Enterprise with the Department of Management	\$260,000	\$1,300,000
69	Strengthen Medicaid integrity efforts -- Part Two	\$900,000	\$3,900,000
70	Modify Medicaid prescription drug purchasing	\$1,800,000	\$10,200,000
71	Limit initial supply of prescription drugs not on the Preferred Drug List	\$200,000	\$1,000,000
71	Change the way Medicaid pays for unique mental health medications	\$400,000	\$2,500,000
72	Allow eligible <i>hawk-1</i> families to access private insurance when available	\$1,800,000	\$8,200,000
72	Increase and improve Disease Management Programs to control costs of chronic illness	\$2,700,000	\$28,300,000
72	More vigorously review costly medical payments in the Community-Based Waiver Program	\$5,700,000	\$33,000,000
73	Strengthen Department of Inspections and Appeals ability to investigate and recover improperly claimed public benefits	\$800,000	\$7,300,000
74	Reorganize and consolidate some mental health institutes	\$1,900,000	\$26,800,000
75	Eliminate enrollment in the Family Support Subsidy Program	\$161,000	\$805,000
76	Expand use of electronic payments in DHS	\$156,000	\$780,000
76	Modify funding for the child care assistance program	\$465,000	\$2,300,000
77	Reduce funding for the adoption subsidy program	\$1,200,000	\$5,900,000
78	Implement some reductions to the child and family services program	\$4,700,000	\$23,300,000
78	Transfer TANF funding into field operation	\$7,100,000	\$35,000,000
80	Eliminate requirement for Guardian ad litem to be conducted in person	\$112,000	\$500,000
81	Modify distribution of veteran's grants to counties	\$0	\$0
81	Expand Governor's Grants Office to identify and apply for federal and non-profit funding	\$20,000,000	\$100,000,000



		Year 1* Estimated General Fund Savings/ Revenue	5 Year Estimated Savings/ Revenue
82	Consider closing certain correctional facilities and consolidating inmate populations	\$700,000	\$3,500,000
83	Eliminate Underground Storage Tank Board	\$800,000	\$4,000,000
84	Close ABD warehouse on Fridays	\$25,000	\$125,000
85	Allow for direct shipment of wine	\$375,000	\$1,875,000
85	Reform newspaper legal notice requirements for State, County and Local Governments	\$1,000,000	\$5,000,000
87	Modify permit and license reminder notices process	\$200,000	\$1,000,000
88	Allow recycling fees currently collected to offset some Department of Natural Resources General Fund spending	\$200,000	\$1,000,000
89	Expand staff in the State Public Defender's Office to cover more cases and reduce state costs for indigent defense	\$465,000	\$2,320,000
90	Open a new State Public Defender's Office in Wapello County	\$750,000	\$3,750,000
91	Expand Iowa Law Enforcement Academy offerings to include seminar training sessions for private security personnel	\$150,000	\$750,000
91	Support cost of DOT and DNR law enforcement training with non-General Fund dollars	\$8,000	\$40,000
92	Move housing programs currently operated by the Department of Economic Development into Iowa Finance Authority	\$100,000	\$500,000
93	Merge Division of Criminal Investigations and Division of Narcotics Enforcement	\$370,000	\$1,800,000
94	Support the operations of the Iowa State Patrol with the Road Use Tax Fund	\$50,000,000	\$250,000,000
95	Increase auditors to increase collections	\$2,700,000	\$13,400,000
96	Revise policies for state employees' meal reimbursements and eliminate cleaning allowances	\$1,700,000	\$8,500,000
96	Bring Community-Based Corrections districts onto State accounting system	\$0	\$0



		Year 1* Estimated General Fund Savings/ Revenue	5 Year Estimated Savings/ Revenue
III. Recommendations for Further Analysis and Consideration		\$5,712,000	\$37,760,000
99	Launch employee wellness initiatives	-\$200,000	\$1,000,000
100	Require family enrollment in health insurance when spouses are both employed by the state	\$2,400,000	\$19,200,000
100	Reduce or eliminate deferred compensation contribution for non-contract employees	\$1,400,000	\$7,000,000
101	Evaluate the cost benefit of going to 10-hour, 4-day work week	\$2,000,000	\$10,000,000
101	Pay employees on a semi-monthly basis rather than bi-monthly	\$112,000	\$560,000
<p>*Year 1 savings may be prorated to account for start-up or for full year depending on the issue, timeframe and implementation requirements.</p> <p>Since the ATB plans developed by departments in October 2009 are still under review and approval, they could not be factored into calculations at this time. In addition, the majority of these recommendations will not be affected by the ATBs. For example, savings achieved through consolidation of IT, spending off master contracts and other spending efficiencies will not be changed after the ATB decisions are made. It is expected that after the current ATB process has been completed, some numbers could be reduced by up to 10 percent, however in the vast majority of instances, the numbers will change only by minor amounts.</p> <p>**Savings in these categories include a mix of General Fund and Road Use Tax Fund.</p>			