

**Agency Programs/Activities: Inventory and Key Data**  
**Department of Civil Service**

| Relation to Core Mission (H/M/L) | Program/Activity  | Spending Category (SO, ATL, CAP) | 3/31/09 FTEs (All Funds) | <i>(Dollars in Thousands)</i><br>General Fund Disbursements (\$000s) |                                       |               |                   | State Special Revenue Funds Disbursements (\$000s) |                |              |                   | Capital Projects Funds Disbursements (\$000s) |                |              |                   |          |
|----------------------------------|---|----------------------------------|--------------------------|--|---------------------------------------|---------------|-------------------|--|----------------|--------------|-------------------|---|----------------|--------------|-------------------|----------|
|                                  |   |                                  |                          | 2006-07 Actual   | 2007-08 Actual                        | 2008-09 Plan  | 2009-10 Projected | 2006-07 Actual                                     | 2007-08 Actual | 2008-09 Plan | 2009-10 Projected | 2006-07 Actual                                | 2007-08 Actual | 2008-09 Plan | 2009-10 Projected |          |
|                                  |   |                                  |                          | High   | Executive Management & Administration | SO            | 60                | 3,559  | 2,923          | 2,726        | 2,793             | 0   | 0              | 0            | 0                 | 0        |
| High                             | Information Resource Management - GF  | SO                               | 78                       | 1,729  | 2,112                                 | 2,160         | 2,232             |  |                |              |                   | 0   | 0              | 0            | 0                 | 0        |
| --                               | Information Resource Management - SRO   | SO                               |                          |  |                                       |               |                   | 540  | 1,103          | 992          | 990               | 0   | 0              | 0            | 0                 | 0        |
| High                             | Diversity Planning and Management   | SO                               | 9                        | 911  | 868                                   | 544           | 562               | 0  | 0              | 0            | 0                 | 0   | 0              | 0            | 0                 | 0        |
| High                             | Staffing Services - GF  | SO                               | 147                      | 5,161  | 6,152                                 | 6,412         | 6,602             |  |                |              |                   | 0   | 0              | 0            | 0                 | 0        |
| --                               | Staffing Services - SRO   | SO                               |                          |  |                                       |               |                   | 191  | 185            | 167          | 167               | 0   | 0              | 0            | 0                 | 0        |
| High                             | Testing Services - GF   | SO                               | 58                       | 6,207  | 5,590                                 | 5,652         | 5,834             |  |                |              |                   | 0   | 0              | 0            | 0                 | 0        |
| ---                              | Testing Services - SRO  | SO                               | 5                        |  |                                       |               |                   | 679  | 585            | 608          | 621               | 0   | 0              | 0            | 0                 | 0        |
| High                             | Classification and Compensation   | SO                               | 29                       | 1,622  | 1,649                                 | 1,714         | 1,774             | 0  | 0              | 0            | 0                 | 0   | 0              | 0            | 0                 | 0        |
| High                             | Employee Health Services  | SO                               | 35                       | 2,353  | 2,216                                 | 2,209         | 2,278             | 0  | 0              | 0            | 0                 | 0   | 0              | 0            | 0                 | 0        |
| High                             | Employee Benefits 1/  | SO                               | 122                      | 0  | 0                                     | 0             | 0                 | 0  | 0              | 0            | 0                 | 0   | 0              | 0            | 0                 | 0        |
| Medium                           | Municipal Service   | SO                               | 19                       | 1,041  | 1,074                                 | 1,053         | 1,088             | 0  | 0              | 0            | 0                 | 0   | 0              | 0            | 0                 | 0        |
| 2/                               | Career Mobility Office  | SO                               | 17                       | 535  | 530                                   | 538           | 555               | 0  | 0              | 0            | 0                 | 0   | 0              | 0            | 0                 | 0        |
|                                  | <b>Totals</b>   |                                  | <b>0</b>                 | <b>579</b>   | <b>23,118</b>                         | <b>23,114</b> | <b>23,008</b>     | <b>23,718</b>                                      | <b>1,410</b>   | <b>1,873</b> | <b>1,767</b>      | <b>1,778</b>                                  | <b>0</b>       | <b>0</b>     | <b>0</b>          | <b>0</b> |
|                                  | 1/ The Employee Benefits Program is funded from Health Insurance Internal Service Funds.              |                                  |                          |  |                                       |               |                   |  |                |              |                   |   |                |              |                   |          |
|                                  | 2/ The Career Mobility Office is mandated and funded by OER through Collective Bargaining Agreements. |                                  |                          |  |                                       |               |                   |  |                |              |                   |   |                |              |                   |          |

