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COUNCIL OF THE CITY OF PHILADELPHIA

3

PUBLIC HEARING

4

COMMITTEE OF THE WHOLE

5

FY '05 OPERATING BUDGET

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Room 400, City Hall
Philadelphia, Pennsylvania
Wednesday, April 21, 2004
10:00 a.m.

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BILL 040255 - An Ordinance adopting the
Operating Budget for Fiscal Year 2005.

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PRESENT:

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COUNCIL PRESIDENT VERNA, Chair
COUNCILWOMAN JANNIE BLACKWELL

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COUNCILMAN DARRELL CLARKE

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2 COUNCIL PRESIDENT Verna: Good
3 morning, everyone. This is the continued
4 public hearing of the Committee of the Whole
5 regarding Bill No. 040255.

6 The first department to be testify
7 will be the Health Department.

8 Good morning.

9 COMMISSIONER DOMZALSKI: Good
10 morning, President Verna.

11 COUNCIL PRESIDENT Verna: Welcome.
12 Please identify yourself for the record and
13 proceed with your testimony.

14 COMMISSIONER DOMZALSKI: Good
15 morning, President Verna and Members of
16 Council. I'm John Domzalski, Health
17 Commissioner. I appreciate the opportunity to
18 present the Health Department's budget request
19 for Fiscal Year 2005. I'm joined at the table
20 by Carmen Lemmo who is the Director of Finance
21 and Administration for the Department of
22 Public Health.

23 And, President Verna, with your
24 permission, I would like to introduce two of
25 my senior staff Deputy Commissioner Carmen

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2 Paris who is behind me to my left. And
3 Deputy Commissioner Paris oversees a wide
4 variety of programs and services in our
5 department. Next to her is newly promoted
6 Assistant Health Commissioner, Joseph Cronaur
7 who comes out of the advocacy community, had
8 been heading up our AIDS Activities
9 Coordinating office and has a long and
10 extensive history in coordinating
11 community-based organization work. Not able
12 to be with us is Dr. Joanne Godley who is the
13 Medical Director for the Department of Public
14 Health. As such, she's the Chief Medical
15 Officer for the Department, and of particular
16 note to Philadelphia is Dr. Godley led the
17 process by which Philadelphia became one of
18 the few -- one of the seven cities in the
19 nation to receive a Steps grant which is a
20 substantial amount of money for prevention
21 services at the community level in
22 Philadelphia. Dr. Godley worked with Gwen
23 Foster in a wide variety of voluntary and
24 non-profit health agencies and advocacy groups
25 in the community to do that.

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2 So thank you very much for that
3 indulgence.

4 COUNCIL PRESIDENT VERNA: Thank you,
5 Commissioner.

6 COMMISSIONER DOMZALSKI: The
7 Department of Public Health budget request
8 totals \$179.3 million; 105.8 million in the
9 General Fund and 73.5 million in the Grants
10 Fund, of which 105 million is in the General
11 Fund and 70 million is in the Grants Fund. Of
12 the FY '05 179.3 million total budget, 23.1
13 percent or \$41.5 million comes from City to
14 tax supported funds. The Department's budget
15 will support 1,017 positions, 761 in the
16 General Fund and 256 in the Grants Fund. This
17 represents a reduction of 10 General Fund
18 positions. The staff reductions will be taken
19 in administrative areas that do not affect
20 services.

21 I am pleased to report that the
22 Department's recommended budget for FY '05
23 maintains key performance and service
24 indicators comparable to those of FY '04.
25 During FY '04, the Department undertook major

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2 initiatives aimed at improving and protecting
3 the health of the community and incorporating
4 a neighborhood perspective on citywide health
5 status indicators. We will continue these
6 initiatives in FY '05.

7 The Health Department administers a
8 wide range of essential public health services
9 for Philadelphians. These include primary
10 care at eight neighborhood health centers,
11 monitoring and control of communicable
12 diseases, operating a specialty clinic for the
13 treatment of sexually transmitted diseases and
14 coordination, funding, and oversight of
15 HIV/AIDS programs.

16 The department coordinates, funds,
17 monitors child health services, including
18 infant mortality reduction, prenatal and
19 family planning services, childhood lead
20 poisoning control and prevention. We're
21 responsible for a range of environmental
22 protection services, including monitoring of
23 pollutants and enforcement of local, state,
24 and federal environmental regulations as well
25 as the regulation of the local retail food

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2 industry. In addition, the Department
3 maintains oversight of the Philadelphia
4 Nursing Home and monitors the healthcare
5 delivered in Riverview Home.

6 The Health Department is also
7 prepared to respond to threatened or actual
8 bioterrorism events and is a partner with the
9 Police and Fire Departments and the Office of
10 Emergency Management in the City's overall
11 emergency response structure. In FY '04, the
12 Department expects to receive 1.2 million in
13 emergency preparedness funding under the new
14 Homeland Security Act.

15 In keeping with Mayor Street's focus
16 on the transformation of our neighborhoods, we
17 have organized our data so that health status
18 indicators so that the overall health of the
19 City can be understood from the perspective of
20 its neighborhoods. These neighborhood level
21 data aided by the mapping technology and use
22 by Philadelphia Safe and Sound continue to be
23 used strategically and deploy and redeploy
24 resources to areas of greatest need. These
25 data range from immunization and lead

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2 poisoning incidents to the occurrence of
3 communicable diseases and chronic diseases
4 such as diabetes and heart disease.

5 The Mayor's vision is that while we
6 focus on neighborhoods, we do not turn our
7 backs on the businesses that are so important
8 to the economic health of the City.
9 Accordingly, in our regulatory activity, we're
10 making our procedures and processes more
11 understandable and user friendly while not
12 compromising the public health objective of
13 our regulations.

14 I will now highlight some of our
15 major accomplishments and challenges:

16 Lead poisoning control and
17 prevention in children. A new public health
18 offensive against childhood lead poisoning
19 began in April 2002 and will continue in FY
20 '05. Thanks to the vision of the Mayor, the
21 effort of Philadelphia Congressional
22 Delegation, particularly Congressman Chaka
23 Fattah, and the advocacy community, in
24 particular Philadelphia Coalition for Children
25 in Youth, PCCY, and the credibility of our

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2 re-engineered lead effort, the funding
3 anticipated in last year's hearing has been
4 acquired. Philadelphia's signature approach
5 to intervening in cases of childhood lead
6 poisoning, the Lead Abatement Strike Team, or
7 LAST, continues to actively address all new
8 cases and to not allow any new cases to become
9 part of a backlog, while at the same time
10 continuing to reduce the backlog which stood
11 at 1,400 properties in April 2002. The map on
12 the screen depicts what the backlog looked
13 like in April of 2002. Not only was the
14 growth of the backlog stopped, the backlog
15 itself has been reduced to 573 properties,
16 with a further reduction anticipated to 250 in
17 2005. That map shows the reduction to the
18 backlog now standing at 573.

19 The unprecedented close
20 collaboration of eight City units in the
21 government and the Lead Court combine to make
22 the Philadelphia approach unique among
23 programs across the nation in both structure
24 and effectiveness. We've also secured funding
25 to begin to take childhood lead poisoning to

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2 the next level, which is primary prevention.

3 In this regard, working with
4 Philadelphia Citizens for Children and Youth,
5 the National Nursing Centers and others, more
6 than 900 new and expectant mothers have been
7 visited so far in FY '04 by a nurse or trained
8 outreach worker. The target for FY '04 is
9 1400 families. Clients receive a lead
10 education presentation and their homes are
11 evaluated visually with dust wipe samples, and
12 those found potentially dangerous by a
13 certified risk assessor are offered lead
14 hazard reduction through a grant from the
15 United States Conference of Mayors. In FY
16 '04, 50 potentially dangerous homes occupied
17 by new or expectant mothers have been
18 identified and have had lead hazards reduced
19 through this program. In FY '04, the
20 Department plans to strengthen its partnership
21 with the medical assistance managed care
22 organizations to provide increased lead
23 education to new mothers, increased lead
24 screening of their infants and increased
25 inspection of their housing units for lead

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2 hazards.

3 Infant mortality. Infant mortality
4 is the measure of the number babies who die
5 before one year of age per thousand live
6 births. Citywide rates have shown gradual but
7 continuous improvement, dropping from 16 in
8 1990 to approximately 10.4 in 2001, which is
9 the latest year for which data are available,
10 a decrease of about 25 percent. However, this
11 decline does not reflect the significant
12 disparities that remain among individual
13 Philadelphia neighborhoods. The map on the
14 screen depicts the infant mortality across the
15 City, with those areas in red posting the
16 highest infant mortality, often times as much
17 as double the citywide rate.

18 The Department addresses infant
19 mortality through targeted programs. In
20 addition to two federally funded Healthy Start
21 programs, the division administers a wide
22 range of home visiting, outreach and community
23 education programs funded through Maternal and
24 Child Health Title V Programs. For the coming
25 fiscal year, we have redesigned these programs

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2 in order to better reflect best practices as
3 defined by the literature and national
4 maternal and child health experts. This
5 restructuring will provide us with increased
6 control over individual programs, including
7 and enhanced capacity to measure outcomes and
8 to focus our efforts in neighborhoods that
9 have the highest infant mortality.

10 Childhood immunization.
11 Philadelphia and other large cities in the
12 nation have experienced decreases in the rates
13 of childhood immunizations, due in part to the
14 introduction of additional inoculation
15 requirements, but only in part. In response
16 to our determining that the citywide
17 immunization rate had fallen from a high of 83
18 percent in 1998 to 70 percent in 2002, the
19 Department set a goal to raise the citywide
20 rate to 90 percent by FY '06. I am pleased to
21 report that the latest national survey
22 identifies that we have stopped the decline in
23 immunization rates and, in fact, had begun a
24 turnaround such that current survey results
25 show that our levels risen to 80 percent.

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2 That is the map we started with, President
3 Verna, in 2002 that shows the immunization
4 rates. The red areas are the areas that have
5 been as low as 30 and 40 percent in those
6 neighborhoods. The new map shows that because
7 of strategic development and our outreach
8 deployment in those areas, we've turned that
9 around, eliminated the red area and indeed,
10 according to the survey, begun to stop the
11 decline and increase the immunization rates
12 citywide.

13 Chlamydia and gonorrhea. Like the
14 rest of the nation, we are in the midst of an
15 epidemic of sexually transmitted diseases
16 among our adolescence 15 to 19 years of age.
17 Unlike the rest of the nation, we've developed
18 an aggressive approach to meeting this
19 epidemic head on. That's a picture of the
20 epidemic in the City of Philadelphia. The
21 latest data confirmed that there are 9,000
22 cases of gonorrhea and chlamydia in this age
23 group. With the courageous collaboration of
24 the Philadelphia School District, we mounted
25 an aggressive and nationally unprecedented

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2 response in FY '03 which involved the
3 provision of STD education in all public high
4 schools, including offering voluntary testing
5 on-site and follow-up confidential counseling
6 and treatment. In the 2002-2003 school year,
7 30,000 students attended educational
8 presentations with 19,600 children receiving
9 voluntary testing. President Verna, this
10 resulted in 1,052 new cases previously
11 undiagnosed, previously unrecognized, being
12 found, and 99.8 percent of those cases were
13 treated. So far in 2003-2004 school year,
14 15,000 students have fattened educational
15 presentations with 9,400 availing themselves
16 of voluntary testing. And I can tell you
17 we've identified again 519 new cases
18 previously undiagnosed asymptomatic cases of
19 chlamydia and gonorrhea in this age group.
20 The uniqueness of this undertaking,
21 collaboration with the School District and the
22 aggressive case finding, resulted in national
23 recognition of this program as a model for
24 other cities to consider.
25 HIV/AIDS. While the number of new

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2 and existing AIDS cases reports filed with the
3 department in FY '03 remained relatively
4 stable with a slight decrease from 1,160 in FY
5 '02 to 1,126 in FY '03, the number of actual
6 new diagnosis of AIDS has continued to drop
7 with the advent of effective treatment from
8 958 of new cases in FY '02 to 888 new cases in
9 FY '03. AIDS continues to disproportionately
10 impact minority communities, with 78 percent
11 of persons living with AIDS being of color.
12 The Department has engage in a variety of
13 activities to address these disparities.

