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A New National Health System Is Upon Us. It Is our Responsibility To Understand It–To Recommend Changes To It–and To Implement the Results. Let Us Begin…

An Editorial by Bob McEvoy, Managing Editor

Understanding the scope of the problem:

"American health care faces a crisis in Quality"

—Robert Wood Johnson Foundation President and CEO Risa Lavizzo-Morey

"I hope you are becoming an advocate for broader health system reform. Our system should answer to patients—not insurers and not employers".

—Former AMA President, Dr. Edward Hill

"Largest Health Care Fraud Case In U.S. History Settled" HCA Investigation Nets Record Total Of $1.7 Billion

Washington, D.C.—HCA Inc. (formerly known as Columbia/HCA and HCA—the Healthcare Company) has agreed to pay the United States 631 million in civil penalties and damages arising from false claims the government alleged it submitted to Medicare and other federal health programs, the Justice Department announced today.

—U.S. Department of Justice

"The medical establishment has, many of us feel, simply rolled over and gone along to get along. It has sacrificed patients' best interests on the alter of financial return"

—Dr. Peter Salgo, former host of PBS Second Opinion and professor at the Columbia College of Physicians and Surgeons

And now to understanding the implications of the ACA, researched and written as the first of a series, by the best of the new generation of health academicians and researchers. Their wisdom is presented for you below: ■

Inside

Implementing the Patient Protection and Affordable Care Act: Implications for State and Local Governments

Researched and written for the Journal of County Administration by Erika G. Martin PhD, MPH, Rockefeller College of Public Affairs and Policy and the Nelson A. Rockefeller Institute of Government, State University of New York; and Courtney Burke MS, Nelson A. Rockefeller Institute of Government, State University of New York

Counties and local communities play a critical role in ensuring residents stay healthy. The County Health Rankings have demonstrated wide variation in the health of county residents, which are likely related to local factors such as public health laws (such as smoking ordinances), access to healthy foods at grocery stores and farmers' markets, education, and the physical environment (RWJF 2011). The Patient Protection and Affordable Care Act (ACA), more commonly referred to as simply "health reform," has garnered a significant amount of attention in the media and among health policy experts. In this article, we review key implications of the ACA for state

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PRESIDENT'S CORNER

by Patrick Urich, County Administrator, Peoria County, Illinois

It has been an honor to serve as the President of the National Association of County Administrators. In our careers, we often move from location to location, uprooting our families and leaving friends behind. Rarely do we get to remain in the community. On April 13, I began a new chapter as city manager for the City of Peoria, Illinois. While I am unable to complete my two year term as President, the Executive Board made an excellent decision and appointed a former NACA President, Gene Smith, county manager of Dunn County, Wisconsin, to complete the term through July of this year.

The NACA Executive Committee also appointed Peter Crichton, county manager of Cumberland County, Maine, as President-Elect, to succeed Gene after the annual meeting of the Association in July in Multnomah County, Oregon. Peter will replace Michael Johnson, the Solano County, California county administrator, who has announced his retirement at end of April. The NACA Board also filled board vacancies in the Midwest, appointing Scott Arneson, county administrator of Goodhue County, Minnesota and Peter Austin, county administrator of McHenry County, Illinois.

NACA is a small but critical association. The International City/County Management Association provides the core of professional local government management professional development and advocacy for the profession. The National Association of Counties provides the advocacy and educational development for our elected officials. NACA resides at the intersection of these associations, providing the opportunity at both the NACo and ICMA conferences for county administrators to gather and discuss the issues of importance to us, issues that sometimes are not discussed at either NACo or ICMA.

To that end, over the last two years, the NACA Executive Board has worked very hard to identify county administrators that are not members of NACA, but members of either NACo or ICMA. The Board has worked to put the association on a more solid financial footing by distributing the Journal of County Administration electronically and to increase our corporate members through the Friends of NACA program. In the future, more professional development will be sponsored with NACo and ICMA.

Serving as the appointed chief administrative officer of a county government is a lonely and sometimes thankless position. County administrators operate a more diffuse management structure that would vex many city managers, let alone our private sector counterparts. I am proud to have served as a county administrator, and to have served as NACA President. Professional county government management is growing stronger across the country thanks to your efforts, and I wish you nothing but the best in the future. ■

Patrick Urich
President, National Association of County Administrators

NACA

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Schedule for NACA Meetings at NACo Conference—July 16-18 Multnomah County/Portland, Oregon

Event	Date	Time	Location
Executive Board Meeting	Sat, July 16	9am-11am	Oregon Convention Center (Room A109/Level 1)
Idea Exchange & General Membership Meeting	Sun, July 17	1pm-4:30pm	Oregon Convention Center (Room D137-138/ Level 1)
Site Visits: Clackamas County (to include transportation & lunch); pre-registration required (go to http://countyadministrators.org)	Mon, July 18	11am- 2:15pm	Meet at NACo General Registration area (Inside Hall B)

Worldwide Creativity and Innovation: A New Part of Our Search for Excellence in Public Service at the Local Government Level

Bob McEvoy, Managing Editor

Keith Baker, a trailblazer, colleague, and friend, inaugurates our new series by sharing his wisdom below. ■

Strategic Service Partnering: The next wave of partnerships?

by Keith Baker, Ph.D., International Public Services Management, Department of Social Sciences, Northumbria University, UK

The latest manifestation of public-private partnering in Britain is the Strategic Service Partnership or SSP. These partnerships forms are claimed to represent a considerable innovation in the organization and management of local government. As Britain has long been at the forefront of the use and development of Public-Private Partnership (PPPs) and British innovations have a tendency to travel, a closer examination of SSPs is timely.