## ATTACHMENT C

### DEPARTMENT OF CIVIL SERVICE PROGRAM INFORMATION SHEET

**Program:** Executive Management and Administration Services

**Mandate:**

**Executive Management:** CSL, Public Officers Law, Executive Law, Americans with Disabilities Act (ADA), Human Rights Law, NYS Government Accountability, Audit, and Internal Control Act, NYS Open Meetings Law, Governor's Executive Order No. 6 (1983).

**Commission Operations:** CSL sections 6 – 7, 41, 55-b and 55-c, 71 – 73, 76, 150.

**Legal Services:** Executive Law, CSL, Public Officers Law, Ethics Law, Human Rights Law and federal anti-discrimination laws; e.g. ADA Law, Title VII Law.

**Finance and Payroll:** Civil Service Law (CSL) sections 130-134, State Finance Law sections 22, 40 – 53, 160 - 168, ESDC Article 15-A.

**Human Resources:** CSL, Collective Bargaining Agreements, State Attendance & Leave Manual, NYS Personnel Management Manual.

**Mandated Funding Level:** None

**Description/History/Background:** The Department's Administration Services consist of business units that provide leadership, management direction, legal and administrative support for the agency's programs and services. The specific business areas are:

- **Executive Management/Other (Executive Office, Public Information Office (PIO), Affirmative Action Officer (AAO), Workforce Planning and Training Office, and Internal Audit):** *Executive Management* is responsible for establishing overall agency priorities, providing statewide personnel program direction, implementing Executive Chamber policy directives, and coordinating the Department's Internal Control Program. *PIO* serves as Department spokesperson and processes FOIL and other requests for information. *AAO* participates in hiring and recruitment of protected class individuals, reviews requests for reasonable accommodations, and investigates complaints of discrimination. The *Workforce Planning and Training Office* operates the New York State Human Resource Academy (HRAcademy) which disseminates civil service requirements to the statewide personnel community, provides assistance to agencies in succession and workforce planning, and coordinates the State's Employee Suggestion Program. The *Director of Internal Audit* is responsible for the audit of all major Department programs in accordance with the State's Internal Control Act and industry standards.
- **Commission Operations:** Provides staff support to the Civil Service Commission, including preparation of materials related to: (1) requests for jurisdictional reclassification of competitive class positions, (2) appeals as authorized under the CSL, (3) requests for pension waivers, and (4) requests for reinstatements and leaves of absence.
- **Legal Services:** Provides legal and policy advice to the Department and the Civil Service Commission on the Civil Service Law and related federal, State and local legislation affecting civil service administration and Department operations. Prepares the Department's annual legislative program, and submits written advisory memoranda to the Governor on proposed legislation. Coordinates with the Attorney General's Office on all Department matters in litigation and represents the Department in administrative proceedings before the State Division of Human Rights, disciplinary proceedings, and others. Reviews Department procurement instruments, contracts, forms and other documents.

- **Finance and Payroll:** Provides fiscal and administrative support including payroll, procurement and contract management, accounting and revenue collections, budget development and implementation, monitoring of cash disbursements and expenditures, employee services, building administration, travel and fleet activities.
- **Human Resources:** Provides all Department staffing and personnel support, including recruitment, new employee orientation, labor relations, attendance and leave issues, health benefits administration, retirement issues, and maintenance of employee personnel records. Human Resources also processes Workers' Compensation benefits and updates the Accident Reporting System.

**Issues:** None

**Population Served:** Executive Chamber, Department employees, Division management within the Department, and other State and local agencies.

**Performance Measures:** The Department is in the developmental stages of implementing performance measures to provide agency-specific and statewide workforce management strategic indicators and benchmarks.

