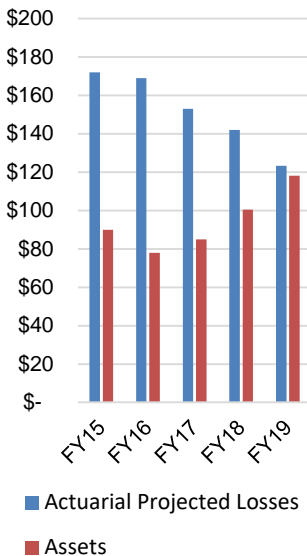


## ACTION PLAN

Submitted by agency?	No
Timeline assigned?	No
Responsibility assigned?	No

**Assets vs. Actuarial  
Projected Losses for  
Major Risk Funds**  
(in millions)



A cost-benefit analysis may be helpful to determine if investments in wellness incentives and disease management programs are improving patient outcomes or if there are other cost control or quality improvement reforms that should be explored by the Interagency Benefits Advisory Council (IBAC).

## General Services Department

The General Services Department is working to increase transparency and has included a number of new performance measures to better track costs accrued in the group health benefits as well as to show progress toward cataloging conditions of state facilities. While the progress made by the department is commendable, additional work must be done to develop a suite of performance measures which can be used to improve cost containment efforts in the group health benefits program, determine how effectively the Facilities Management Division is using state-owned space, and better track spending on goods and services.

### Risk Management

The major risk funds have increased their balances significantly despite transfers of \$30 million to the general fund in FY16 for solvency; the property, liability, and workers compensation funds had a combined balance of \$118 million in FY19, up from \$100 million in FY18. The Risk Management Program has a goal of maintaining a fund balance sufficient to cover 50 percent of liability losses. The public liability fund has increased its balance consistently over the past several years.

**Budget:** \$8,870.7 **FTE:** 59

Measure	FY18 Actual	FY19 Actual	FY20 Target	FY20 Q1	Rating
Projected financial position of the public property fund	697%	581%	N/A	581%	G
Projected financial position of the workers' compensation fund	54%	52%	N/A	51%	Y
Projected financial position of the public liability fund	51%	89%	N/A	93%	G
<b>Program Rating</b>					G

### Group Health Benefits

The Group Health Benefits Program reported a per member per month healthcare cost increase of 0.4 percent at the close of FY19, but did not attribute the below-trend growth to any particular factor. However, the increase in per member costs rose to 18 percent in the first quarter. It is likely this will moderate in subsequent quarters, but the agency did not provide additional detail as to what led to the increase. The program operates the stay well health center which has been designated as the primary care provider for over 1.7 thousand state employees. Performance reporting should be expanded to determine whether the health center is producing cost savings.

Despite the need for \$31 million in supplemental funding, the department will increase premiums by 3 percent in FY21, less than the increases requested by public schools and the Retiree Health Care Authority.

**Budget:** \$385,147.0 **FTE:** 0

Measure	FY18 Actual	FY19 Actual	FY20 Target	FY20 Q1	Rating
State group prescriptions filled with generic drugs	89%	88%	90%	91%	G

## PERFORMANCE REPORT CARD

General Services Department  
First Quarter, Fiscal Year 2020

Change in premium	4%	4%	4%	Annual	
Change in average per member per month total healthcare cost	2%	0.4%	<5%	17.8%	<b>R</b>
Increase in the number of members designating the Stay Well Health Center as their primary care provider	NEW	2.7%	≥3%	4.8%	<b>G</b>
<b>Program Rating</b>					<b>G</b>

### Facilities Management

The Facilities Management Division (FMD) is responsible for property management for facilities statewide, in addition to having authority over lease approval and central planning. The most pressing challenge faced by FMD is how to plan facilities to efficiently house a smaller state workforce. Measures such as square footage per employee for state-owned and leased office space would provide context necessary to determine need for additional facilities. Additionally, FMD should consider tracking cost-over-bid amounts for state projects to ensure efficient use of capital outlay funds.

Six of the seven new office space leases approved by GSD met the 215 square foot per FTE space standard set by GSD.