14 This past summer, the Department put
15 out the competitive bid of the entire HIV
16 prevention system targeting the highest risk
17 neighborhoods with interventions that address
18 the highest risk behaviors. Community-based
19 organizations competed for the approximately
20 \$6 million available, and as a result, new
21 interventions were established by mostly
22 minority-controlled organizations in
23 neighborhoods most impacted by HIV. This
24 included making available free HIV testing at
25 more than 50 sites across the City where

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2 35,360 HIV tests were conducted during
3 Calendar Year 2003.

4 Additionally, the Department
5 continues to fund 19 community-based providers
6 through the Ryan White Minority AIDS
7 Initiative. This initiative, also
8 neighborhood-focussed, centers around the
9 Storefront Project with it's three walk-in
10 safe spaces providing services in Germantown,
11 West Philadelphia, and Kensington. The
12 storefronts are street-level, open-access
13 service sites providing a safe space geared to
14 walk-in traffic. They link people with HIV to
15 primary medical care, testing and counseling,
16 case management, substance abuse treatment,
17 prevention programs and other needed services.
18 During the past year, we served 1,587
19 high-risk people and people living with HIV
20 through the storefront initiative, about half
21 of which are women and children.

22 The Department continues to operate
23 and structure its animal control services.
24 And this is focused on responding to those
25 issues that stray animals present in the City,

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2 of which we have an overabundance.

3 A variety of animals make wonderful
4 pets and can enhance family and individual
5 quality of life and well-being. However, when
6 such pets are not cared for and managed
7 responsibly, the result can be detrimental to
8 the public health and safety. Accordingly, a
9 new and more aggressive public awareness
10 licensing and license law enforcement campaign
11 will occur this spring and summer and into
12 2005.

13 The Department of Public Health has
14 a number of challenges:

15 Insurance coverage for health center
16 patients. It's well understood that the
17 medical care and the services ancillary to its
18 service delivery are among the most complex
19 and expensive of the services needed by a
20 community. The Department's eight
21 full-service health centers depicted on the
22 screen are the medical care providers to
23 100,000 Philadelphia children and adults who
24 make about 320,000 patient visits a year. No
25 Philadelphian is denied care in our health

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2 centers. Our ongoing challenge is to secure
3 the cooperation of all of our patients in
4 accessing available health insurance for which
5 they may qualify. In FY '02, a full 64
6 percent of our patients were without
7 insurance. A number of studies, including a
8 recent study by the Institute of Medicine have
9 shown that people without health insurance
10 have worse health status than people with
11 insurance. Yet many of the uninsured in our
12 centers were insurable, including the
13 children. Working to get insurance for those
14 who are eligible, we reduced the number of
15 uninsured visits to 60 percent in FY '03, and
16 our projection for FY '04 is to reduce the
17 number to 55 percent. Our goal for FY '05 is
18 to reduce that number still further to 50
19 percent. While we will turn no one away, we
20 must have the cooperation of everyone in
21 making application for insurance for which
22 they may be eligible.

23 Prescription drugs. The debate as
24 to how to make this essential element of
25 medical treatment affordable wages across the

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2 political spectrum and among those who rely on
3 life-sustaining prescription medication. In
4 counterpoint in this volatile situation is the
5 Department of Public Health's Pharmacy Program
6 which provides prescription drugs to all
7 health center patients without charge and at a
8 level without equal anywhere in the City and
9 perhaps the nation. Our health center
10 pharmacies will fill an astounding 546,000
11 prescriptions in FY '04. While most of these
12 are for longstanding health center patients,
13 we see with increasing frequency persons being
14 referred from other health systems for this
15 benefit. The volume imposed on health center
16 pharmacy results in long lines in each health
17 center every day and delays that have been as
18 long as eight days in getting a prescription
19 filled. Clearly, we need to do better. And
20 better will require a much different approach
21 if we are to provide reasonably efficient,
22 safe, affordable pharmacy services. Possible
23 options, including accessing the existing
24 pharmacy network in the City, continued
25 emphasis on insurable persons becoming

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2 insured, and close structure of scrutiny of a
3 potential structure of co-pays for
4 prescription drugs designed and implemented so
5 that the cost of improved services can be
6 affordable while assuring that persons in our
7 system are not deprived of life-sustaining
8 medication because of inability to pay.

9 Health system changes. In the past
10 10 years, we have seen closures of 8 hospitals
11 in this City, and this past December, the
12 announced closure of the Medical College of
13 Pennsylvania. In the intervening months,
14 there is evidence that we have not seen the
15 last of significant changes in the private and
16 voluntary health systems in the City. These
17 changes have healthcare, legal, city planning
18 and economic applications, and we need a
19 mechanism within City government to assess,
20 understand, and respond to these changes.

21 That's our health centers, City
22 health centers. These are the non-City health
23 centers in the City. And third slide will so
24 the combination. At first there were eight
25 city health centers and precious little else.

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2 And now we have 17 non-City health centers.
3 And when we put them together, we've got
4 something like 27 health centers. And the
5 question is that we're all out there serving
6 essentially the same population. The big
7 question is, is it a system? And that's
8 something that we've got to explore very
9 closely and carefully as we go forward in this
10 new fiscal year.

11 Adjustment of fees for license
12 services. The fees for many of the
13 Department's services in certain City licenses
14 and permits have not changed since 1993, and
15 the Department has been absorbing increasing
16 costs of providing these services which have
17 increased 26 percent during this period. In
18 the coming days, the Department plans to
19 introduce to Council amendments to the Health
20 and Air Management Codes to adjust these fees
21 to cover the cost of providing these services.

22 Universal healthcare. This past
23 November, the electorate approved a change in
24 the City Charter placing responsibility on the
25 Health Commissioner to develop a plan for

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2 universal healthcare for all Philadelphians.
3 This is a significant responsibility in
4 relation to a subject that is the focus of
5 much debate across the country and at every
6 level of government. In this context, we have
7 begun this work.

8 Management. The Department has had
9 the excellent service of a large number of
10 highly skilled and effective management and
11 technical staff. Many of these individuals
12 have retired and will be retiring in the
13 months ahead. Our plans are in place to
14 manage these changes through a variety of
15 organizational and structural changes.
16 Principal among these are our new management
17 structure for our health center system
18 involving the use of a new health center
19 manager series and the deployment of regional
20 managers to oversee multiple health centers
21 and the physical and managerial consolidation
22 of the major laboratories that are operated by
23 the Department.

24 When I was here last year, President
25 Verna, we talked about the some of the changes

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2 that we needed to make in management. And one
3 of the things that we were grappling with was
4 making our health centers more accessible by
5 telephone to the public. And the big area
6 that we were facing was the virtual
7 inaccessibility of our appointment desk for
8 people calling in to make appointments in the
9 health center. It was so bad in terms of
10 access to that appointment desk that people
11 would abandon the phone use completely and
12 essentially walk to the health center to
13 transact business as opposed to using the
14 phone. We got together with the Department of
15 Public Property, Joe James in particular, and
16 Carmen Paris and a number of people on my
17 staff got together and scoped out a system
18 where we might have a centralized call system
19 for our health centers. And I can tell you,
20 President Verna, that this year we've been
21 able to get all eight health centers on a
22 centralized call system. And that's a picture
23 of our very excellent public service people
24 who are receiving calls from the general
25 public for appointments in all of our health

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2 centers. Essentially, when you're calling,
3 for example, a health center at Broad and
4 Morris, that phone is ringing here in City
5 Hall with the appointment book up on the
6 screen for that individual; and the individual
7 can actually make, reschedule, change or
8 cancel an appointment. A tremendous change.
9 We're beginning to monitor the impact of that.
10 We have one of our health center directors,
11 Mr. John McGill, who's got the operating
12 responsibility for this. I'm told that Mr.
13 McGill has taken to walking around the health
14 center and when he sees people standing in
15 line to make appointments, he bets them a cup
16 of coffee that they can pick up the phone and
17 make an appointment quicker or change an
18 appointment quicker than they can by standing
19 in that line. And what I'm told is he's
20 losing very few cups of coffee these days. So
21 that's an example, President Verna, of some of
22 the management changes.

23 In conclusion, the Department of
24 Public Health is moving forward and meeting
25 longstanding and developing public health

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2 challenges in new ways. We are meeting the
3 budget challenges by bringing sound management
4 principles together with creative program
5 initiatives to preserve and improve the
6 delivery of essential public health services
7 to the people of Philadelphia.

8 Thank you, President Verna, for the
9 opportunity to present this testimony.

10 COUNCIL PRESIDENT VERNA: Thank you,
11 Commissioner. I have a couple questions, but
12 before I do ask them, I certainly want to
13 compliment and applaud you and your staff for
14 doing an absolutely fantastic job. Thank you
15 so much.

16 COMMISSIONER DOMZALSKI: Thank you,
17 President Verna.

18 COUNCIL PRESIDENT VERNA:
19 Commissioner, on Page 2 of your testimony, you
20 mention that your Department has organized
21 data on health status indicators so that the
22 overall health of the City can be understood
23 from the perspective of the health of its
24 neighborhoods. This data is aided by mapping
25 technology in use by the Philadelphia Safe and

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2 Sound and is used to strategically deploy or
3 re-deploy to resources to areas of greatest
4 need.

5 Can you tell us how this data is
6 used and what resources have been re-deployed?

7 COMMISSIONER DOMZALSKI: Yes

8 President Verna. I think our immunization
9 strategy was a good example of that. We have
10 traditionally looked at citywide indicators of
11 how we're doing from an immunization
12 perspective. What I asked staff to do is not
13 to talk about the City, don't ignore the
14 averages but tell me what it looks like in the
15 neighborhoods, what does the immunization rate
16 look like in the neighborhoods. And when we
17 did that, we found that even though our
18 overall City rate was at a dismally low 76
19 percent, that turned out to be good news
20 because there were neighborhoods where it was
21 below 50 percent. So what we did was take our
22 outreach teams and have them reduce work in
23 the neighborhoods where the immunization rates
24 were very high to the neighborhoods where the
25 immunization rates were very low. And by

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2 focussing the outreach and moving those
3 resources from areas where we already
4 accomplished our mission but if we didn't look
5 at it from a neighborhood perspective, we
6 wouldn't have known that and moving them into
7 the areas, such as zip code 26, to improve the
8 rates there.

9 COUNCIL PRESIDENT VERNA: Is Safe
10 and Sound still involved? And if so, are they
11 under contract, and for what amount?

12 COMMISSIONER DOMZALSKI: Safe and
13 Sound does a number of programs very
14 effectively particularly with our beacon and
15 schools and after school programs. We support
16 some services under contract with Safe and
17 Sound, particularly some of our disease
18 prevention services. We also partner with
19 them, President Verna, around the report card.
20 And I will tell you that what got my attention
21 on this whole business of chlamydia and
22 gonorrhea was when we began doing the
23 children's report card and showing that the
24 STD indicators for our children were so poor,
25 we were at the lowest level, Level 5, and that

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2 focus, that was a challenge. I will tell you
3 we in public health didn't want to see that.
4 But we decided, you know, the data were
5 accurate, it's displayed there and what we're
6 going to do is organize our resources to begin
7 to battle that epidemic. So we worked with
8 Philadelphia Safe and Sound on a number of
9 fronts, particularly around children services
10 and after school and beacon school programs.

11 COUNCIL PRESIDENT Verna: So they
12 are under contract. And can you tell me for
13 what amount?

14 Commissioner Domzalski: We are
15 contracting in the Health Department, our
16 largest contractor we have with them -- this
17 is not the only contract that we have from
18 City agencies, but from the Health Department
19 it's a little over 500,000 that we fund
20 particularly for tobacco prevention and
21 cessation programs.