## ATTACHMENT C

### DEPARTMENT OF CIVIL SERVICE PROGRAM INFORMATION SHEET

**Program:** Information Resource Management Services

**Mandate:** The mandate is derived from each individual program supported.

**Mandated Funding Level:** None

**Description/History/Background:** The Division of Information Resource Management (IRM) provides the Department's basic data, information and systems, and has primary responsibility for implementation of the Department's technology projects. The Department offers real-time updating of personnel and benefits information to a statewide audience, operates its own data center and provides decision support capabilities to executive management.

IRM supports virtually every Department program, and certain statewide systems, through a wide range of services, including maintaining and developing information systems, both statewide and Department specific, to support program requirements, including the New York Benefits Eligibility and Accounting System (NYBEAS), New York State Electronic Personnel System (NYSTEP), Eligible List Maintenance System (ELMS), and exam scoring systems.

**Issues:**

The Department continues to improve the efficiency of its operations through information technology. The Integrated Testing System (ITS) project is a prime example of the Department's effort to upgrade its existing exam scoring systems and create a more efficient delivery of testing services. At the same time, the Department will need to assemble information from legacy examination systems to maintain this asset going forward and allow the combination of information from the legacy systems and ITS. Also, a major upgrade of the ELMS system will be rolled out in phases by the end of this year. ELMS will automate what is now largely a paper-driven process and result in better service to agencies in the hiring process. It will provide faster, more up-to-date eligible list information to agencies for their use in filling positions.

IRM needs to protect the technology investments already made. As hardware and software reach the end of useful life, transitions to new technology must be planned and executed with minimal disruption to agency operations. The Department will be upgrading the NYBEAS system in early 2009. Upon completion of the NYBEAS upgrade, work will begin on the NYSTEP system.

**Population Served:** Department employees, jobseekers, members of the New York State Health Insurance Program, State agency personnel offices, local government personnel offices, Division of the Budget and Office of Employee Relations.

**Performance Measures:** The Department is in the developmental stages of implementing performance measures to provide agency-specific and statewide workforce management strategic indicators and benchmarks.

## ATTACHMENT C

### DEPARTMENT OF CIVIL SERVICE PROGRAM INFORMATION SHEET

**Program:** Diversity Planning and Management

**Mandate:** Civil Rights Act of 1964, as amended, Governor's Executive Order No. 6 (1983), New York State Human Rights Law, Office of Federal Contract Compliance Programs (OFCCP) Presidential Order 11246.

**Mandated Funding Level:** None

**Description/History/Background:** The Diversity Planning and Management (DPM) Division's mission is to monitor and assist in the implementation of the State's policy of ensuring full and equal opportunity for protected class members, including persons of color, women, persons with disabilities and veterans in employment in State government. Under Executive Order No. 6, the Department is responsible for the development of comprehensive statewide affirmative action policies, goals, objectives and implementation strategies. That function is divided among various divisions including Staffing Services, Information Resources Management and DPM. DPM reviews annual affirmative action plans submitted by State agencies and provides technical assistance and training to aid agencies in achieving a diverse workforce.

**Issues:**

A diverse workforce is, in substantial part, the product of management commitment at the very highest levels and a well-designed affirmative action program. The Department conducted a survey of Executive Branch agency heads and affirmative action officers which revealed that the State needs to revitalize its affirmative action efforts by strengthening the statewide Affirmative Action Program. In an ongoing effort to assist agencies in revitalizing affirmative action, the Department disseminated results of the survey, which was conducted in conjunction with the Governor's Executive Committee on Affirmative Action and the Commission on Increasing Diversity in the State Workforce. The Department has identified several actions that will assist in strengthening the statewide affirmative action program, including development and delivery of training for affirmative action officers, conducting an occupational study of the duties and responsibilities of affirmative action officers, and preparing an updated version of the "Model Plan" for affirmative action programs, last modified in 1983.

**Population Served:** State agencies and State employees.

**Performance Measures:** The Department is in the developmental stages of implementing performance measures to provide agency-specific and statewide workforce management strategic indicators and benchmarks.