Britain has made extensive use of PPPs since the early 1980's as successive British governments have sought to make use the private sector companies to deliver public services and develop public infrastructure. This policy has been justified on the grounds that commercial organizations are inherently more efficient and financially astute because they operate in a competitive marketplace. As such, costs will be reduced and performance improved. In addition, government has lionized the attitudes believed to exist amongst private sector managers and has encouraged public sector managers to become entrepreneurial and commercially focused in an effort to emulate the private sector.

To leverage the presumed efficiencies of the private sector, local governments have been encouraged to divide their operations into strategic or core activities that would remain under public ownerships and peripheral functions and services that could be outsourced to private sector providers. However, outsourcing arrangements have suffered from three major problems. Firstly, private sector companies were often unwilling to accept responsibility for services that required significant investment as any investments may be lost if the contract was not renewed. A second problem was that the costs of monitoring the performance of contractors often overturned any savings delivered by outsourcing. The third and final problem was that once services were outsourced, local governments lost operational control over the service whilst remaining accountable. Local electorates have tended to blame local politicians for poor services rather than the contractors. In an attempt to address these problems, outsourcing arrangements came to be described and promoted as 'partnerships' by both local and central government. The theory of partnership implied that the existence of shared objectives and close collaboration removed or reduced the need for monitoring regimes and would encourage private sector companies to make significant investments as 'partners' could not be easily replaced.

The use of outsourcing arrangements was also coupled with the use of complex off-balance sheet financing schemes to fund the construction of public infrastructure. These schemes are also known as 'partnerships' and have variety of names. Generally, such schemes are structured around a contract in which private companies agree to finance, construct and operate public infrastructure which is then leased to the public sector. Following the expiration or maturity of the contract, the infrastructure is transferred to public ownership. Despite substantial evidence that such arrangements are considerably more expensive than alternative financing mechanisms, successive British governments have consistently sought to flatter Britain's public accounts through the use of off-balance sheet financing. It is also worth noting that off-balance sheet schemes also have the potential to generate contractual lock-in as private sector companies may exploit the public-sector's need for infrastructure by seeking to renegotiate the contracts or pass on unforeseen costs once the contract is operational.

The growth of Strategic Service Partnerships

From the late 1990's onwards, the British government became increasingly concerned with local government performance and in particular with the way in which local governments were organized and managed. In response, local governments began to make use of Strategic Service Partnerships. SSPs are long term contracts (up to 15 years) which are based around a joint venture company formed between a local government and a private sector company (or consortia of companies). The local government partner agrees to outsource a number of core strategic services to the joint venture company in return for substantial

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"No Basis in Fact"... *I heard the same reckless statement at the break of dawn, that Beth Kellar did...* "All Hands on Deck!"

by Bob McEvoy, Managing Editor

And below is Beth's wisdom and guidance:

State and Local Governments as Scapegoats

by Elizabeth Kellar, Center for State & Local Government Excellence

Sure, we're a drag on the economic recovery. States and local governments have laid off some 435,000 employees since the Great Recession began and, unfortunately, our revenues have not returned to 2008 levels. That means we're still eliminating positions while the private sector has begun hiring again.

But we could use a helping hand, not false claims that we won't make our bond payments or that states somehow need federal bankruptcy protection. Where did that crazy talk come from? Not from governors or state legislators. They've gone so far as to put it in writing. No thank you, Congress.

States and local governments are balancing their budgets, as painful as that is.

Fear mongering has created market turmoil because investors have pulled out of the bond market in large numbers. Words matter. When high profile advisors go on national television and say there will be sizeable defaults—with no basis in fact–investors sell, which drives up interest rates.

The practical effect is stunning. "The cost for AAA-rated issuers to borrow for 30 years climbed by almost a third, to 5.09 percent on January 17, from 3.85 percent November 1," according to a February 1 *Bloomberg* article, "Whitney Municipal-Bond Apocalypse Is Short on Default Specifics." That means that these well-managed governments either wait to build the schools, bridges, and roads their communities need—or they pay higher rates than they should for low risk bonds. And that means that we, the taxpayers, are paying more for what we need.