22 Mr. Lemmo tells me it's 578,000.

23 COUNCIL PRESIDENT Verna: Thank you.

24 Lead paint removal has been an area
25 of great concern to Councilmembers, as you

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2 know. And over the last few years, we have
3 modified your budget in order to decrease the
4 backlog. When do you anticipate the backlog
5 will be eliminated?

6 COMMISSIONER DOMZALSKI: We
7 anticipate that the backlog will have been
8 reduced from 1400 -- it's any 570-something
9 now. We expect that by the end of Fiscal Year
10 '05 for the backlog to be at 250 and probably
11 by the middle of '06 for it to be eliminated
12 completely.

13 COUNCIL PRESIDENT VERNA: That's
14 great.

15 Commissioner, how long does one have
16 to wait for an appointment to see a physician
17 at our health centers.

18 COMMISSIONER DOMZALSKI: Well, it
19 depends on the service, President Verna. One
20 of our performance measures is a number of
21 appointments that are available in three
22 weeks. What our focus is, I think we're
23 looking at somewhere around 76 percent of the
24 appointments being available in three weeks.
25 That's of all the appointments. When you

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2 break that down, you see a number of
3 differences. In our prenatal program, that
4 might be three weeks, maybe four. Family
5 planning might be two weeks. When we look at
6 adults, for adults for just a routine visit,
7 that ranges from health centers from -- I have
8 appointments available today at Health Center
9 5. However, at Health Center 10 up in the far
10 Northeast that might be a three-month wait up
11 there for adults who do not have an urgent
12 medical program. If there's an urgent medical
13 program, it's an entirely different story.

14 On the other hand, for children, we
15 can get children in in a couple days across
16 the system, so we have ample capacity for
17 children.

18 The adult piece does concern me
19 quite a bit. One of the things that we're
20 going to do is we're going to enhance that
21 system that I had on the screen there about
22 our operators taking central call. And each,
23 we're able to access right now the appointment
24 books for each health center. What I want to
25 do is be able to look at a program where we're

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2 able to display the whole system in front of
3 an operator so that each operator can input
4 into the system and make changes immediately
5 so that if a patient does call from the
6 Northeast and says, "My God, it's 70 days
7 until you get an appointment." We can say,
8 "Well, if you don't mind traveling a little
9 bit, we can get you an appointment tomorrow or
10 even this afternoon at Health Center 5 at 20th
11 and Berks."

12 Right now, the system, it's a little
13 cumbersome to do that, but that's what we're
14 doing.

15 The other piece of it is, we have to
16 look at how -- patients are telling us how
17 they want to use the health centers. And
18 we're telling them how we want them to use it.
19 And they're winning. We might as well just
20 figure out how best to accommodate this
21 service and see whether or not there's ways in
22 which we can adjust some of our initial
23 appointments and how we bring people in for
24 that first contact.

25 COUNCIL PRESIDENT VERNA: Do you

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2 have any indication at all as to how many
3 patients we've seen at the health centers in
4 the last year, for instance?

5 COMMISSIONER DOMZALSKI: How many
6 people were served?

7 COUNCIL PRESIDENT VERNA: Yes.

8 COMMISSIONER DOMZALSKI: Well, we
9 serve 100,000 individuals, and they will make
10 approximately 320,000 visits in a year.

11 COUNCIL PRESIDENT VERNA:
12 Commissioner, in your testimony, I see that
13 our health center pharmacies will fill an
14 astounding 546 prescriptions in FY '04.
15 Councilwoman Tasco and I introduced a
16 resolution which has not been scheduled as yet
17 and it resulted from what we saw on 60 Minutes
18 on two different occasions. And that was that
19 many of the cities and states are now having
20 their prescriptions filled in Canada for their
21 city employees.

22 Can you tell me how much it cost to
23 fill 546 prescriptions? And what do you think
24 of the possibility or the idea of pursuing the
25 issue of having prescriptions filled in

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2 Canada?

3 COMMISSIONER DOMZALSKI: In answer
4 to the first question, President Verna, I will
5 tell you, the price of medications, just the
6 drug itself, runs probably somewhere just
7 under \$8 million a year. Then we have the
8 price of 16 pharmacists and then support
9 staff, and that's probably another 2, 2 and a
10 half million dollars on top of that. So we're
11 talking about a 10 or 11 million dollar issue
12 here with pharmacies.

13 Now, the pricing of all of this is
14 complicated. If you could bear with me just a
15 little bit, I can parse that out for you
16 somewhat. We enjoy -- because of the kind of
17 health service delivery system we are, we
18 enjoy the ability to purchase drugs at a very
19 reduced cost. It's called the 340-B Program.
20 It's under the Public Health Service Act. And
21 it permits a very aggressive price discount to
22 be made to programs that serve impoverished
23 indigent communities such as our health
24 centers. To understand the value of that, we
25 have to talk about what's called AWP, which is

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2 Average Wholesale Price of drug. That's a
3 benchmark by which all prescription plans are
4 based. For example, maybe the City employees
5 program there's some discount from AWP. AWP
6 is an average. And often times what the chain
7 or the pharmacy will charge the prescription
8 plan will be the following: They'll charge
9 you for the drug at AWP minus a percentage
10 plus a filling fee.

11 Well, the difference between what
12 AWP is and what pharmacies typically acquire
13 the drug at is 17 percent. There's about a 17
14 percent margin there.

15 We purchase drugs at a much more
16 attractive rate than that. Our price under
17 340-B pricing is approximately 56 or 57
18 percent below AWP. And so there's that part
19 of it.

20 In terms of the Canadian drugs, the
21 Canadian system, I understand there's
22 somewhere between a 30 percent price advantage
23 and maybe a 50 percent.

24 COUNCIL PRESIDENT VERNA: Fifty.

25 COMMISSIONER DOMZALSKI: Other

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2 cities -- Sarah Haecker on my staff has done
3 some research on this and identified that
4 states of Minnesota, for example, and
5 Wisconsin have posted on their web site
6 pharmacies in Canada that they think are safe
7 and places from which pharmaceuticals could be
8 purchased at a discount price.

9 I just heard the former FDA
10 Commissioner David Kessler this week talk
11 about the fact that it's against the law to do
12 is that, that there are no safety standards to
13 guarantee the safety of drugs purchased
14 outside of the United States.

15 Well, we're finding that the
16 difference in all of this is really the price,
17 not the pill. Because when you look at some
18 of the manufacturer, for example, some of our
19 major drugs like Lipitor a large portion of
20 the drug Lipitor that comes into the United
21 States is manufactured in Ireland.

22 COUNCIL PRESIDENT Verna: And some
23 of them are manufactured in Canada.

24 COMMISSIONER DOMZALSKI: The whole
25 business with the Medicare prescription drug

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2 plan, you can see the ads on television,
3 nobody understands it because it's so complex.
4 On the other hand, the centers for Medicaid
5 services CNS has now posting on its web site
6 information about what -- in fact, I think
7 they're even breaking it down to the pharmacy
8 level so you could access their web site and
9 say, Look, if I'm on drug X on a regular
10 basis, they would give you the pharmacies in
11 your surrounding area and the prices at which
12 that drug is being sold. So there's a lot of
13 activity here around this issue of drug
14 pricing and the pharmaceutical delivery
15 system.

16 COUNCIL PRESIDENT VERNA: Well,
17 according to some information that we
18 received, there are a number of cities and
19 states that are sending their prescriptions to
20 Canada. And the cities are really saving
21 millions of dollars as a result of that. And
22 according to what we saw, the drugs are safe
23 because, as you say, most of them are produced
24 outside of the States.

25 Commissioner, I'll just ask one last

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2 question because I know that Councilwoman
3 Tasco has been waiting very patiently. For
4 the last couple of years, it has been said
5 that the healthcare center at Broad and
6 Lombard would possibly be sold because the
7 building is so inadequate. What is the status
8 of that?

9 COMMISSIONER DOMZALSKI: The health
10 center at Broad and Lombard, we call it --
11 it's our health administration building.
12 There's really three major functions in the
13 building. The health center is on the first
14 floor, the administrative offices for a number
15 for our programs disease control on the
16 second. And public health laboratory is on
17 the third floor.

18 That building sits on property that
19 does not belong to the City. A good chunk of
20 it --

21 COUNCIL PRESIDENT VERA: It does
22 not belong to the City?

23 COMMISSIONER DOMZALSKI: Does not.
24 We lease it --

25 COUNCIL PRESIDENT VERA: It's

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2 privately owned?

3 COMMISSIONER DOMZALSKI: Yes. It
4 comes to us by way of the Johnson estate that
5 we lease this for on an annual basis. And our
6 current lease with the Johnson estate expires
7 in 2007 or 2008. When that lease expires --
8 right now I think we're paying \$4,000 a year
9 for that land. When that lease expires, we
10 would expect that we would be paying market
11 rates for that land. In addition to that,
12 that building has just been a plague in terms
13 of its maintenance, in terms of being able to
14 work in there. We need to outfit our
15 laboratory much better so that we can do
16 bioterrorism kinds of work, but we cannot
17 invest more money in the laboratory in that
18 building. It will not support it. So our
19 plan is to move out of there, one, the
20 building doesn't work; two, we're going to
21 lose the lease on the site; and three, we
22 probably are going to be able to better serve
23 all of our public health functions and we're
24 going to make sure we don't inconvenience the
25 public in any new place that we move.

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2 COUNCIL PRESIDENT Verna: I'm sorry,
3 when is that lease up, '07?

4 THE WITNESS: Either '07 or '08,
5 President Verna. I'll confirm that for you.

6 COUNCIL PRESIDENT Verna:
7 Commissioner, thank you very much.

8 The Chair recognizes Councilwoman
9 Tasco.

10 COUNCILWOMAN TASC0: Thank you.

11 Is that the what John G. Johnson
12 estate?

13 COMMISSIONER DOMZALSKI: I'm sorry,
14 ma'am.

15 COUNCILWOMAN TASC0: What estate is
16 that, the John G. Johnson?

17 COMMISSIONER DOMZALSKI: All I know
18 is the first Johnson. I don't know if it's --
19 I think there's an art collection.

20 COUNCILWOMAN TASC0: John G.
21 Johnson.

22 COMMISSIONER DOMZALSKI: Yeah,
23 you're right.

24 COUNCILWOMAN TASC0: Thank you.

25 I have a number of questions for

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2 you, Commissioner, and I just like to begin
3 with your statement in the testimony about the
4 decrease in 10 General Fund positions, but I'm
5 somewhat confused. On Page 18 of the budget
6 book we have, it appears that there was an
7 increase of 37 employees?

8 COMMISSIONER DOMZALSKI: I think
9 what we're looking at is -- there are two
10 figures in terms of the number of employees.
11 There is the budgeted figure for FY '04 and
12 then there's the increment run which we run in
13 November. So there's the increment run in
14 November of '03. For example, the budgeted
15 positions in the General Fund for '04 are 771.
16 The increment run is 695. So what we planned
17 to do, though, is to fill up to number of
18 positions there -- 66 positions in FY '05. We
19 show that as an increase of 66 positions, but
20 it's not compared to what's budgeted, it's
21 compared to what was in filled in November of
22 '03. It's an awkward accounting way to show
23 these numbers. The bottom line is that we'll
24 end up with a net decrease of 10 positions
25 across the department.

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2 COUNCILWOMAN TASC0: Explain that to
3 me again.

4 COMMISSIONER DOMZALSKI: When we
5 show our budget in the General Fund, we show
6 how many positions that we had budgeted for FY
7 '04 when we began this fiscal year, which is
8 771. The increment date of November -- the
9 City does, the accounting people take a
10 snapshot. We never have all positions filled
11 that we anticipate filling for a variety of
12 reasons; people leave, we're slow in filling
13 the positions for a variety of reasons, people
14 are hard to get. So what we do is take a
15 snapshot in November about how many of those
16 771 positions did you actually fill,
17 Commissioner, you actually have filled at this
18 time. And this November, it was 695 in the
19 General Fund. And what we planned for in '05
20 then is to fill 761 positions, which looks
21 like an increase of 66 positions compared to
22 the '03 increment run, but it us is an actual
23 decrease of 10 positions from the budgeted
24 number.