## ATTACHMENT C

### DEPARTMENT OF CIVIL SERVICE PROGRAM INFORMATION SHEET

**Program:** Staffing Services

**Mandate:** NYS Constitution, Article 5, section 6, Civil Service Law (CSL) sections 6, 7, 44, 45, 50-58, 60- 61, 63-65, 70-73, 75, 78-81, 85-87 and 100, Civil Service Rules and Regulations, Title VII of the Civil Rights Act of 1964, as amended, New York State Human Rights Law, Americans with Disabilities Act (ADA), and Executive Order No. 6 (1983).

**Mandated Funding Level:** None

**Description/History/Background:** The Staffing Services Division's (SSD) mission is to ensure the State attracts and advances a qualified and diverse workforce capable of implementing the Governor's priorities in a time of unprecedented workforce retirements and diminished resources. SSD provides State agencies with personnel recruitment and placement services to address their needs and administers a variety of tests for State positions. Specific functions include:

- **Examination and appointment planning:** Working with State agencies to plan, develop and administer examinations for their respective titles and facilitate movement of staff through transfer and other mechanisms.
- **Recruitment:** Providing information about jobs and career opportunities in New York State government, implementing targeted recruitment efforts for critical, hard-to-fill titles, and providing enhanced outreach activities to increase diversity in the State workforce. Also responsible for expanding employment opportunities for individuals and veterans with disabilities under the Governor's Program to Hire Individuals with Disabilities (CSL section 55-b program) and the Governor's Program to Hire Veterans with Disabilities (CSL section 55-c program).
- **Eligible list establishment and maintenance:** Establishing eligible lists resulting from examination scoring and maintaining the accuracy of such lists over their life.
- **Personnel transaction review/payroll certification:** Reviewing the appropriateness of State agency personnel transactions against established criteria, and, in accordance with Civil Service Law, certifying that persons on the State payroll are employed in positions in accordance with law and rules before their salaries can be paid.
- **Reduction-in-Force (RIF)/reemployment activities:** Assisting State agencies in pre-planning for RIFs by providing guidance materials, participating in pre-layoff meetings, providing technical assistance to agencies and affected employees in implementing the layoff, and determining title comparability for reemployment purposes.
- **Other examination support activities:** These include examination application and fee collection, examination production, delivery and scoring, background investigations of candidates, and examination application review.

**Issues:**

- During times of fiscal austerity, SSD has a significantly increased workload in implementing hiring freeze activities. These activities must be accomplished while ongoing business is maintained since even in the hardest of hiring freezes, the business of the State continues and agencies have a need to fill/backfill critical positions.
- New York State faces an unprecedented turnover in its workforce of approximately 170,000 employees with the significant number of Baby Boomers retiring in the past five years (33,112

employees) and significant retirements anticipated (30,746 employees eligible to retire in next 5 years). While resources are limited and competition for talent is great, the State's recruitment efforts must be targeted and strategic to ensure that the State has the workforce it needs to continue to provide services to its citizens.

**Population Served:** Jobseekers, State employees, State agencies and their human resources and program area staff.

**Performance Measures:** The Department is in the developmental stages of implementing performance measures to provide agency-specific and statewide workforce management strategic indicators and benchmarks. SSD measures may include: number of personnel transactions processed, number of eligible lists established, and payroll certification transactions processed.

**DEPARTMENT OF CIVIL SERVICE  
PROGRAM INFORMATION SHEET**

**Program:** Testing Services

**Mandate:** NYS Constitution, Article V, section 6; Civil Service Law sections 23 and 50, Civil Service Rules and Regulations, Title VII of the Civil Rights Act of 1964, as amended, Americans with Disabilities Act (ADA), and professional standards.

**Mandated Funding Level:** None

**Description/History/Background:** The State Constitution requires that appointments and promotions in the State and local jurisdictions be made according to merit and fitness to be ascertained, as far as practicable, by competitive examination. The Testing Services Division (TSD) develops and administers State and local tests and is responsible for developing job-related examinations for all competitive class positions, which comprise over 80 percent of the 167,000 positions in the classified service in State agencies as well as for local jurisdictions (excluding NYC). The TSD uses a variety of testing methodologies to cover the range of competencies needed for civil service positions. Major functional areas include:

- **Examination and test development:** On average, the Department produces 5,000 examinations for titles in the 99 local jurisdictions in the State and 600 eligible lists for State titles yearly.
- **Test scoring and analysis, including setting passing standards:** After the administration of each test, its results and other information (including candidate objections) are reviewed to ensure that all questions are correctly keyed and that test results are professionally sound.