**Budget:** \$13,962.9 **FTE:** 143

Measure	FY18 Actual	FY19 Actual	FY20 Target	FY20 Q1	Rating
Capital projects completed on schedule	97%	98%	97%	100%	<b>G</b>
Preventive maintenance completed on time	92%	57%	95%	85%	<b>Y</b>
New office leases meeting space standards	64%	86%	75%	86%	<b>G</b>
<b>Program Rating</b>					<b>G</b>

### Appropriations to GSD for Building Repair and Maintenance

2019	\$1,500,000
2018	\$0
2017	\$4,000,000
2016	\$2,000,000
2015	\$ 0
2014	\$4,500,000
2013	\$500,000

Source: LFC Files

### Gross Square Footage per FTE, 2017

Department	Leased Space under GSD purview	State-owned Space under GSD purview	Total Space Occupied	Total FTE	Total Space Per FTE (target 215)
Aging and Long-Term Services Department	36,545	32,403	68,948	181	382
Department of Environment	116,432	67,822	184,254	668	276
Department of Health	295,262	1,230,263	1,525,525	2,251	636
Department of Public Safety	39,617	408,408	448,025	1,200	373
Energy, Minerals and Natural Resources Department	6,884	77,723	84,607	317	267
Human Services Department	734,969	115,720	850,689	1,923	442
Public Education Department	13,407	61,613	75,020	323	232
Regulation and Licensing Department	20,017	58,473	78,490	190	412
Office of the State Engineer	63,251	89,967	153,218	299	512
Taxation and Revenue Department	207,968	171,526	379,494	1,128	336
Workforce Solutions Department	27,492	153,858	181,350	579	313
Other Agencies	904,094	4,819,965	5,724,059	8,168	700
<b>Total</b>				<b>17,227</b>	<b>438</b>

Source: LFC files and GSD (2017)

## State Purchasing

The State Purchasing Division regularly negotiates price agreements for single agencies that are not open to other agencies resulting in division staff committing time and resources to developing pricelists that may be little-used.

The State Purchasing Program still lacks the resources to track the use of state pricelists, and cannot yet determine how often pricelists are used or the amount of goods purchased from in-state and out-of-state vendors. The program will begin overseeing professional services contracts, a job previously performed by the Department of Finance and Administration. The department should consider adding additional performance measures to better capture the work of the program.

**Budget:** \$2,351.1 **FTE:** 28

Measure	FY18 Actual	FY19 Actual	FY20 Target	FY20 Q1	Rating
Procurement code violators receiving procurement code training, as compared to previous fiscal year	TBD	99%	90%	100%	G
Agencies with certified procurement officers	97%	91%	95%	72%	Y
Percent increase in best value procurements, as compared to the previous fiscal year	23%	2.3%	20%	13%	Y

**Program Rating**

Y

## Transportation Services

The program has steadily increased the proportion of vehicles used regularly with 1,413 of 1,919 vehicles operated an average 750 miles per month.

**Budget:** \$8,866.4 **FTE:** 33

Measure	FY18 Actual	FY19 Actual	FY20 Target	FY20 Q1	Rating
Vehicle operational cost per mile	\$0.46	\$0.49	<\$0.59	Annual	
Vehicles used 750 miles per month	61%	65%	70%	74%	G

**Program Rating**

G

## State Printing

State printing shipped 600 of 609 of orders to clients on time in the first quarter. The state printing program continues to show progress increasing revenue per employee and growing both sales and the number of customers served.

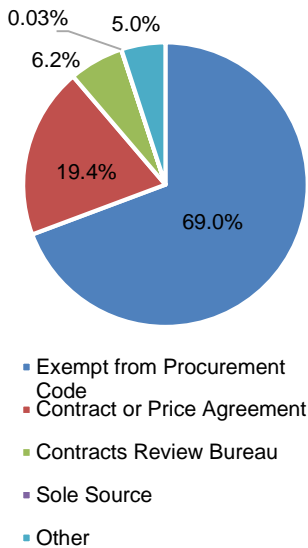
**Budget:** \$1,750.3 **FTE:** 9

Measure	FY18 Actual	FY19 Actual	FY20 Target	FY20 Q1	Rating
Revenue exceeding expenditures	NEW	NEW	5%	16%	G
Sales growth in revenue	36%	31%	15%	14%	G

**Program Rating**

G

State Purchasing By Category



Source: LFC Files