Yet, Congress holds hearings on the bankruptcy question as though this exercise is going to help the country create jobs and to recover from this difficult recession. As Ray Scheppach, Executive Director, National Governors' Association, testified at the Senate Budget Committee Hearing on February 3, "No governor or state is requesting this authority, and it is also true that such authority will likely increase interest rates, raise the cost of state governments, and create volatility in financial markets."

Our country has some heavy lifting to do. How can we possibly get through these tough times if one level of government puts roadblocks in front of another? With scarce resources, governments at all levels need to focus like a laser on what is most important and then spend their energy and creativity figuring out how to make it happen. That will require a public-private-people partnership like the World War II generation experienced.

Time for all hands on deck. ■

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governments. By understanding these key issues, county administrators can better prepare for current and upcoming changes in the healthcare environment, thereby increasing opportunities for residents to improve their health.

The Impetus for Health Reform

One year ago, the ACA was signed into law. The ACA is the most significant attempt to increase health coverage since Medicare and Medicaid were created in 1965. If implemented as intended, the legislation will reduce the number of uninsured individuals by 32 million by 2019 (CBO 2010), and make significant changes to private insurance market regulations.

The ACA addresses key issues in cost, access, and quality of care. Experts have long argued that growth in healthcare spending is unsustainable, and project that healthcare costs will increase by more than 70 percent per capita in the next decade (Social Security Advisory Board 2009). There are inefficiencies in the delivery of healthcare services, which include high administrative costs and an outdated payment system that rewards high-cost tertiary (or acute) care at hospitals, rather than low-cost primary care. The United States spends the most per capita on healthcare costs. Yet compared to other industrialized nations, the United States scores low on indicators of the entire population's health, such as life expectancy and the prevalence of certain chronic diseases such as diabetes (Social Security Advisory Board 2009).

The large number of individuals without health insurance is another major motivation for the new law. Prior to the ACA, 47 million Americans were uninsured, which represents one in seven citizens (US Census 2007). Health insurance companies used medical underwriting practices to deny coverage to individuals based on pre-existing conditions, impose lifetime or annual caps on coverage, revoke coverage for individuals who developed chronic health conditions while enrolled in the health plan, and charge differential rates based on gender and health status. Rising health insurance premiums have made it more difficult for individuals and businesses to purchase coverage.

A Law with Many Moving Parts

The ACA will expand health insurance coverage through a combination of Medicaid expansions, tax credits for insurance premiums, the establishment of state-run health insurance exchanges, and an individual mandate to purchase insurance. It also contains consumer protections for health insurance policies. These provisions will not be implemented at once; rather, they will be enacted over nearly a decade. This means that many of the potential benefits—such as lower rates of uninsured individuals and reforms to the payment system—will not be realized immediately.

Several provisions have already been enacted. They include:

- A ban on lifetime coverage limits.
- A mandate that children with pre-existing conditions qualify for coverage.
- The establishment of state-run high-risk insurance pools to cover adults with pre-existing conditions.
- A requirement that insurance companies allow dependant young adults to stay on their parents' health insurance until age 26.
- Incentives for businesses to provide health insurance to employees.
- Limits on insurers' premium increases.
- Relief for seniors in the Medicare prescription drug coverage "donut hole."

This year, key provisions will include a focus on preventive care (such as grants for small businesses to establish wellness programs, the elimination of cost-sharing for Medicare-covered preventive services, and new nutrition labeling) and increased payments for Medicare primary care and Medicaid long-term care.

Changes will continue over the next few years. In 2012, new provisions will encourage integrated health, and link payment and quality (such as plans to reduce Medicare payments to hospitals for patients who must be readmitted after their initial treatment fails). In 2013, the ACA will encourage provider collaboration, increase Medicaid payments to primary care providers, limit insurance company executive compensation, and improve preventive health coverage. State health insurance exchanges (one of the most widely discussed features of the ACA) will go online in 2014. At that time, states must also implement: provisions that prohibit insurance companies from rejecting coverage for adults; the mandate that individuals must obtain coverage (the so-called "individual mandate"); premium tax credits; insurance market regulations; Medicaid eligibility increases; and an enhanced small business tax credit. Subsequent provisions include increased federal match rates for the Children's Health Insurance Program (2015), physician payments based on value and not volume (2015), and a "Cadillac tax" on high-cost insurance plans (2018). (These plans may cost more either because they have low deductibles and generous benefits, including expensive treatments, or else for other reasons such as being in a region with expensive health costs or because the pool of workers participating in the health plan are in poorer health due to illness or age.)

Readers interested in a detailed explanation of the provisions and their timing are encouraged to visit the Kaiser Family Foundation health reform resource center at http://healthreform.kff.org/ and the federal website at http://www.healthcare.gov.

What Does This Mean for State Governments?

The federal government will assume many of the initial costs of health reform, including 95 percent of the

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costs of Medicaid expansions through 2019 and extensive grants for demonstration programs. (As a clarification, the federal government will only pay this high fraction of costs for individuals who will gain eligibility as a result of the legislated Medicaid expansion; states will continue to pay up to 50% of costs for existing Medicaid enrollees.) However, state governments will play important roles in implementation, administration, and finance.