**Issues:**

- **Promotion examination services to State agencies:** The suspension of the Promotion Test Battery (PTB) program has had a significant negative impact on the Department's ability to deliver timely promotion examinations to State agencies. Statutorily, promotions to competitive class positions, which make up a majority of the positions in the classified service, can only be made from eligible lists established after examination. When a viable list is not available and another appointment option (such as transfer) is not possible, agencies will have to make a provisional appointment until an examination can be held. Provisional appointments, which are statutorily limited to nine months, create problems for the appointees and the agencies alike as the ultimate holding of an examination inevitably results in displacements of employees and disruption of services. Further, provisional status limits an employee's ability to move within the system or participate in promotional opportunities.

**Population Served:** State agency program managers and human resource directors, 99 municipal civil service commissions and personnel officers, jobseekers, and State employees.

**Performance Measures:** The Department is in the developmental stages of implementing performance measures to provide agency-specific and statewide workforce management strategic indicators and benchmarks.



**DEPARTMENT OF CIVIL SERVICE  
PROGRAM INFORMATION SHEET**

**Program:** Classification and Compensation Services

**Mandate:** Civil Service Law (CSL) sections 40 – 45, 50 – 52, 61, 64 – 65, 70 – 81, 115, 118, 130 – 136, Collective Bargaining Agreements, and Fair Labor Standards Act (FLSA).

**Mandated Funding Level:** None

**Description/History/Background:** The Division of Classification and Compensation (C&C) has responsibility for establishing and maintaining the classification and compensation system for positions in the classified service of the State. The activities of C&C ensure that the State policy of providing equal pay for equal work is carried out by determining appropriate job titles for agency functions and salary levels for new and existing positions in a manner that ensures internal consistency and fairness with sensitivity to market conditions. Specific activities include:

- Ascertaining and recording the duties of all positions in the classified civil service and ascertaining the salary grade of all such positions.
- Rendering determinations on all requests for classification and reclassification of positions and allocation or reallocation of positions.
- Establishing appropriate titles and minimum qualifications for all positions.
- Creating special salary treatments, shift and hazardous duty pay differentials, and salary compression solutions which enhance baseline State salaries to assist State agencies in addressing recruitment and retention difficulties.
- Analyzing out-of-title work grievances pursuant to CSL section 61 and the provisions of the various collective bargaining agreements governing out-of-title work.
- Addressing FLSA overtime eligibility issues.
- Providing technical expertise that serves as the basis for Public Employment Relations Board (PERB) decisions on representational status under the Taylor Law.

**Issues:**

- **Overtime Eligibility:** The State is required to analyze the duties of positions in the State service to determine their overtime eligibility against FLSA guidelines issued by U.S. Department of Labor. The FLSA Overtime Eligibility Task Force, comprised of representatives from C&C, the Office of Employee Relations (OER), and the Division of the Budget (DOB), was formed to evaluate the State's overtime policies under the revised regulations. Continued support for this activity is essential to ensure that the State's overtime policies are consistent with federal criteria.
- **Title Reduction:** By March 2009, the Department plans to reduce the over 2,700 competitive class titles (as of January 2008) by 10 percent. Title reductions, primarily through title consolidation, will benefit the State by (1) increasing management flexibility in reassigning staff within broader classifications, (2) increasing State employees' opportunities to move to different jobs, and (3) result in better use of Department resources.
- **Classification Standards Review:** C&C is working to update and modernize outdated classification standards and create new classification standards for titles where none had existed. The efficient and equitable administration of the State's merit system relies on

classification standards being accurate and up-to-date, as they provide the basis for both the qualification of individuals to compete in examinations, the knowledge, skills, and abilities to be tested in the examination process as well as transfer determinations. Moreover, up-to-date classification standards facilitate the ability to further decentralize classification authority to operating agencies.

**Population Served:** All State agencies, State employees and employee organizations. C&C works with DOB, OER and the Office of the State Comptroller.