25 I will tell you, this makes sense

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2 to --

3 COUNCILWOMAN TASC0: Nobody.

4 COMMISSIONER DOMZALSKI: To people
5 who do --

6 COUNCILWOMAN TASC0: No one. No
7 one. I don't understand it.

8 I'm looking on Page 18 where it says
9 list of positions, General Fund, and you have
10 a lot of positions in the Grant Fund. I'm
11 looking on Page 18 of the budget book.

12 COMMISSIONER DOMZALSKI: The 37
13 positions, Councilwoman?

14 COUNCILWOMAN TASC0: Yes.

15 COMMISSIONER DOMZALSKI: That's
16 compared, again, to the increment run in
17 November. We're actually showing a 37
18 position increase because that's the number of
19 positions that are vacant, that were vacant as
20 of November. So we don't want to let that go,
21 we want to fill those positions right up to
22 what we're budgeted for, because these impact
23 the health centers and we want to be very
24 careful with that.

25 COUNCILWOMAN TASC0: You had 423

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2 budgeted in '04. I'm looking on Page 18.

3 COMMISSIONER DOMZALSKI: Yes, ma'am.

4 COUNCILWOMAN TASC0: And you so a

5 budgeted number positions of 423 in '05.

6 COMMISSIONER DOMZALSKI: Yes.

7 COUNCILWOMAN TASC0: And the

8 difference from -- let's go back.

9 You had actual positions in '03 of

10 400. You budgeted 423 in '04. And I don't

11 know what increment run is in November of 356.

12 Is that the number of positions you had?

13 COMMISSIONER DOMZALSKI: Yes, ma'am.

14 COUNCILWOMAN TASC0: Now so how many

15 positions do you have now?

16 COMMISSIONER DOMZALSKI: We have

17 386.

18 COUNCILWOMAN TASC0: 386?

19 COMMISSIONER DOMZALSKI: Yes, ma'am

20 COUNCILWOMAN TASC0: And you

21 anticipate filling 423?

22 COMMISSIONER DOMZALSKI: Yes, ma'am.

23 COUNCILWOMAN TASC0: So you budgeted

24 for them doesn't mean that you're going to

25 fill them, right?

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2 COMMISSIONER DOMZALSKI: Our
3 intention is to fill them.

4 COUNCILWOMAN TASC0: Are these all
5 new positions?

6 COMMISSIONER DOMZALSKI: They're not
7 new, no. They're a variety. Some of them are
8 very important clerical positions. Some of
9 them are nursing positions. Some of them are
10 pharmacy positions. There are a variety.

11 COUNCILWOMAN TASC0: Of the clerical
12 positions, are they all civil service?

13 COMMISSIONER DOMZALSKI: Yes, ma'am.

14 COUNCILWOMAN TASC0: Would some of
15 them come from other departments in the City?

16 COMMISSIONER DOMZALSKI: No.

17 COUNCILWOMAN TASC0: So they would
18 be advertised and the test would be given and
19 there would be no transfers from other
20 departments?

21 COMMISSIONER DOMZALSKI: People
22 could. I mean, they could access the list. I
23 don't know most of these open competitive.
24 The promotions I guess would be in the
25 department. But I think others would be open

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2 competitive.

3 COUNCILWOMAN TASC0: Could you tell
4 me how then --

5 COMMISSIONER DOMZALSKI: Especially
6 the entry level ones. They could come from
7 other departments. But they'd have to get on
8 the Civil Service list.

9 COUNCILWOMAN TASC0: So then could
10 you explain to me how do you account for
11 General Fund reduction of 10 people?

12 COMMISSIONER DOMZALSKI: How we're
13 doing that?

14 COUNCILWOMAN TASC0: Yes.

15 COMMISSIONER DOMZALSKI: Yes, ma'am.
16 We have three positions from facilities
17 management. We are going to centralize the
18 facility maintenance under Public Property, so
19 we'll be giving up three positions there.
20 There's a couple of clerical positions and
21 there are a couple of administrative
22 positions. For example, I have an
23 administrative officer in environmental
24 protection. Actually, it's a contract
25 administrator that won't be filled. So it's

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2 across the department, but it's at levels that
3 will not --

4 COUNCILWOMAN TASC0: Will they be
5 Grants Fund or General Fund?

6 COMMISSIONER DOMZALSKI: General
7 Fund.

8 COUNCILWOMAN TASC0: So you support
9 in the various grant programs you have General
10 Fund dollars supporting staff?

11 COMMISSIONER DOMZALSKI: Yes.

12 COUNCILWOMAN TASC0: In the grants
13 program portion of the budget, you have
14 General Fund money?

15 COMMISSIONER DOMZALSKI: No, just
16 grants.

17 COUNCILWOMAN TASC0: So
18 environmental protection, is that General
19 Fund?

20 COMMISSIONER DOMZALSKI: It's a
21 combination of General Fund and Grant.

22 COUNCILWOMAN TASC0: And so any
23 individual coming out of the program that's
24 funded with grant money would be the employee
25 that is funded by the General Fund?

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2 COMMISSIONER DOMZALSKI: No. Our
3 reduction would be in General Fund positions
4 but not in the Grant Fund.

5 COUNCILWOMAN TASCO: All right.
6 Thank you. I'm still not clear.

7 On Page 6 of your testimony, you
8 stated that the health department has begun
9 the work of drafting a plan for universal
10 healthcare. I'd like for you to describe what
11 work has begun and what is your timetable and
12 plan for the completion of this Charter
13 mandate.

14 COMMISSIONER DOMZALSKI: Let me tell
15 you, Councilwoman Tasco, that if I had gotten
16 -- and I'll just be candid with you. If I had
17 gotten an opportunity to volunteer or not
18 volunteer to do this, I don't think I would
19 have volunteered to do this. The Charter has
20 been made the responsibility of the Health
21 Commissioner to develop a plan for universal
22 healthcare, something that nobody else has
23 been able to do nationally or at the state
24 level. Having said that, my colleagues and I
25 in the Department have decided this might be

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2 just an excellent opportunity to begin to pull
3 this community together that's got things to
4 say about and understand about healthcare and
5 its access. And we've had an initial meeting.
6 I will say it was a good meeting, but it
7 wasn't a good meeting. It was a good meeting
8 because we had probably 15 different segments
9 of the community in there ranging from people
10 from the Philadelphia Unemployment Project to
11 organized labor to health insurance and people
12 in the middle of the spectrum there. And we
13 had people said at the end of that meeting
14 that this is the first time a conversation
15 like this has ever taken place in this City
16 about an issue such as health insurance.

17 Indeed, one of the insurers said
18 that, "If you had ask me to come to the
19 meeting like this three years ago, I would
20 have said no. And if I did come, I would have
21 said there's no place for me at this table."
22 That person said that, "Yes, there is. I
23 understand it now. Health is a community
24 affair and we've got to pull our information
25 together and identify what things we can do."

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2 We cannot as Philadelphians change
3 federal policy. Hopefully, what's going to
4 have when we have presidential, you know,
5 politics in the election everyone's got a
6 healthcare plan. Maybe that's going to help
7 us. The State's got a lot of leeway in this
8 in terms of how they fund services.

9 There are things we are do. There
10 are things we can do. We can look at our
11 health systems here as we displayed up there
12 in terms of our 27 health centers. But we can
13 also look at how we're being impacted by
14 national trends across the board.

15 When Carol Rogers and I looked at
16 the number of uninsured, uninsured in
17 Philadelphia, we were astounded to learn we
18 have 136,000 uninsured people. And what was
19 even more astounded than that, in the two
20 years that elapsed from the time the first
21 study was taken on that until these data
22 became available, 20,000 more uninsured were
23 added to the rolls. And the tragedy of that
24 is 80 percent of the uninsured are employed,
25 people who are employed who cannot access

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2 health insurance. Either they don't get it
3 from their employer anymore or they get less
4 of it from their employer and they are
5 required then to pay more into it as a co-pay.
6 So we've got to take all these pieces together
7 and say, "Look, what is the picture in
8 Philadelphia?"

9 And don't forget, there are
10 increasing numbers of individuals who are not
11 only insured but our system says you will
12 never get insurance.

13 COUNCILWOMAN TASC0: I understand
14 and we all understand the difficulty in doing
15 this. I think the intent -- and I can't speak
16 for Councilman Cohen -- was to have
17 Philadelphia begin to think about what we can
18 do that could possibly serve as a model to
19 stimulate national thinking. I mean, from
20 small little acorns do big trees grow. And
21 looking at developing a plan that, certainly,
22 we can influence federal policy if it's done
23 the right way. But I guess my question is, is
24 your dialog ongoing and have you developed an
25 outline for an action plan or a process for

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2 how you meet the Charter mandate?

3 COMMISSIONER DOMZALSKI: We have.

4 We've engaged someone to help us lead that to
5 begin to staff that, to pull the data together
6 to begin to pull meetings together. We
7 envision in this actually bringing in
8 Councilmembers to this. We had a meeting last
9 week with Councilman Cohen to talk about this.
10 We also envision have meetings at the
11 neighborhood level in the communities to see
12 how they're impacted, get a perspective there
13 that we wouldn't have just looking at it from
14 our advantage point. So we're going to pull
15 all these pieces together, including most of
16 the people who came into Council and testified
17 in favor of this because everyone has got
18 something to say about this.

19 I believe two things: One, all
20 healthcare is personal. And two, health
21 definitely is a community affair.

22 COUNCIL PRESIDENT VERA:

23 Councilwoman, you can finish you line of
24 questioning on this. Councilman Ramos has
25 been waiting, so we could always come back to

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2 you.

3 COUNCILWOMAN TASC0: I just want ask
4 you, you said you pulled someone in to help
5 you do that. Who is that?

6 COMMISSIONER DOMZALSKI: Dr. David
7 Grande (ph).

8 COUNCILWOMAN TASC0: What is his
9 background and experience? Is he an employee
10 of the Health Department?

11 COMMISSIONER DOMZALSKI: No, he's
12 not. Dr. Grande has worked at the policy
13 level in Washington on healthcare issues and
14 health policy issues. He's familiar with that
15 area. Importantly, he's also a practicing
16 internist, so he understands patient care from
17 the delivery point and also is able to bring
18 some resources together from -- he's
19 associated with the Woodrow Wilson School of
20 Public Policy at Princeton. Is able to bring
21 some of those resources together.

22 COUNCILWOMAN TASC0: How was he
23 selected?

24 COMMISSIONER DOMZALSKI: Actually,
25 through a process, I think it was suggested to

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2 me from somewhere in the advocacy community,
3 we brought a couple of people together to talk
4 about does this make sense for us to go in
5 this way. I'm talking about people outside
6 the Health Department. We had some questions
7 about what was his background and preparation.
8 We shared his resume. We talked about it.
9 And when we came out of it, we decided we've
10 got to get going on this. Dr. Grande appears
11 very competent. He's got the right background
12 and experience. We think we need to be get
13 moving, and I think that that's a good
14 approach and so that's the way we're going.

15 COUNCILWOMAN TASCO: Thank you. I
16 have some more.

17 COUNCIL PRESIDENT VERNA: Thank you.

18 The Chair recognizes Councilman
19 Ramos.

20 COUNCILMAN RAMOS: Thank you, Madam
21 Chair.

22 Good morning, Commissioner.

23 COMMISSIONER DOMZALSKI: Good
24 morning, Councilman

25 COUNCILMAN RAMOS: I want to thank

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2 you for being one of many department head and
3 agencies and boards that reached out to me.
4 I'm the newest member of City Council. And
5 that has helped me understand your needs and
6 your concerns, especially within the deficit
7 that this City faces, this government faces at
8 this time.