Implementation Tasks: In order to implement key provisions, states will have to update legislation, programs, and processes, and request waivers from federal rules where needed. They will need to organize outreach efforts to inform residents about options, provide information on how to enroll in various programs, and assist citizens through the process. States may need to develop new technologies to link old and new programs. Administrators will likely develop new forms and eligibility processes, and identify ways to expand their capacity to handle new enrollees. As they expand services, they should consider whether public services and programs are aligned. For example, all states currently receive federal funds for the Ryan White HIV/AIDS Program, which provides Medicaid eligibility for uninsured or under-insured individuals with HIV/AIDS who have not yet met disability requirements to become eligible for Medicare and Medicaid. As eligibility for public programs increase and insurance companies can no longer impose annual coverage caps or exclusions based on pre-existing conditions, state Ryan White programs will have to reconsider what services to offer and how to coordinate with other health programs.

Administrative Tasks: States will play several roles in administration. They may decide to apply for federal grants to help with administrative start-up costs or special demonstration programs. By 2014, states will need to create and oversee state insurance exchanges. They will be responsible for regulating the products and rules within the exchanges, as well as small group and individual markets. They will need to enforce the individual mandate and set up a process to identify those who have not yet complied. Finally, they may need to provide wrap-around services or additional subsidies to help residents afford insurance coverage.

State Funding: The Congressional Budget Office has estimated that health reform will only increase costs to states by 1.25 percent, compared to what states would have spent on Medicaid from 2014 to 2019 in the absence of health reform (Angeles & Broaddus 2010). However, the cost of the ACA to states depends on who you ask. The Congressional Research Service reports that states estimate a range of costs to their jurisdictions: $1.1 billion for North Dakota, $27 billion for Texas, $3.6 billion for Indiana, $1.5 billion for Virginia, $7.1 billion for Louisiana, $766 million for Nebraska, and $441 million for Oklahoma (CRS 2010). Examples of state roles in financing the ACA include paying part of the costs of new public insurance eligibility levels and the administrative costs to enroll thousands of residents, creating new administrative entities, coordinating programs, and paying for outreach efforts. The Cadillac tax imposes a 40 percent tax on the amount of high-cost plans' premiums that are above a threshold, which is currently set at $10,200 for individuals and $27,500 for family plans (Gold 2010). This tax may affect the cost of public employees' benefits if premiums are above the Cadillac threshold. While states face these new costs, the federal government will start to phase out disproportionate share hospital (DSH) funds to local hospitals that treat large populations of low-income patients. This may impose new financial burdens on states and local governments to increase allocations to their safety net systems.

States Will Not Experience Uniform Effects

States are not starting out in the same place with respect to access to care. In 2009, the fraction of uninsured residents ranged from 4.7 percent in Massachusetts and 10.4 percent in Minnesota to 29.8 percent in Florida and 33.6 percent in Texas. Correspondingly, the fraction of the state population that reported being able to get medical care when needed was 93.0 percent, 89.7 percent, 81.9 percent, and 80.3 percent, respectively (SHADAC 2011). Experts predict that after full implementation, a sizeable number of nonelderly adults will remain uninsured. They may remain uninsured for several reasons, including: being eligible for but not enrolled in Medicaid, being an undocumented immigrant (and therefore not held accountable to the individual mandate or eligible for federal programs and subsidies), violating the individual mandate, and being exempt from the individual mandate because no affordable insurance option is available. Interstate variation in economic and demographic characteristics, pre-ACA levels of insurance coverage, and pre-ACA Medicaid eligibility criteria will result in a different composition of nonelderly adults likely to remain uninsured (Buettgens and Hall, 2011).

States are currently in different stages of health reform. Massachusetts had implemented a mandate that all individuals carry health insurance prior to the ACA, and New York had guaranteed issue for adults and children since the mid-1990s, which means that insurers are required to offer coverage to individuals with pre-existing conditions. (However, guaranteed issue does not necessarily mean that New Yorkers can afford the insurance they are offered in the market.) In contrast, Arizona is considering scaling back its Medicaid program and Florida is turning back federal grants. States do not have uniform insurance market regulations, which will be

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important to implementing and monitoring the exchanges. Some states will need to consider significant updates to their current laws in order to facilitate the exchanges.

States will likely experience disparate financial effects as well. States who covered a relatively broad group of people under Medicaid prior to ACA will have fewer new Medicaid enrollees, compared to states with more limited Medicaid eligibility levels. States also receive different Medicaid matching amounts from the federal government, ranging from 50 percent (Alaska, California, Colorado, Connecticut, Maryland, Massachusetts, Minnesota, New Hampshire, New Jersey, New York, Virginia, Washington, Wyoming) to over 70 percent (Arkansas, District of Columbia, Kentucky, Mississippi, South Carolina, Utah) (Federal Register 2009). This means that states with lower federal match rates must devote a higher proportion of state funds to their Medicaid programs. States currently receiving large DSH allocations (which will be phased out starting in 2014) or with large populations of recent and undocumented immigrants (who are excluded from many ACA provisions) may experience larger changes to their safety net system. Finally, many states are experiencing state budget shortfalls, which may make it difficult to invest in new technologies to integrate data systems, fund significant outreach efforts, and expand public programs.