**Performance Measures:** The Department is in the developmental stages of implementing performance measures to provide agency-specific and statewide workforce management strategic indicators and benchmarks.

## ATTACHMENT C

### DEPARTMENT OF CIVIL SERVICE PROGRAM INFORMATION SHEET

**Program:** Employee Health Service

**Mandate:** Civil Service Law (CSL) sections 50, 55-b, 71, 72, 73, Civil Service Rules and Regulations (4 NYCRR 5.9), NYS Public Employees Safety and Health Act (PESHA), Occupational Safety and Health Act (OSHA), NYS Human Rights Law, Americans with Disabilities Act (ADA), and Family and Medical Leave Act (FMLA)

**Mandated Funding Level:** None

**Description/History/Background:** The Employee Health Service (EHS) is responsible for conducting medical examinations and evaluations, work place nursing activities, and occupational health screening and immunizations for NYS employees. EHS provides medical opinions to approximately 70 State agencies on the physical and medical capacity of applicants and employees to safely perform the duties of the position sought or held to ensure the health and safety of the applicant or employee, other employees, and the public served. EHS was created in 1962 in response to a feasibility study citing the need for an organized program of health and medical services for State employees and to consolidate various employee health services that were being provided by State agencies. Centralization of the function ensures consistent application of standards by EHS occupational physicians who are familiar with the duties and responsibilities of State positions. EHS operates medical examination centers in Cohoes, Hauppauge and Brooklyn, as well as 22 nursing stations statewide.

In addition, EHS provides services to the State Police (an entity for which the Department does not oversee merit system administration) including pre-employment evaluations for security screeners, immunizations for Academy recruits, annual physicals for certain police titles, respiratory clearance for employees required to wear respirators, and both counseling and testing for employees exposed to blood borne pathogens.

EHS provides a full range of diagnostic procedures, such as x-ray, EKG, hearing, pulmonary function, drug and alcohol testing, clinical laboratory and other specialized testing services which support a number of functions, including:

- **Pre-placement physical examinations:** EHS provides consultation and assistance in the development of physical and medical standards for State positions, and conducts the medical examination of candidates against such standards to ensure that individuals can safely perform the essential duties of a position.
- **Agency referral examinations:** Examinations of employees referred by agencies are conducted for a variety of reasons, including excessive use of sick leave, evaluation of employees on extended sick leave, the continuing ability of an employee to perform the essential duties of his or her position because of a physical or mental disability, or the ability of an employee to return to work after sick leave.
- **Workers' Compensation examinations:** Similar to agency referral evaluations, at the request of agencies, EHS conducts examinations of employees who request to return to work following a workers' compensation injury or illness.
- **Occupational Health Programs:** EHS conducts immunizations and tuberculosis screenings, respiratory mask clearance, rabies tracking, Cardiopulmonary Resuscitation (CPR)/Automated External Defibrillator (AED) training, examinations to monitor the effects of exposure to toxic substances, and programs to promote employee health and wellness. EHS

nursing stations, which have been found by the Public Employment Relations Board to be a mandatory term and condition of employment, are equipped to provide treatment for minor illness and injury, as well as for more serious conditions including cardiac emergencies. EHS provides State departments and agencies with a cost-effective means to meet their PESH/OSHA mandates.

**Issues:** None

**Population Served:** All State agencies, particularly those with public health and safety-related missions (e.g., Departments of Correctional Services, Health, State, Transportation, and Environmental Conservation; Divisions of the State Police and Parole, Offices of Children and Family Services and Parks, Recreation and Historic Preservation), and State employees.

**Performance Measures:** The Department is in the developmental stages of implementing performance measures to provide agency-specific and statewide workforce management strategic indicators and benchmarks. Select EHS measures may include: pre-employment medical examinations by job category/title, occupational health examinations by agency, and various other workload measures like number of immunizations provided.

## ATTACHMENT C

### DEPARTMENT OF CIVIL SERVICE PROGRAM INFORMATION SHEET

**Program:** Employee Benefits

**Mandate:** Various sections of Civil Service Law (CSL) and Collective Bargaining Agreements (CBAs):

Health Insurance: CSL section 161; 4 NYCRR Part 73; CBAs.