9 No health centers are closing, is
10 that true?

11 COMMISSIONER DOMZALSKI: Absolutely
12 not.

13 COUNCILMAN RAMOS: The health
14 centers have always been known to be free
15 healthcare centers, and I'm glad that since I
16 was a child they were there for especially
17 people in neighborhoods, especially the poor.
18 Is there any anything that's going to change
19 in the services that provide that moves it
20 from free to some kind of cost to the public?

21 COMMISSIONER DOMZALSKI: Most
22 centers of our type do have a fee schedule.

23 COUNCILMAN RAMOS: Is that new?

24 COMMISSIONER DOMZALSKI: Well, we're
25 not contemplating a fee schedule at this

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2 moment. We've been advised that we ought to
3 think about that because there are people who
4 -- first of all, we will never want to have
5 anyone not to receive care because of a cost
6 factor or inability to pay. We don't want to
7 have that barrier in the health centers. So
8 we've not taken that advice to introduce a
9 sliding fee schedule for the uninsured. We
10 haven't closed the books yet on understanding
11 whether or not a service such as our pharmacy
12 program whether it's possible to create a fee
13 structure that would enable us to obtain some
14 revenue but also keep the service available
15 for those who just don't have any resources.
16 We haven't finished that analysis yet, and
17 that's one --

18 COUNCILMAN RAMOS: So there is a
19 chance that because of the deficit, correct me
20 if I'm wrong, that some of the services that
21 you're providing at the healthcare centers,
22 there's going to be fee required?

23 COMMISSIONER DOMZALSKI: That's not
24 on the table at this point. My budget is not
25 balanced on any fee schedule at this time.

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2 COUNCILMAN RAMOS: If the event that
3 you would, you know, because of the deficit
4 that you would have to go in that direction,
5 have you studied what kind of impact that
6 would have on the population that you serve?
7 Healthcare centers, as I stated, have been
8 traditionally a place where people that are
9 poor go to. And if so, will you notify -- I
10 think you would need to notify the public in
11 advance. I would like you to notify us
12 through the office of the President of any of
13 the changes that will have such a dramatic
14 affect on the population that you have served
15 so well over the years.

16 COMMISSIONER DOMZALSKI: At this
17 time, there is no plan to implement in fee
18 schedule in the health centers. The FY '05
19 Health Department budget is not balanced in
20 any way in anticipation of any fees chargeable
21 to patients. So the services will continue to
22 be available to patients on the same basis
23 that they are today. Having said that, I have
24 got over 50 percent of the people who come
25 into the health centers without insurance, I

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2 have got in some of the health centers I have
3 got as many as 55 percent of the children,
4 children who are without insurance. Now,
5 Councilman, 98 percent of the children in this
6 City are insurance eligible. We need to do a
7 better job in our system of getting all
8 children insured. So we're not going to
9 charge people a fee; that's not in the cards.
10 But we do need to double our efforts and get
11 everyone's cooperation to help us get as many
12 of the insurables in our health centers on
13 insurance, just because it makes good public
14 policy and good public health policy.

15 COUNCILMAN RAMOS: And I agree with
16 you. I concur with you. I think that is
17 wise. And thinking ahead, this is an area
18 that we can probably do better and be able to
19 get reimbursement or get insurance for people
20 that are needy, especially our children.

21 Last week, I presented a resolution
22 that was adopted here unanimously by this body
23 and was commending you and the Health
24 Department for your tenacious work that led to
25 Pennsylvania's Health Secretary, Mr. Johnson,

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2 temporarily allowing Philadelphia to use a
3 code of assist that maintains an HIV patient's
4 anonymity. And I talked about that last year
5 as I ran for public office of how important
6 this was to me and to people that needed to
7 protect their anonymity.

8 Can you talk to us a little bit
9 about the program and the impact that this
10 health department has made inside the State of
11 Pennsylvania?

12 Again, I congratulate you for being
13 able to have Pennsylvania relieve us a system
14 that I think was unfair to our HIV community.

15 COMMISSIONER DOMZALSKI: Thank you,
16 Councilman Ramos. It was very generous and I
17 very much appreciate the action of Council in
18 this regard. But I have to quickly say that
19 this was a collaborative effort and without
20 everyone's participation, none of it would
21 have been possible. The leadership here began
22 with the Mayor. The Mayor was absolutely four
23 square in front of not having names based
24 reporting. Joe Cronaur was very much part of
25 this. Ronda Goldfein and the AIDS Law

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2 Project. We have Kevin Konar in the Action
3 AIDS, and Jane Schull, a member of our Board
4 of Health. There are just so many people and
5 people at the grassroots that came out and
6 said, "We support you in this." And that's
7 not to say it wasn't a difficult process with
8 the prior Administration in Harrisburg; it was
9 a difficult process, and some of my colleagues
10 understand how difficult that was. The fact
11 that we've got the Secretary of Health,
12 Secretary Johnson, understanding the needs of
13 the community here in Philadelphia and
14 understanding the barrier that names based
15 reporting will present for people accessing
16 needed testing, that was the basis on which he
17 granted the year's waiver.

18 Having said all that, what we're
19 going to have is we've begun to implement
20 this, we began to implement this the 31st of
21 March. It will involve -- what everybody
22 agrees is, first of all, we know a lot about
23 AIDS. We know almost nothing about HIV. So
24 we have to understand something about HIV
25 disease and where it is in the community. So

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2 what we're going to do here in Philadelphia is
3 we're going to have reporting done by a
4 code-based identifier. The code will consist
5 probably some combination of maybe the last
6 four digits of a social security number and
7 perhaps some part of a birth date and so on as
8 the code gets structured. So that when those
9 reports are made, the government is not
10 getting access to a specific individual's
11 identity.

12 COUNCILMAN RAMOS: Thank you for
13 your efforts and all the other community
14 groups that fought so hard for this system to
15 become a fair system for HIV patients.

16 Madam Chair, am I okay to continue?

17 COUNCIL PRESIDENT VERNA: We're not
18 being timed because there aren't that many
19 year.

20 COUNCILMAN RAMOS: The issue of
21 undocumented immigrants going to your health
22 centers, how big is that population? How have
23 you seen it grown? And what rights do they
24 have, particularly undocumented immigrants,
25 what kind of services are they entitled to in

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2 your health centers?

3 COMMISSIONER DOMZALSKI: They're
4 entitled, Councilman Ramos, to a full range of
5 health services that every other person is.
6 One of the hallmarks of this Administration is
7 we've reached out to the diverse communities
8 that make up this wonderful City. Indeed,
9 last night, we were with the Mayor in the
10 Cambodian community at 16th and Washington.
11 The Cambodian community is 10,000 strong in
12 this City. And under the leadership of the
13 Managing Director last October, we took a
14 tour, all the department heads, to six or
15 eight culturally and ethnically defined
16 communities in this City. We have seen in the
17 health centers increasingly new
18 Philadelphians, immigrant population turning
19 to our health centers in great numbers.

20 The health centers that are most
21 dramatically impacted would be Health Center 6
22 where about 40 percent of the individuals who
23 access care in that center require some sort
24 of language assistance as we go through. And
25 that's pretty much across the board. They're

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2 just two health centers where language
3 services aren't needed as much across the
4 board, and that would be Health Center 5 in
5 Strawberry Mansion. But by and large, just
6 about every health center requires -- we have
7 some 23 languages that we need to provide
8 interpreter services.

9 If you go back 20 years, perhaps
10 what we were looking at might have been two or
11 three languages. So it's increasing, we're
12 glad that people are coming to Philadelphia,
13 we welcome them, and we're very grateful that
14 we're able to provide a whole range of
15 services to all communities, including the new
16 Philadelphians.

17 COUNCILMAN RAMOS: So I'm an
18 undocumented worker walking into Health Clinic
19 No. 6, there is every service that is provided
20 to a citizen is also available to that
21 undocumented person?

22 COMMISSIONER DOMZALSKI: Yes.

23 COUNCILMAN RAMOS: And we are sure
24 that they're being attended to?

25 COMMISSIONER DOMZALSKI: Yes.

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2 COUNCILMAN RAMOS: I haven't heard
3 any reports. I commend you for that. I
4 haven't gotten any complaints that they've
5 been turned around, but I would think that
6 this population is increasing, making your
7 local health centers that much more crucial.
8 Because given the health crisis in our
9 country, health center seems to be our only
10 place for the have-nots to go to. So I'm glad
11 that we're doing --

12 Are you satisfied also with the
13 language translators and people that work in
14 your centers and having enough in these
15 centers to be able to take care of this
16 immigrant population that is getting sick but
17 still haven't become proficient in English?
18 Are you satisfied with -- and if you're not, I
19 need for you to tell us that.

20 COMMISSIONER DOMZALSKI: Let me
21 answer the last question first. I'm not
22 satisfied, not with the language. We've made
23 a lot the strides in that. We do employ
24 interpreters in our health center. We do
25 access interpreter services through a variety

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2 of organizations such as Nationality Services
3 Center. We translate, we use the language
4 line. But, Councilman, all of those are
5 substitutes and very poor substitutes for
6 being able to have someone who has a medical
7 problem be able to communicate information as
8 personal as about your health status through a
9 third party, and sometimes not all that ably
10 as well. So there are many things we need to
11 do. We are making huge strides. I know the
12 Managing Director's leadership on this has
13 been extremely useful because what we're going
14 to be doing is being able to access the
15 citywide contract on interpreter services. So
16 that may increase our ability to interact with
17 the limited-English-speaking community in the
18 City. So I think we have done a lot and we've
19 increased our services over the years, but to
20 say that we are at perfection at this point or
21 where we absolutely need to be or where we can
22 be, I think we still have work to do.

23 In terms of your first question,
24 coming in, yes, the full range of services
25 would be available to you. The only think I

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2 would say as a caveat is if you were bringing
3 your child with you and your child was
4 insurance eligible, such as a child being born
5 in the United States, we would ask you to
6 cooperate with us and help you get insurance
7 for your child. And often times that's where
8 the rub is. Because as hard as we try, we
9 still ask those questions on the forms like,
10 "where do you live, who lives with you, how
11 much income do you have and proof of income."
12 And all of those things begin to get very
13 off-putting to people who are here under a
14 variety of statuses in the United States.

15 COUNCILMAN RAMOS: Are you saying
16 that when your staff starts to question the
17 parent of a child who now is eligible for some
18 assistance, they don't want you to give you
19 the information?

20 COMMISSIONER DOMZALSKI: It's a
21 little difficult. What we need to do is make
22 sure we get our message across that the only
23 thing we're interested in is getting an
24 application for insurance, that this
25 information is not going to government

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2 agencies, it's not going to John Ashcroft,
3 it's not going anyplace other than to the
4 people who make a decision about whether or
5 not your child is eligible for insurance and
6 get your child the insurance that the child is
7 eligible for which opens up a whole range of
8 additional services which are very important
9 for people to not only come to the United
10 States but to stay and be successful in our
11 country and in our City.

12 COUNCILMAN RAMOS: I appreciate very
13 much what you're doing, providing service to a
14 poor immigrant community, and what I see is an
15 increasing number of that community of people
16 that are undocumented. That's an issue that
17 the country and the federal government doesn't
18 seem to be giving us any direction of what to
19 do in this area, and it's a degree of
20 consternation among Americans and also a
21 degree of unfairness going on with new
22 immigrants into our country.

23 Am I okay, Madam Chair?

24 COUNCIL PRESIDENT VERNA: If you
25 don't mind, we do have --

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2 COUNCILMAN RAMOS: I'll do a second
3 round.

4 COUNCIL PRESIDENT Verna: Thank you.
5 Councilwoman Miller.

6 COUNCILWOMAN MILLER: Thank you,
7 Madam Chair.

8 Good morning, Health Department.

9 COMMISSIONER DOMZALSKI: Good
10 morning, Councilwoman. How are you?

11 COUNCILWOMAN MILLER: Great.

12 I have a couple questions pretty
13 much around the issue of working uninsured and
14 their need for healthcare. I believe a couple
15 years ago we did talk about expanding the
16 hours at the district health centers. What
17 are the hours? Have they been expanded to
18 evenings and/or Saturdays?