Finally, states do not all have the same commitment to implementing the legislation as intended. There has been extensive controversy surrounding the mandate that individuals obtain health insurance, and several state attorneys general have filed lawsuits to challenge this mandate. President Obama will grant waivers from certain provisions of the ACA sooner than 2017 (DHHS 2011), allowing some states to be exempt from the mandate.

State and Local Governments Are Crucial to Success

The ACA will increase access to care through publicly financed programs and bolstered private insurance coverage, as well as provide important consumer protections in the health insurance marketplace. Although the locus of the policy discussion has been in Washington, state and local governments will play a large role in the ACA's implementation, administration, and finance. The legislation will not achieve its intended goals without assistance by states and localities. States face different challenges, and in a federalist system, they are likely to have different approaches. It is important for local county administrators to learn about the legislation and how it will affect their states and jurisdictions. This information will help them to coordinate with other state and local agencies, tailor implementation to match health needs in their counties, and initiate an ongoing dialogue with other local administrators to learn about the success and limitations of approaches being used in other jurisdictions. ■

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investment in these services. To ensure that the outsourced services can be effectively integrated with those that remain under local government control, the private partner(s) agree to fund the installation of computer systems which will allow the operational processes of the partnership and the local government to be streamlined. The joint venture company itself is operated and managed by personnel from both the local government *and* the private partner(s). This allows representatives of the local government to steer the operations of the partnership on a day-to-day basis and ensures efficiency of operation as interpersonal relationships and networks between local government employees are preserved. In addition, the joint venture company, as a third party entity, is expected to bid for and secure outsourcing contracts from other local governments with any profits shared between the original partners.

SSP arrangements have become popular within local government circles for a number of reasons. At the most basic level, Strategic Services Partnerships offered local government's the opportunity to reform their operational processes whilst shifting the initial costs to the private partner(s). When interviewed about the motivation for pursuing an SSP, a local political leader explained that: "We started out by mapping all the processes necessary to buy a ruler. We ended up having to send out for a roll of wallpaper. .. We could have delivered reform through borrowing [the money] but I would rather use the money for other things." SSPs may also offer local governments some protection against contractual lock-in by ensuring that the public and private sector partners become closely integrated which makes it hard for the contract to be easily renegotiated.

SSPs are also attractive to local government because they create the opportunity for profit through the selling of services to other local governments. For a generation of managers who had been trained and encouraged to think commercially, this was extremely attractive. In fact, one public sector manager interviewed explained that "…business…" was central to the SSP he was involved in developing. Another manager explained that an SSP was designed to "…grow jobs…" through the acquisition of external contracts. It was also believed that this would help to make SSPs attractive to potential private sector partners. The use of co-managed joint venture companies within SSPs enabled local politicians and officials to retain oversight functions and this allowed some form of democratic accountability and control to be introduced to outsourcing arrangements. In fact, local government managers repeatedly stressed that they did not "…trust…" the private sector. A final motivation for SSPs was that local governments had largely outsourced all the services that could be outsourced and those services which remained were either unprofitable or were considered to be of critical importance. SSPs offered a means by which outsourcing could be expanded—a proposal that would meet with central government approval—whilst providing further opportunities for the private sector. As one local government manager reflected: "Local government does a lot of things it doesn't need to do."

The Problems of SSPs

Local government managers have high expectations of SSPs. However, such partnerships may not deliver the projected benefits. A private sector manager explained that commercial companies are really interested in SSPs because the length of the contract allows them to acquire a secure source of revenue over the long-term: "What most people don't realize is that the profit margins on an SSP are very small. We could actually make more money simply by putting the money in a bank. But an SSP is 15 years of unburned revenue." The local governments involved in SSPs believe that SSP will generate profits and will acquire other contracts. However, if the profits are small it is unlikely that the SSPs will deliver significant revenues to the local authority. It is also unlikely that the private sector partner(s) will be willing to seek other contracts given that security of revenue requires stability whilst the process of bidding or integrating the operations of other local governments is likely to prove disruptive and expensive. It might also be noted that entering into a complex contract with an insufficient understanding of the other party's motivations allows them to take advantage. One local government manager recalled his experiences in the private sector whilst negotiating contracts: "We used to assiduously plot how to maximize returns because we were better negotiators than they will ever be…they usually missed the point."