Dental Insurance: CSL section 160; NYCRR Part 74; CBAs.

Long Term Care: CSL section 172.

Disability Insurance: CSL section 159; 4 NYCRR Part 78.

Life Insurance: CSL section 158; 4 NYCRR Part 75.

Vision Benefits: CBAs.

Worker's Compensation: Workers' Compensation Law section 88-c.

**Mandated Funding Level:** None

**Description/History/Background:** The Employee Benefits Division (EBD) is responsible for the cost effective delivery of efficient health services and insurance programs to State and local employees and retirees and their dependents. EBD is comprised of various benefit plans available to New York State and local government employees and retirees under statute or as a result of collective bargaining agreements. Programs include the New York State Health Insurance Program (NYSHIP) for government employees, one of the largest employer-sponsored health benefit programs in the nation; life, dental, long- and short-term disability and long-term care insurance plans (provided through contracts); and self-funded vision and Workers' Compensation benefit programs. Also, under statute, local governments may elect to participate in NYSHIP, the M/C life insurance plan and the long-term care insurance program. Primary activities associated with each of these plans include:

- Procuring health provider services in accordance with the State procurement guidelines, premium negotiations, day-to-day contract administration, and audit of the 29 contracts required to deliver services under the various plans.
- Coordinating and maintaining enrollment through staff of the various State agencies, local governments and public authorities. In the case of retired employees, COBRA enrollees, surviving dependents and others, customer service is provided through one-on-one contact with enrollees.
- Billing of premiums through interfaces with the Office of the State Comptroller's (OSC) payroll system, the various pension systems and the General State Charges appropriation, as well as direct billing of participating local governments and public authorities and certain categories of individual enrollees and associated cash receipts.
- Accounting for \$6.5 billion in plan assets, expenses and liabilities in accordance with the requirements of the Governmental Accounting Standards Board (GASB), and providing OSC with necessary data for the State's financial statements.
- Claiming, collecting and distributing the Medicare Part D employer drug subsidy, in excess of \$110 million annually.
- Providing accounting services to 891 local governments and public authorities participating in NYSHIP, the M/C life insurance program and the NYS dental insurance program.

- Providing direct customer service to Plan participants through telephone, e-mail, individual consultations and group presentations.
- Developing Plan communications including Plan documents, website, print and electronic media outreach to local governments and individual enrollees.
- Developing strategic direction of the State's employee benefit plans. This includes development of demands for collective bargaining, compliance with State and federal mandates, day-to-day policy development, legislative tracking and advice to the Executive Chamber regarding legislation affecting the Plan.

**Issues:**

- Although the rate of growth of health care costs has slowed somewhat in the past year, it is anticipated in the near term that the impact of increased energy prices on facilities, such as hospitals and skilled nursing facilities, and vehicle dependent health care services, such as ambulances, visiting nurses, and durable medical equipment providers, will generate increased pressure to increase reimbursement for these services. The long-term outlook is for growth in health care costs, driven by an aging population and the resulting increased use of services due to this longevity, new technologies and the growth of high cost specialty medications. The Department continues to closely monitor program costs and look for ways to leverage NYSHIP's purchasing power to bring added value.
- The epidemic of childhood obesity and resulting morbidity, as well as other conditions such as hypertension and high cholesterol, the effects of which can be mitigated through lifestyle changes in our covered population, will have long lasting financial consequences for the Plan. During the coming year, the Department expects to explore programs aimed at combating childhood obesity, ideally working with existing State programs administered by the Department of Health.
- Recent systemic abuses of the State's pension system by local public employers raise the possibility that local employers are providing health benefits to persons not eligible for coverage. Additionally, the Department's survey of participating local governments shows some entities engage in other benefits practices which undercut plan design features intended to control costs, a practice which is detrimental to the Plan as a whole. The Department has procured the services of a firm to conduct an audit of dependent eligibility.
- The State's unfunded liability for retiree health coverage, which governments are now required to account for under GASB's Statement 45, is currently about \$52 billion. Development of a comprehensive long-term strategy to reduce costs while maintaining access to care will be necessary to minimize the negative impact of this liability on the State's financial rating.

