

Michigan Department of Human Services

FY 2016 Executive Recommendation Office Closure & Consolidation Plan



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Agenda

- Overview of Executive Recommendation Plan
 - Statewide Community Partner Network/Facility Reduction
 - Targeted Facility Closures/Consolidations
- Philosophy of Reduction Plan
- Savings Target
- Challenges

Statewide Community Partner Network/Facility Reduction

- Proposal is based on a model created by the State of Florida
- Relies on a network of Community Partners
- Workers are stationed at local partners, satellite offices or telecommute
- Customers are able to access services through:
 - Internet
 - In person at community partner location
 - In person at other satellite offices
 - By mail
- Relies on call center concept and centralized mail systems

Currently, we are in the planning stages of identifying locations to implement this proposal

River of Opportunity

This proposal enhances the River of Opportunity by utilizing and building collaborative community partnerships that may include but are not limited to:

- Aging Resource Centers
- Child Advocacy Centers
- Community Centers
- County Public Health Units
- Domestic Abuse Centers
- Faith Based Organizations
- Food Banks
- Homeless Organizations
- Hospitals
- Libraries
- Public Schools
- Social Service Agencies

The Michigan Department of Health and Human Services

- The proposal enhances the new DHHS principles and goals
- Enhances putting people first rather than concerns over program silos and buildings
- Allows for the ability to collaborate with other agencies to provide better customer service
- Allows for the further enhancement of the Pathways to Potential Program by placing caseworkers in locations to focus on the whole person/family
- It will allow us to deliver services smarter, faster and more efficiently

Targeted Facility Closures/Consolidations

Key areas that are considered in closing/consolidating a local office:

- Customer base/Caseload size of local office
- Geography of county or district
- Community partner base
- Staffing impact
- Current annual lease cost
- Expiration of lease
- Legal challenges – Bonds, Cancellation Clauses

At this time, we are still in the determining stages of identifying offices.

Challenges

- Costs in first year
- Technology enhancements are necessary
- Current Bond agreements with Local Governments
- Lease cancellation process
- Policies need to be in place for working remotely – Home Offices
- Training managers on how to manager remote staff
- Advertising shift in policy (where to go) to customer base, e.g. – Getting the word out
- Paradigm shift for agency in terms of work processes
- Financial peril for some landlords

Savings Target

	GROSS	GENERAL FUND
Reduced Facilities through Community Partners	\$ 3,152,000	\$ 1,292,000
Targeted Office Closures	<u>\$ 2,179,000</u>	<u>\$ 893,000</u>
	\$ 5,331,000	\$ 2,185,000

Questions?

Thank you!