A second reason why SSPs may fall short of the expectations of local governments was highlighted by a lawyer working for a local government: "At the core of an SSP is a procurement contract between a local authority and a commercial supplier." If an SSP is simply a supplier agreement that shifts up-front costs to the private sector, it might be argued that it represents a very expensive way of developing and implementing contractual protections. In fact, the lawyer interviewed raised the possibility that the only beneficiaries were legal professionals: "…it's like the banks of lawyers. It a license to print money for the lawyers engaged in the partnerships."

Conclusions

SSPs are often portrayed as a new innovation in partnerships but a consideration of these partnership forms has suggested that they may simply be a reaction to the problems encountered in previous generations of partnership. It was also observed that local governments seem to have misjudged the motivations of private sector

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with Dr. Costis Toregas, The George Washington University

Crowdsourcing and the Net: new paths to linking need to capacity

One of the most vexing problems for the public administrator in health and human services is to connect the person with needs- be they nutrition, housing or medical- with the providers that can help. The reasons for the challenge are many

- A multitude of governmental, private and community based institutions which offer services, often times duplicative
- Complex incentives and eligibility requirements
- Resources and services provided within narrowly prescribed information silos which do not communicate with one another and provide only partial views of what is available
- Organizations that are created and disappear with no formal announcements
- Constantly shifting locations for the delivery points of service

So the silver chalice of this quest has always been a mechanism that would permit people who need help or who are working in intake positions in service agencies to understand who has a service to offer, where it is located and what the arrangements need to be- a sort of "yellow pages" for health and social services that is accurate and honest.

Efforts to create print catalogs are doomed by the rapid change in their content, while government-driven computer inventories are only as accurate as the ability of government resources and staff to maintain them and provide updates on a routine basis- a real challenge these budget-strapped days.

A modest effort to solve this issue for the District of Columbia was undertaken recently with the goal to build, update, and maintain an interactive, online social service resource database. The results can be seen on-line by anyone: just set your browser to http://www.thebridgeprojectdc.org/ and click away. It is called "The BRIDGE Project". This website identifies and geolocates social service organizations by integrating them within Google Maps and tagging them with keywords to categorize those services.

Several things should attract your attention and stimulate thinking about your own ability to learn from the effort:

The system is available to all- no registration requirements, secrecy or special information available only to the lucky few who have access

1. The updating is done by the service organizations themselves, without cumbersome mandates or forms. Empowering organizations and individuals to self-report creates respect and support that goes beyond enforcement to collaborative and creative support.
2. Most of the project effort was put into developing awareness and participation, not computer code writing; freely available applications such as Google Maps are integrated in the system, relieving the developers from responsibilities to write and maintain complex technical systems
3. As the developer of the system (Natalie Kaplan- and in the interests of full disclosure, a student of mine at the George Washington University) says, "The creation of a community supported platform exploits the transaction cost reductions inherent in digital systems", which leads to faster adoption and much reduced support and usage costs. A helpful reference found on the web site means one less phone call made, one less look up by a staff person in a county agency that can then use that time to reach out and impact the community in more direct manner.

Develops a permeable boundary between government, service providers and clients that infuses responsibility across many people and organizations. It is clear that the way forward in many complex problems is to be found in Public/Private partnerships,,, not efforts to build ever expanding government bureaucracies, and this project "outsources" much of the cost of a system to the greater community that supports the solution for reasons of both business imperative and altruism

The Bridge Project is only in its beginning stages, and yet shows promise of success. Already talk of mobile phone applications that can tie into the system, making information access simpler and independent of hardware and internet access through smart phones is already in the air. Financial sustainability for the project is explored through a variety of models, and usage is beginning to show good results.

Ultimately those jurisdictions and agencies that are intrigued and attracted to the Bridge project (including your own, dear reader!) may not transfer and use precisely this system in its current form. Adaptations will be made to reflect local conditions and the culture that defines how things move forward in jurisdictions other than the District of Columbia. However, the basic five Guiding Principles which are listed above can work in any environment and help the public administrator develop beneficial solutions to vexing health and human service delivery problems.

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Outlook on Retirement Issues in the New Year

by Joan McCallen, President and CEO, ICMA-RC and
John Saeli, Vice President, Marketing Services & Industry Analytics, ICMA-RC

Retirement issues received unusual prominence in 2010 with passage of the major finance reform bill, release of long-awaited participant and plan sponsor fee disclosure regulations, and passage of legislation permitting Roth features in 457 plans. While the shift in Congressional power after the November mid-term elections is likely to preclude passage of major stand-alone retirement plan legislation in 2011, an attempt to reach an agreement to address the deficit may include provisions that significantly impact retirement plans.

The report issued by the Fiscal Responsibility and Reform Commission in December 2010 includes a number of proposals that could be influential in shaping the upcoming national debate on federal taxes and spending. The focus of the Commission's report was to eliminate all but five deductions in the federal tax code in order to broaden revenue collection that permits both a significant reduction in tax rates and an increase in total revenue to reduce the deficit. One of the deductions retained by the Commission is for retirement savings, with a significant reduction in maximum tax deferrals to a level capped at 20% of pay or $20,000, whichever is less. The Commission further recommended consolidation of 401, 403 and 457 plans in the Internal Revenue Code and proposed that all state and local government employees hired after 2020 be included in Social Security. Reform of Social Security, which also was addressed in the Commission's report, may be an area of Administration interest in 2011.