19 COMMISSIONER DOMZALSKI: We do have
20 expanded hours, Councilwoman. The normal
21 workweek is 7:30, 8:00 to 5 or 5:30. All of
22 our centers do have either an evening session
23 or a Saturday session. And our Health Center
24 1 at Broad and Lombard has two evening
25 sessions, one on Monday evening and one on

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2 Wednesday evening.

3 That is something that's been a
4 subject of some conversation in the past,
5 several years in the department, because what
6 we need to do is really look at our patient
7 population and ask them what are right hours
8 for you, for you to be able to access this
9 service? Forever, we always provided services
10 when it was convenient for us. So now we've
11 got to get around to asking people, "What's
12 convenient for you?" Because much has changed
13 recently because since 1997, even people who
14 are insured know or have some sort of
15 assistance need to be in sort of educational
16 program during the day or they're in jobs
17 where they don't have the luxury of taking an
18 afternoon or a whole day off to take their
19 child for an immunization or to get well child
20 checkup or even their hypertension checked for
21 themselves.

22 So I'm just very suspicious that our
23 service structure in terms of the hours is
24 adequate at this point. I just see, as we
25 look over the months, that we look -- as we do

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2 these patient surveys in the center, through
3 some focus groups, and talk about what are the
4 right hours. I' thinking we probably need
5 more evening hours, but people may tell us,
6 "Well, look, I'd rather not do the evening
7 hours. Just give me a few more hours on
8 Saturday when I can access it better. That's
9 something that we're very much engaged with.

10 COUNCILWOMAN MILLER: Okay. Because
11 I do know that getting to doctors is
12 important. And if the center is not
13 assessable and open, then it does create a
14 problem for people that need healthcare.

15 What is the normal wait for
16 prescription drugs?

17 COMMISSIONER DOMZALSKI: I'm sorry,
18 Councilwoman.

19 COUNCILWOMAN MILLER: What is the
20 normal waiting period to get a prescription
21 filled?

22 COMMISSIONER DOMZALSKI: The normal
23 waiting period for a prescription in this City
24 is probably a couple of hours. In our health
25 center system it's a couple of days, at best.

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2 And there have been times, Councilwoman -- and
3 I think you and I have talked about this --
4 that wait has been as long as eight days and
5 sometimes even longer in our health centers.
6 That's why we've got to grapple with this
7 pharmacy issue.

8 COUNCILWOMAN MILLER: It does seem
9 to me that the pharmacy setup is a real issue.
10 I know in District Health Center No. 9, the
11 space is an issue, which I think would impact
12 the ability to effectively service people. I
13 visited there, and prescription drugs were
14 everywhere. They were everywhere, just
15 stacked up on top of each other.

16 COMMISSIONER DOMZALSKI: That's
17 something that -- because you know what you're
18 looking at, almost nobody else sees. We see
19 the line outside the center. We see the
20 patients who are in the line waiting to be
21 told, "yes, come back in two days or four
22 days." But when you look beyond there, some
23 of the hardest working people in this
24 government, Councilwoman, are the people who
25 work behind those counters. The pharmacists

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2 and those pharmacy technicians and the wide
3 range of staff in our health centers, but when
4 you look in there, the physical plant was
5 never made for this volume. It looks like --
6 it's just is a jumble in there; you're right.

7 COUNCILWOMAN MILLER: It's very
8 small. And I know if you can't get organized,
9 you can't really service people in an
10 efficient manner.

11 I'll talk to you later about what
12 was discussed at the Germantown site just in
13 terms of the ability to expand that would give
14 them more space, and we can talk that at some
15 other time.

16 One thing I'd like to know, how does
17 our infant mortality rates compare with other
18 cities in the United States and nationally?

19 COMMISSIONER DOMZALSKI: Well, it's
20 similar to other large urban areas. And I'm
21 kind of responding tentatively because there's
22 a difference. It depends on where you look.
23 And, unfortunately -- this is a part of a
24 conversation I always have a lot of difficulty
25 with. And we in Philadelphia count every

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2 child that's born who dies as an infant death.
3 That isn't the way infant mortality is
4 calculated everywhere else. There's no
5 consistency.

6 We looked at a place, for example,
7 in one of the boroughs of the New York. We
8 had some people come in as we grapple with
9 this to look at it, and they were telling us
10 that they had an infant mortality rate of
11 something like 5.4. Well, I was astounded,
12 because the population was very similar
13 demographically to ours. One of the issues
14 that comes up is that they don't issue a death
15 certificate for very pre-term births. And so
16 they've essentially calculated their way into
17 a different infant mortality.

18 I'm very reluctant to do that. What
19 we need to do is focus on across the board
20 getting our infant mortality rate -- see, if
21 we had that map up there, Councilwoman, you're
22 going to ask me -- and I think rightfully so
23 -- is how come up in the Northeast and how
24 come way, way up in the Northwest we've got an
25 infant mortality rate of two or three, and in

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2 parts of where I live in zip code 19144 and
3 parts of Mantua in Councilwoman Tasco
4 district, how come it's 15; twice, three times
5 the percentage? And that's what we need to
6 get at. And that's the issue we still have,
7 babies being born too soon and too little.

8 The other piece of this -- and I
9 figured I'd try work this in, but there's
10 something that gets me on the edge of my chair
11 when I start looking at some of this stuff.
12 It's not all that simple. There's a lot of
13 different things that come together that
14 impact infant mortality. And if you start
15 teasing them out, you start to look at them.
16 We know, for example, if we were to reduce
17 smoking among pregnant women, we could reduce
18 the infant mortality rate by as much as 30
19 percent. That's big.

20 I had a meeting earlier this week
21 when we were looking at tobacco sales to
22 minors in this City. It's illegal to sell
23 cigarettes to children in this City. It is
24 illegal. We just looked at our enforcement,
25 and two areas of the City that stand out. You

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2 have 51 percent of the stores in North
3 Philadelphia selling cigarettes to children.
4 That doesn't happen in the far Northeast. It
5 doesn't Chestnut Hill, it doesn't happen in
6 Center City. That's the differences. And
7 we've got to look at what our enforcement
8 issues are there and we've got to bring this
9 issue home to the people who are selling these
10 cigarettes to kids.

11 Kids can't afford a pack of
12 cigarettes anymore. So these merchants will
13 accommodate them because they'll open that
14 pack up and they'll sell them two or three
15 cigarettes at a time. We also know the impact
16 of that because what happens is, particularly
17 the women that we have in our smoking
18 cessation programs, all of them -- almost 90
19 percent say they began when they were children
20 to smoke. We've got to get our arms around
21 that. I'm committing to support that effort
22 and to be able to come in here and not wait
23 until wait until next year but to be able to
24 come within the next, say, 90 days, 6 months,
25 to have a different turnaround on this

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2 enforcement.

3 We just met with Bob Sovibile and
4 Dominic Verde about enforcement, ratcheting up
5 this enforcement across the City. We've also
6 got to work with the State, because you take
7 away a tobacco license, they can turn around
8 and pick up another one because a tobacco
9 license cost a grand total of \$25 in this
10 Commonwealth. It's a state issue. So we've
11 got a lot of work to do across the board. And
12 it's not about making life difficult for
13 merchants; it's the law you shouldn't sell
14 cigarettes and it's a good public health
15 reason for not selling cigarettes to children.

16 COUNCILWOMAN MILLER: Well, you
17 know, there are stores out in neighborhoods
18 that we all know of that will sell a loose
19 cigarette. And I think part of what we have
20 to do just as citizens is to report these
21 stores. Once we report them, who do we report
22 them to and how does L&I fit into this?

23 COMMISSIONER DOMZALSKI: We have
24 that number.

25 COUNCILWOMAN MILLER: Before I came

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2 to Council, there was a store a couple doors
3 away from my office that was selling loss
4 cigarettes and I just went over there and
5 threatened to expose them.

6 COUNCIL PRESIDENT VERNA: It is L&I
7 that we would report that complaint to.

8 COMMISSIONER DOMZALSKI: Actually
9 it's a 877 -- it's an 800 number.

10 COUNCIL PRESIDENT VERNA: You don't
11 have to be so concern about the number. We're
12 asking about the department. It's L&I.

13 COMMISSIONER DOMZALSKI: Well, that
14 could come into our tobacco enforcement.
15 Certainly, it can get called into L&I, but we
16 have a number in our department as well
17 that --

18 COUNCIL PRESIDENT VERNA: Well, the
19 Councilwoman's question is, who should she
20 call? Should she call L&I or the Health
21 Department?

22 COMMISSIONER DOMZALSKI: Here is the
23 number. It's 1-877-99-SMOKE.

24 COUNCILWOMAN MILLER: That's part of
25 what we can do when we're out meeting with

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2 community groups, you know to educate the
3 public and let people know, block captains
4 know, et cetera, that this is what they need
5 to do because we may want to let people know
6 how smoking impacts infant mortality rate here
7 in Philadelphia.

8 What else are we doing? What groups
9 are being funded to address the infant
10 mortality issue in Philadelphia, particularly
11 in zip code 19144 and also Councilwoman
12 Tasco's zip code, 38 -- we share 38 -- that
13 has the higher rates?

14 COMMISSIONER DOMZALSKI: Well, what
15 we're doing is we've created under our Title 5
16 Program in maternal, child and family health,
17 a program called SAFE, S-A-F-E. It's an
18 acronym for Services to Assist Families Excel.
19 And this is focussing on children birth to 3
20 years of age. And what we've done is a RFP
21 with this. In the Northwest area, we are
22 re-doing that RFP. We were concerned that we
23 didn't get enough bids, and we were concerned
24 that the people who did bid on that, that they
25 could have maybe didn't tell us everything

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2 that they could have told us about all their
3 services and so we might have missed an
4 opportunity to do some business with them. So
5 over the next 90 days that process will be
6 completed, and we'll have a new or a
7 continuation vendor in that area.

8 COUNCILWOMAN MILLER: Okay.

9 Commissioner, speaking of bids, I'd
10 like to know -- and if you don't have it
11 today, it's fine; we can get this information
12 to the Chair. Of all the professional service
13 contracts that the Health Department gives
14 out, I'd like to get information on the number
15 of minority firms that have received those
16 contracts, the dollar amount of the total
17 contracts, and the percentages of those
18 contracts in terms of dollar amounts too of
19 minority providers that have received
20 contracts through the Health Department.

21 COMMISSIONER DOMZALSKI: I can tell
22 you this morning, Councilwoman, that in Fiscal
23 Year '03, 23 percent of our contracts went to
24 minorities. This year we're expecting that
25 that will be 24 percent, and we expect that

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2 our projection for FY '05 for is for that
3 percent to go to 25. Now, the dollar amount I
4 don't have, but I will get that to Council
5 President right away.

6 COUNCILWOMAN MILLER: All right.
7 Thank you.

8 Thank you, Madam President.

9 COUNCIL PRESIDENT Verna: Thank you.
10 The Chair recognizes Councilwoman
11 Brown.

12 COUNCILWOMAN BROWN: Thank you,
13 Madam President.

14 Good morning.

15 COMMISSIONER DOMZALSKI: Good
16 morning, Councilwoman.

17 COUNCILWOMAN BROWN: Let me speak to
18 the issue of the MomMobile. Could you give me
19 an update, if you will, on the MomMobile and
20 what lies ahead for the MomMobile in the next
21 fiscal year? Let's start there.

22 COMMISSIONER DOMZALSKI: The update
23 on the MomMobile is probably a little easier
24 than the future. And I promised I would go
25 into only as much detail as people wanted to

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2 have.

3 COUNCILWOMAN BROWN: I appreciate
4 the detail.

5 COMMISSIONER DOMZALSKI: Where we
6 are at this point with the MomMobile services,
7 in the far Northeast at Health Center 10, we
8 do have them in Strawberry Mansion and we do
9 have a Latino Mon-mobile that's operating.