**Population Served:** NYSHIP provides health benefits to approximately 1.2 million persons, including active and retired employees of the State and 891 participating local governments and public authorities. Other stakeholders include: State agencies, participating local governments and public authorities, hospitals, physicians, other health care providers, employee unions, retiree organizations, and associations representing local governments.

**Performance Measures:** The Department is in the developmental stages of implementing performance measures to provide agency-specific and statewide workforce management strategic indicators and benchmarks. EBD measures may include: Rate of premium increase compared to comparable industry market basket, audit recoveries, timeliness of enrollment and billing, communications awards, contract savings, and response times for enrollee calls and letters.

## ATTACHMENT C

### DEPARTMENT OF CIVIL SERVICE PROGRAM INFORMATION SHEET

**Program:** Municipal Service

**Mandate:** Civil Service Law sections 20, 23, 26 and 65.

**Mandated Funding Level:** None

**Description/History/Background:** The mission of the Municipal Service Division (MSD) is to provide advice and assistance to the 99 municipal civil service agencies in the proper administration of the merit system for their approximately 398,000 employees. MSD was established in 1941 after the Court of Appeals issued a decision extending the State's constitutional merit and fitness mandate to local governments. MSD assists local civil service agencies in classifying positions, interpreting laws and rules, and providing selection devices and examinations. Activities include:

- Serving as agents of the State Civil Service Commission in the exercise of its responsibility in overseeing merit system administration at the local level.
- Providing training to municipal officials in all aspects of merit system administration.
- Overseeing the statutorily mandated New York City Department of Citywide Administrative Services provisional control plan on behalf of the New York State Civil Service Commission (Chapter 8 of the Laws of 2008).

**Issues:**

- Recognizing the potential for consolidation, the Governor's Commission on Local Government Efficiency and Competitiveness recommended the abolition of city and town civil service agencies which serve a population of fewer than 100,000. Should this proposal be implemented, it could result in an increased workload for the Division to assist in consolidation efforts but could ultimately result in organizational efficiencies being realized with a reduction in the number of civil service agencies.
- The responsibility to oversee the New York City provisional control plan places a time sensitive demand on staff which may adversely affect the Division's capacity to provide mandated services to the 99 local civil service agencies outside New York City.

**Population Served:** Municipal civil service agencies, municipal governments, NYS Civil Service Commission, and various organizations serving municipal employees.

**Performance Measures:** The Department is in the developmental stages of implementing performance measures to provide agency-specific and statewide workforce management strategic indicators and benchmarks.

## ATTACHMENT C

### DEPARTMENT OF CIVIL SERVICE PROGRAM INFORMATION SHEET

**Program:** Career Mobility Office

**Mandate:** Negotiated agreements between the State and the Civil Service Employees Association and the Public Employees Federation, and Civil Service Law sections 78-81.

**Mandated Funding Level:** CMO is jointly funded through the negotiated agreements mentioned above, from the Office of Employee Relations (OER).

**Description/History/Background:** The Career Mobility Office's (CMO) mission is to provide a comprehensive and coordinated range of career development and workforce deployment services to New York State agencies and their employees. A critical function of the CMO is managing the transfer of and/or reemployment of personnel, via preferred lists, reemployment rosters and agency reduction transfer lists, upon the abolition of functions in the State. The CMO also provides services related to career mobility and retraining to address workforce needs to all State employees, agencies and authorities. Specific functions include:

- Working with State employees to help them stay continuously employed in the face of organizational changes.
- Coordinating with State agencies and labor/management committees to develop retraining programs to address workforce needs.
- Developing career tools and resources that provide employees with information relevant to career planning and development.

**Issues:** During times of major fiscal constraint, decisions are made about State programs and functions which impact the workforce. The State makes every effort to minimize the impact on employees and the CMO is critical to the State's efforts to minimize or alleviate any adverse effects of the above personnel circumstances by keeping State employees continuously employed, when possible.

**Population Served:** State employees, State agencies, agency human resources and program staff.

**Performance Measures:** The Department is in the developmental stages of implementing performance measures to provide agency-specific and statewide workforce management strategic indicators and benchmarks.