In the 112th Congress, new legislative proposals impacting retirement plans and local government finances are likely to surface. For example, the Public Employee Pension Transparency Act (H.R. 6484) recently introduced by Representatives Devin Nunes (R-CA), Paul Ryan (R-WI), and Darrell Issa (R-CA) would require state and local governments to report pension funding levels to the Department of Treasury to retain the federal tax exemption on bonds sold to investors. The bill mandates a methodology for measuring pension liabilities that is comparable to practice in the private sector and likely would increase the level of underfunding reported. In addition, the bill would require disclosure of how plan sponsors intend to eliminate unfunded liabilities and declares that the federal government would not be liable for bailing out underfunded public pension plans.

Numerous organizations, including the International City/County Management Association, National Association of Counties and Government Finance Officers Association, have expressed opposition to the bill. While the bill may pass on a stand-alone basis in the House, it is unlikely to be passed by the Senate or to be signed into law.

Retirement income issues gained both legislative and regulatory prominence in 2010 and may receive renewed attention in 2011. Last year, the Departments of Labor (DOL) and Treasury conducted a Request for Information and held a joint hearing on issues related to access and use of retirement income alternatives. In June the Senate Special Committee on Aging conducted a hearing to discuss ways to help retirees convert savings into lifetime income. During that hearing, panelists provided testimony on how to educate individuals on retirement planning and on flexible lifetime income solutions, particularly annuities. This followed earlier introduction of the Lifetime Income Disclosure Act, by Rep. Ron Kind (D-WI) and Sen. Jeff Bingaman (D-NM), which would require ERISA plans to disclose projected monthly income at retirement based on current plan account balances. The bill was bi-partisan and has no impact on the Federal budget so it has some chance of being addressed in the future.

Most retirement-related activity in 2011 likely will focus on the regulatory side. Issues include implementation of plan sponsor and participant fee disclosure and enhancements to target date fund disclosure.

Last October, the DOL released final regulations mandating fiduciary disclosure requirements for ERISA plan administrators with respect to covered participant-directed individual account plans. The final regulations are applicable for plan years beginning on or after November 1, 2011.

The disclosures are designed to provide plan participants with a better understanding of the fees they pay and may prompt questions to both plan sponsors and plan providers. While the final regulations only apply to plans subject to ERISA, providers are likely to give comparable disclosure to participants in public retirement plans. The DOL also released interim regulations on fee disclosure for plans

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ICMA Credentialing Program: Connection to County Administration

by Amanda Relyea, ICMA

The Voluntary Credentialing Program was introduced in the last issue of this publication as recognition of experience and of commitment to professional development.

At the time, I mentioned that 12% of in-service ICMA Credentialed Managers and Candidates work in counties. This is quite representative of ICMA membership as a whole since 11% of full members work in counties.

Jay Gsell, manager of Genesee County, New York since 1993, says, "The Credentialing Program confirms what most of us have always known since we got into this line of work; we have standards, continuing education, constant feedback and verification of our short and long term goals both for our employers and ourselves as career civil servants. The 360-degree assessment is an invaluable tool to test the level of preparedness and continuous learning as well as a gut check for areas where improvement may be warranted. Just like when ICMA recognized that counties had both members and professionals who fit all the criteria for organizational acceptance, the Credentialing Program is a sign of the constant evolution of our chosen profession and those who help us keep it that way…It's a great program and affirmation of the careers we have established."

Learning with Intent

During the 2010 ICMA Annual Conference, Dr. Frank Benest and credentialing advisory board member Mark Achen hosted an interactive session on learning with intent and how the brain changes as you age. Attendees discussed how, as we advance in our careers, we look for the same types of dramatic revelations we had at the beginning, so are sometimes disappointed when we walk away from a training session with only a small lesson. Attendees also shared tips on how to capitalize and reflect on small lessons to take professional development to a higher level:

- Seek out new types of experiences and pilot test new ideas
- Stay curious and remain current
- Keep an open mind
- Set learning priorities and take notes to increase attention
- Review notes later to reflect on and help retain what you've learned
- Don't jump to conclusions or talk yourself out of learning new things
- Be content with small "kernels" of new learning
- Be willing to let your life teach you

This idea of learning with intent fits in perfectly with the Credentialing Program due to the requirement that you briefly document specific examples of something you learn from each professional development activity. Ronald Owens, retired manager of Scarborough, Maine, says, "The Credentialing Program came late in my career, but it gave me a focus in my final years before retirement. It challenged me to continue learning and helped me stay as relevant and committed to the position and to the community in my last years as I was in my first years. Continued learning is the best antidote to aging!"