10 COUNCILWOMAN BROWN: How many total?

11 COMMISSIONER DOMZALSKI: I'm sorry?

12 COUNCILWOMAN BROWN: Currently, how
13 many?

14 COMMISSIONER DOMZALSKI: How many
15 MomMobiles?

16 Somebody, before I'm finished, will
17 give me that exact number.

18 In terms of the way we're looking at
19 services across the board, our issue with
20 services around infant mortality is that we
21 buy services that we think support our public
22 health program objectives. It used to be that
23 we would have organizations come to us and
24 say, you know, "I've got a great program. I
25 want you to fund it." It may not have had any

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2 -- you know, we might not have thought, gee,
3 that fits in service structure. It may or may
4 not have. But in any event, we funded it.

5 What we're doing is a lot
6 differently than that. What we're doing is
7 buying services that allow us to focus on the
8 issue of infant mortality from the standpoint
9 of getting women into prenatal care. And one
10 of the issues there is the structured approach
11 to how you are going to go and access women in
12 the community who may need prenatal care. And
13 that's a lot you different than taking care of
14 women who are already in the system. There
15 may be some overlap there, but it's a new
16 structure in terms of the way we are buying
17 services and the way we are evaluating
18 proposals on how we go forward.

19 I just happen to think that the
20 concept of the MomMobile being community based
21 and there is very good. The issue is, how
22 many women do we actually identify and get
23 into prenatal care.

24 You know, one of the things we
25 haven't talked about -- I just looked at a

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2 figure in terms of prenatal care and women who
3 need care. In the past year, we have had 373
4 births to women under the age of 15.

5 COUNCILWOMAN BROWN: I'll hold my
6 breath. Is that an increase or what?

7 COMMISSIONER DOMZALSKI: That is a
8 slight increase because I used to use a figure
9 before of about something less than the 200s
10 on that. That's a change.

11 If we look at the figure of women
12 under the age of 18, we're still looking at
13 close to 3,000 births.

14 So there are women out there we
15 really do need to find ways in which we can
16 interact with young women, get them involved,
17 get them involved in prevention services, get
18 them involved in a who variety of programs and
19 services. So I'm not saying for a minute that
20 the MomMobile and the concept isn't a valuable
21 one. What I am saying is that what we need to
22 do is look to see how that either as it now
23 exists or how it can be modified can fit into
24 our overall assault on infant mortality.

25 COUNCILWOMAN BROWN: The principal

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2 purpose of the MomMobile is to outreach and
3 identify young ladies and women for prenatal
4 services. So agree in principle that it's
5 meeting its mission?

6 COMMISSIONER DOMZALSKI: Absolutely.
7 I agree that is an important mission.

8 COUNCILWOMAN BROWN: Are there tools
9 in place to track young ladies that come into
10 the system by way of the MomMobile to further
11 justify its purpose?

12 COMMISSIONER DOMZALSKI: Yes, we do
13 look at the number of women who are brought
14 into care and were referred into services,
15 number of contacts and that nature. We can
16 supply that program data to you, Councilwoman.

17 COUNCILWOMAN BROWN: So you would be
18 able to say of the 378 women, an approximate
19 number of those that were tapped or touched by
20 the MomMobile?

21 COMMISSIONER DOMZALSKI: Or not.

22 COUNCILWOMAN BROWN: You can make
23 that connect?

24 COMMISSIONER DOMZALSKI: Yes.

25 COUNCILWOMAN BROWN: Have you been

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2 able to determine how many MomMobiles are
3 currently within the Department?

4 COMMISSIONER DOMZALSKI: We are
5 funding all or in part four MomMobiles.

6 COUNCILWOMAN BROWN: Currently
7 funding four?

8 And you say you now buy services
9 from others who provide a similar service?

10 COMMISSIONER DOMZALSKI: When we're
11 looking at the whole business of infant
12 mortality, we have several ways that we
13 approach this in the City. These are new in
14 compared to, for example, the service of the
15 MomMobile. The MomMobile service is an
16 important one. What we also do is we have the
17 David Olds project --

18 COUNCILWOMAN BROWN: You have the
19 what?

20 COMMISSIONER DOMZALSKI: David Olds.

21 COUNCILWOMAN BROWN: Okay.

22 COMMISSIONER DOMZALSKI: You know,
23 it would be nice if infant mortality were
24 straightforward that we could say, you know,
25 this approach if we do X, we'll have Y result

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2 and infant mortality go down. But it's a
3 complex phenomenon. And what we need to do is
4 learn an awful lot about why babies are dying
5 before the first year of life. And some of
6 those things we're learning through the David
7 Olds Project, which is a very intensive
8 program that's operating in West Philadelphia
9 and it's for first-time mothers and we have --
10 the capacity of the system is 400, 400 women
11 in the system under the David Olds. And what
12 we do is look to see what interventions occur
13 and what are successful in getting women into
14 care. And also in that what's is called the
15 conception phase, which is the period of time
16 between the end of one pregnancy and the
17 beginning of another and what impact these
18 services have had with regard to that. So
19 we're learning things from the David Olds
20 Program.

21 COUNCILWOMAN BROWN: Make the
22 connect for me between the David Olds Project
23 and MomMobile.

24 COMMISSIONER DOMZALSKI: There's no
25 comparison. These are intensive -- the David

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2 Olds program is nurse-based. We have one
3 nurse that will have 25 families. Nurses
4 receive very intensive specific training
5 according to protocols that have been
6 developed by Dr. Olds, and there's a very
7 stringent evaluation process in terms of the
8 educational piece.

9 A MomMobile, while not exclusively,
10 is an outreach service. And they also provide
11 a number of services inside our health centers
12 to women who are already in the our health
13 centers. So not to say that those services
14 aren't absolutely important, but it's a piece
15 that we need to evaluate in terms of where
16 we're going now with our assault on infant
17 mortality.

18 The other piece is something that we
19 just got started and our Division of Maternal
20 and Child and Family Health and our Medical
21 Director Dr. Godley heading this up called the
22 FIMR, F-I-M-R. It's called Fetal Infant
23 Mortality Review. This is sort of the area
24 where we're going to learn a lot more about
25 what happens in those first few days of life

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2 that end before a year is up and the child
3 dies. These are actually working with parents
4 who have had a loss and accessing not only the
5 social data, the demographic data, but also
6 the clinical history, working with the
7 hospitals. So we're going to learn an awful
8 lot, and from that kind of learning --

9 COUNCILWOMAN BROWN: Madam President
10 is to give me the red bell in the minute. So
11 is that to suggest then that FIMR is
12 supplementing or complementing MomMobile
13 services?

14 COMMISSIONER DOMZALSKI: No. What
15 it's going to do is it's going to give us
16 information on which we might decide that we
17 have some different programs that we may need
18 to implement program either in the MomMobile
19 mode or apart from that.

20 COUNCILWOMAN BROWN: What does the
21 future hold for the MomMobile?

22 If you currently have four -- and I
23 hear from you four; I get different numbers
24 from others. What's the status of the
25 MomMobile going forward?

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2 COMMISSIONER DOMZALSKI: I think the
3 future depends on what the success rate is of
4 the MomMobile in doing the outreach to get
5 women into prenatal care early. What is the
6 success of that? And the more successful that
7 is, the more successful that is, the more
8 secure the future of that mode of service
9 delivery. We may still have things going
10 around called the MomMobile, but we may be
11 doing something a little bit differently.

12 COUNCILWOMAN BROWN: So internally
13 then you have a department or a practice or
14 procedure that allows you and your staff to do
15 a self-assessment on its success, correct?

16 MR. DOMZALSKI: Yes.

17 COUNCILWOMAN BROWN: Today, as we
18 know it, there are four. And at what juncture
19 do you see making a determination or at what
20 point do you see yourself giving the Department
21 an evaluation around the MomMobile to further
22 determine its life in the future?

23 COMMISSIONER DOMZALSKI: Well,
24 that's what's going on right now, in terms of
25 some of this. I think there may be some

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2 MomMobile activity that is suggested for the
3 Northwest part of the City in the area that
4 we're now competing for the Safe Program.
5 There may be some activity associated with
6 that.

7 What we'll be doing is looking at
8 either those proposals and looking at what
9 services are now being provided and actually
10 looking at the success rate of the current
11 activity in bringing pregnant women into
12 prenatal care and keeping them in care.

13 COUNCILWOMAN BROWN: Did you have a
14 follow-up question, Councilwoman Tasco?

15 COUNCIL PRESIDENT Verna: She's been
16 waiting.

17 COUNCILWOMAN BROWN: Past my five
18 minutes, right?

19 COUNCIL PRESIDENT Verna: Way past
20 it. So if you don't mind, Councilwoman, we'll
21 have a second go-around.

22 COUNCILWOMAN BROWN: I'll wait for
23 the next round.

24 COUNCIL PRESIDENT Verna: The Chair
25 recognizes Councilman Clarke.

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2 COUNCILMAN CLARKE: Thank you, Madam
3 President.

4 Good morning.

5 COMMISSIONER DOMZALSKI: Good
6 morning.

7 COUNCILMAN CLARKE: Commissioner, a
8 couple questions. Recently, as the part of
9 the redistricting, I picked up a section of
10 the City that has a substantial amount of
11 industrial sites, some of them closed, over in
12 Fishtown and Kensington. And as a result of
13 that, I've had to attend numerous meetings to
14 deal with certain environmental issues. The
15 Absco site is one of them, the more notorious
16 sites. I need to get some clarity on the
17 lines of responsibility and jurisdiction as it
18 relates to the municipal remediation unit, the
19 state and the federal and who has
20 jurisdiction, who dictates what strategies
21 will be implemented to resolve some of these
22 issues.

23 The other question I have is about
24 aggressive dogs as it relates to the City
25 taking over the responsibility of the SPCA and

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2 the reason why the SPCA got out of the dog
3 business.

4 But if you can talk to me about the
5 environmental issues, the staffing levels on
6 the City level, the ability to adequately
7 respond to some of the concerns that are
8 raised.

9 COMMISSIONER DOMZALSKI: I will,
10 Councilman. On the abandoned industrial
11 sites, there are a number of agencies involved
12 with that. The way we handle things in the
13 Health Department is that typically we'll get
14 a call from someone about a site, there's a
15 leaking drum or whatever. We'll respond to
16 that and do an evaluation. Frequently, what
17 we'll need to do is pull in maybe an L&I unit
18 from the commercial and industrial unit in
19 L&I. Maybe there's a citation that belongs
20 there. It may be the kind of product involved
21 that's got federal regulations associated with
22 it. For example, if there's asbestos
23 involved, that may implicate the NESHAP (ph)
24 regulations that are federal and come out of
25 EPA. What we'll do is make sure we pull those

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2 agencies in together and we may, in fact, not
3 be the lead after that investigation goes
4 forward. There may be a federal citation
5 given to the company.

6 COUNCILMAN CLARKE: Are you saying
7 that there could potentially be different regs
8 associated with different types of
9 environmental issues?

10 COMMISSIONER DOMZALSKI: I am.

11 COUNCILMAN CLARKE: Does the
12 municipal level have some whereas we may say
13 that this particular company is in violation
14 of an act on a municipal level but not
15 necessarily on a federal level?

16 COMMISSIONER DOMZALSKI: Right.

17 COUNCILMAN CLARKE: Why is that?
18 Why would we have --

19 COMMISSIONER DOMZALSKI: We can do a
20 lot under the Health Code. For example, we
21 can declare something, based on fact and
22 assessment, a public health issue and we can
23 issue an order. The orders -- and we're
24 looking at our whole order system at this
25 point and the fines that are involved. Often

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2 times at the municipal level, the fines are
3 not sufficiently high enough to be an
4 incentive to impact clean-up.

5 At the federal or state level --

6 COUNCILMAN CLARKE: Cost of doing
7 business basically for a person.

8 COMMISSIONER DOMZALSKI: Precisely.

9 That's different at the state level and it's
10 sure different at the federal level.

11 What we like to do -- and I know
12 this is the approach you've taken particularly
13 in one of those sites that you mentions, we
14 want to problem resolved. We want the problem
15 cleaned up. We want it made safe. We want it
16 remediated. Sometimes when the remediation
17 happens, sometimes we'll end up with a lot of
18 the responsibility, particularly if there's
19 reuse involved.