Policy Updates

In 2007, in response to member suggestions, the credentialing advisory board created a Retired Credentialed Manager designation that does not require annual reports. To be eligible, credentialed managers had to be full members of ICMA for at least ten years and in the credentialing program for at least one year.

In November 2010, during its annual meeting in Washington, D.C., the committee revisited the purpose of the Retired Credentialed Manager designation, which is to recognize managers for their commitment to the program. The credentialing advisory board decided to change the policy to better reflect that purpose. The ten-year full membership requirement was removed and the credentialing program participation requirement was increased. The policy now reads, "Retired members who have been credentialed for at least five years are eligible to become Retired Credentialed Managers. Retired Credentialed Managers do not have to submit annual reports unless they desire to retain the 'active' credential." ■

(“Strategic Service” from page 8)

companies for entering into partnership and this misunderstanding has helped to produce the complex and arguable unnecessary governance structure that underpins an SSP. However, it must be acknowledged that SSPs have allowed local governments to acquire new computer systems and implement programmes of operational reform that would otherwise be beyond their financial reach. In a time of straightened budgets and public sector retrenchment, local government may not have luxury of choice over which procurement mechanism they use to meet pressing demands. ■

(“Technology Corner” from page 9)

The power of technology and the newly-found wisdom of “crowd sourcing”, where many unconnected people who each feel strongly about helping attain a common end can come together and provide what they know to a communal offering is unmistakable. Perhaps some of you will not be comfortable with the lack of structure, reporting requirements and clear accountability. And yet this is where the future lies- to create affordable solutions to our problems by using technology to tap the wisdom and vision of those we serve! Government “by the people” ahs truly arrived! ■

(“Capitol Review” from page 10)

sponsors in July 2010, with final regulations expected before their effective date of July 2011.

The DOL recently issued proposed amendments to both qualified default investment alternative (QDIA) and participant fee disclosures regarding target-date funds. The proposed regulations require issuers of target-date funds used as QDIAs to provide additional disclosures to participants, including a description of the fund’s asset allocation and how it will change over time, a graphical illustration of the fund’s glide path, and an explanation of the significance of the investment’s target date. The DOL will receive public comments on the proposed regulation until January 14 and may issue final regulations later this year. ■

THE NATIONAL ASSOCIATION OF COUNTY ADMINISTRATORS

REGISTER BY JULY 11, 2011 TO ATTEND NACA EVENTS AT NACo's 2011 ANNUAL CONFERENCE – Portland, Oregon

The National Association of County Administrators (NACA) will convene a series of events at the National Association of Counties' (NACo) Annual Conference on July 16, 17, and 18, 2011, in Portland, Oregon.

This year we are combining our **Idea Exchange** and **General Membership Meeting** on Sunday to accommodate busy schedules during the conference. Our traditional **Idea Exchange** will provide an opportunity for county administrators from across the country to discuss, in an informal setting, ideas and best practices that are relevant to county management. Please give us suggested topics in the space below so that we can build the agenda. The **General Membership Meeting** will offer an update of NACA activities and recent board actions.

A **special highlight** on Monday will be a **site visit to two Clackamas County facilities** thanks to Clackamas County manager Steve Wheeler and his staff.

- **Clackamas County Sheriff's Administrative Offices.** This is a remodeled facility that demonstrates the efficiency of co-location of law enforcement functions.
- **North Willamette Research and Extension Center (NWREC).** This is one of 13 research facilities around the state that belong to the Oregon State University Agricultural Experiment Station.

IDEA EXCHANGE & GENERAL MEMBERSHIP MEETING (Sunday, July 17 @ 1:00 p.m. to 4:30 p.m.)
CLACKAMAS COUNTY FACILITY TOUR (Monday, July 18 @ 11:00 a.m. to 2:15 p.m.)

Register by July 11, 2011: **$55.00 per person**, includes Monday transportation and lunch.

Suggest Your Idea Exchange Agenda Topics:____

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Name & Title:			
County or Organization:			
Address:			
City:	**State:**	**Zip:**	**E-mail:**

Return to:
NACA Attn: **Max Broder, c/o ICMA**
777 North Capitol Street, N.E., Suite 500
Washington, DC 20002-4201

Method of Payment: (✓ one)

☐ Check Enclosed
☐ Check to Follow
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Expiration Date: ______________________

PHONE: 202-962-3655 (phone) ▪ **FAX: 202-962-3500 (fax)** ▪ **E-MAIL: mbroder@icma.org (e-mail)**

EVENT	DATE	TIME	LOCATION
Executive Board Meeting	Saturday, July 16	9:00 am-11:00 am	Oregon Convention Center (Room A109/Level 1)
Idea Exchange & General Membership Meeting	Sunday, July 17	1:00 pm-4:30pm	Oregon Convention Center (Room D137-138/Level 1)
Site Visits: Clackamas County Transportation and Lunch included	Monday, July 18	11:00am-2:15pm	Meet at NACo General Registration area (Inside Hall B)