20 We had one site in one part of the
21 City, it was going to be reused as a fast food
22 facility. And the previous use of the site
23 was a dry cleaning operation in which dry
24 cleaning fluid had seeped into the soil. That
25 needed to be remediated. We needed to --

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2 under our federal delegation, we needed to
3 oversee that and look at what kind of
4 remediation the company was proposing, do an
5 analysis in terms of personal and public
6 health impact and then supervise that until it
7 was completed.

8 So it varies, but our role there, I
9 think, is to, for example, work with whoever
10 brings us the issue or one that we find on our
11 own, to get it to the proper level of
12 government to get the result that everybody
13 wants, which is a remediation, and a permanent
14 one, of the condition.

15 COUNCILMAN CLARKE: Is there a
16 reason why -- you may not be able to answer
17 this question at this time. Is there a reason
18 why we don't have uniform codes as it relates
19 to the violations?

20 Recently, I know in the Building
21 Code there was an Act, a Uniformity Act in the
22 Building Code that we have uniform codes
23 associated with certain levels of
24 construction. And I would think that
25 something as serious as the environmental

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2 health of our citizens that we would get
3 together and have sort of universal code,
4 minimally at the state level but preferable at
5 the level also to give us the broadest ability
6 to make sure we remediate these problems.

7 The other issue is, have we looked
8 at possibly raising the cost of the fines?

9 COMMISSIONER DOMZALSKI: There's a
10 proposal that is being pulled together. We
11 just contributed some information to the
12 Managing Director about what current fine
13 levels are, what penalties are, and what we
14 think about those in terms of their
15 usefulness. In all cases, I think we agree
16 they ought to be raised.

17 In terms of the uniformity of the
18 Code, a lot of the stuff we get involved in
19 has public health implications, really the
20 resolution of that requires the enforcement of
21 the Property Management Code, and that's
22 usually L&I, so we'll work in conjunction with
23 them. Rather than develop our own code about
24 how a property maintain ought to be maintained
25 or avoid a public health nuisance, that

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2 usually the way the Property Management Code
3 is structure, there's usually a solution
4 within that code. So we use that as well as
5 some parts of the Plumbing Code to address
6 those issues. But we'd be happy to talk about
7 some more of that.

8 COUNCILMAN CLARKE: You didn't
9 really ask my question. I'm not suggesting
10 that's your responsibility to pull all of the
11 pertinent parties together, but it seems to
12 make sense to me that you would want to have a
13 uniform code to give you the ability to impact
14 broadest way. And I don't know should the
15 federal government be responsible for
16 initiating that process. If there's some
17 things on the federal level that you do not
18 currently have in your Code and you have to
19 get federal government involved, wouldn't it
20 make more sense to simply adopt that
21 particular code to give you the broadest
22 ability to impact on environmental issues as
23 opposed to having to bring the feds in? Why
24 don't we just change our regs to reflect all
25 of the various code violations as it relates

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2 to environmental concerns?

3 COMMISSIONER DOMZALSKI: I think
4 that does make sense as long as we could get
5 the same penalty level that would be. To the
6 extent that penalty is going to be an
7 incentive to getting the resolution we want.

8 COUNCILMAN CLARKE: Why don't we do
9 that? I'm assuming that the penalty phase,
10 that the money would go to the City as opposed
11 to going to the Feds.

12 COMMISSIONER DOMZALSKI: Who knows
13 how that might come out, because when that
14 bill comes over here to change those fees or
15 those penalties, I think the maximum penalty
16 we have is something like 300. I think the
17 maximum federal thing can be something like
18 10,000 a day for every day of the violation.
19 So it's huge. I don't know if there are
20 municipal code legal aspects about that, about
21 why we can't be that stringent, but we'd be
22 happy to talk to you about that and work with
23 you on that.

24 COUNCILMAN CLARKE: And not just the
25 increase but also the ability to have

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2 additional code enforcement issues on the
3 table because if the federal level have
4 certain code violations, I'm assuming that if
5 they impose those code violations, that money
6 goes to the Feds. Why don't we adopt those
7 code violation so then the penalty and the
8 fine would go to the municipality as opposed
9 to going to the Feds?

10 You understand where I'm going?

11 COMMISSIONER DOMZALSKI: Right. And
12 to some extent we've done that with some of
13 the air management stuff. What we've done as
14 part -- we have three laws that we enforce.
15 We have the local air pollution control, the
16 State Air Pollution Act and we have the
17 Federal Clean Air Act. And in our plan, what
18 we've done is incorporated those into our plan
19 so we essentially do have a uniform code
20 enforcement in that regard.

21 I'm a little something reluctant to
22 say that that would address something like the
23 ABSCO issue.

24 COUNCILMAN CLARKE: I mention that
25 in particular because I'm in the midst of it

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2 and it's extremely frustrating when you have
3 these different arms of government at a
4 community meeting and you don't know who to
5 hold responsible and different answers from
6 different people. If we simply had the same
7 code as the federal government, which I'm
8 assuming is the broadest one out there, then
9 we would have to have all of these other
10 people involved. We can impact on that
11 environmental problem ourselves.

12 Before my time runs out, on the
13 aggressive dog issue, in the hearings that we
14 had a couple years ago, the SPCA essentially
15 said they were getting out of the dog business
16 primarily because of pitbulls and rottweilers,
17 and they primarily felt that there were an
18 entity that was being used to go out and get
19 these dogs and put them to sleep because there
20 was no likelihood of adoption or anything.
21 And they asked us to impose essentially a ban
22 on certain aggressive dogs. Now that the City
23 has taken that responsibility, what is the
24 position of the City?

25 And I mention this because we've had

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2 a recent spat of injuries, some to children,
3 as a result of these aggressive dogs.

4 What's our position on that now?

5 COMMISSIONER DOMZALSKI: The way we
6 got into this with the SPCA, the SPCA I think
7 took the position that they ought to be
8 banned, there ought to be dogs that ought to
9 be banned, but I think in general -- and this
10 is in general, that it's not so much the breed
11 as the way the animal is handled and the way
12 the animal is cared for and that there can be
13 pitbulls that are very docile and very loving
14 pets. Unfortunately, what we see are the
15 situations where that is not the case and
16 where there are injuries and sometimes the
17 injuries are extraordinarily severe.

18 I'll tell you at this point there
19 are times when I see those injuries that I
20 understand -- there ought to be some way to be
21 able to predict this to be able to put
22 controls over this. We do have -- but it's
23 usually after the fact. It's usually after
24 the fact where we can actually go to court and
25 have a judge to declare an animal a vicious

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2 dog. In order for that owner to retain that
3 dog, a number of things have to be in place
4 such as a huge fence and certain controls and
5 all the rest of it. And we get the
6 responsibility of going out and monitoring
7 whether or not those protections are in place.
8 And if they're not, the judge will amend the
9 order and the dog will be put to sleep. So a
10 way around about whether or not these breeds
11 ought to be banned wholesale in the first
12 place. There's a lot of discussion on both
13 sides of that issue.

14 COUNCILMAN CLARKE: I actually think
15 they need to be banned, frankly speaking. So
16 you're suggesting that that short of that, if
17 we can show just cause that a level of
18 security can be imposed on individuals who
19 have these dogs as pets or weapons or whatever
20 you want to them, that's a possibility as it
21 relates to the legal aspect of it?

22 COMMISSIONER DOMZALSKI: Absolutely.

23 COUNCILMAN CLARKE: I live in a
24 community where a lot of pitbulls -- and I
25 hope nobody's waiting for me tonight when I

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2 get home. But this is a serious issue.
3 Unfortunately, a lot of people -- and I think
4 the majority of people get these dogs, they
5 use them as weapons or for purpose of
6 fighting. And I just think that at some point
7 we've got to take a stance on this.

8 COMMISSIONER DOMZALSKI: Before we
9 get to that second level, which some point we
10 may need to get to, is that whoever is
11 concerned, neighbors or whatever, give us a
12 call, and what we'll do is send out an
13 investigator to assess that situation. And
14 we'll keep coming back just to see what's
15 going in that neighborhood and we'll be able
16 to issue a notice to the owner. And if we do
17 see a serious situation where there is
18 threatening behavior, if the owner doesn't
19 comply with that, then we can take it to the
20 next level which would be to court.

21 COUNCILMAN CLARKE: Thank you. I
22 think my time is up.

23 COUNCIL PRESIDENT VERNA: Thank you.

24 The Chair recognizes Councilwoman
25 Tasco.

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2 COUNCILWOMAN TASC0: Thank you.

3 Commissioner, I want to follow-up on
4 Councilwoman Donna Miller's request for
5 information. You see all these people in the
6 room today. Most of these people are here
7 today because are concerned about the
8 disparity in funding from the Health
9 Department to community-based organizations.
10 As I look through the budget and see some of
11 the providers here, it seems to be that most
12 of the providers are very large organizations
13 and that the smaller neighborhood groups that
14 in the past have always provided community
15 outreach for whatever reason are not getting
16 the level of funding. So I want to know in
17 the information you provide, whether they are
18 minority or small, how many community-based
19 are receiving funding for service to the
20 community and what is the dollar level.

21 COMMISSIONER DOMZALSKI: Absolutely.
22 We'll do that.

23 COUNCILWOMAN TASC0: Because in the
24 last couple of years, many of the groups have
25 expressed concern about the lack to the

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2 ability to access funds from the health
3 Department. And when they submit their
4 proposals, they're not given. And we've
5 submitted proposals to you on behalf of
6 organizations, and for some reason there is an
7 excuse not to fund them. So we want to know
8 what the process is. And in that line, I want
9 to know who in the Health Department -- what
10 is your policy of determining what programs
11 will be developed, what programs will be
12 funded? How do you determine what programs
13 will be funded, where they will be funded and
14 on what information do you base it? Is it
15 just done by whatever department you have that
16 goes out and gets a grants, or is there an
17 internal process where you sit down and talk
18 about policy? I want a short answer about
19 policy and how we're going to provide
20 services. Because we have in the Northwest --
21 I've constantly talked to you when this whole
22 issues of infant mortality came out that the
23 highest level in the newspaper reported was in
24 the Ogontz section. I don't know yet -- and
25 that was about three years ago we had public

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2 hearing on the issue. I don't if your
3 department has come up with anything to
4 address the issue up there. I want to know
5 how you plan to do that, if you plan to do
6 that. And if it's not the way you operate, do
7 the community groups decide, well, we need to
8 do a program, let's go to the Health
9 Department? Or the Health Department sees a
10 need or a vacuum and says, there has to be
11 something there? How do we do it? How do set
12 the policy to address the health issues?

13 COMMISSIONER DOMZALSKI: It is based
14 on need.

15 COUNCILWOMAN TASC0: Well, the need
16 as established by your Department and by the
17 need that we've established in the hearings on
18 infant mortality, what are you doing about
19 infant mortality in the Northwest?

20 And if you're talking about cutting
21 out the MomMobile in the northwest, what
22 services do you get?

23 You talk your Safe Program. There
24 were two groups that responded to the RFP.
25 You're saying you don't like the groups,

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2 you're going to bid the RFP. I want to know
3 why.

4 COMMISSIONER DOMZALSKI: It's not
5 that we don't like the group. There's a lot
6 in your question, Councilwoman. I can tell
7 you -- and we'd be happy to do a separate
8 session on this. But just briefly, when we
9 looked at what the need is, that's why we have
10 maps that show that the infant mortality in
11 your district higher than in some of the other
12 districts. So we know there's a need there.
13 Two, what should be done? And that question
14 there is what should be done. Should what be
15 done, should the service that's provided be
16 determined that we need to interface better
17 with teams, those kinds of things for a whole
18 variety of pieces to that, we pretty much
19 determined through our maternal infant care
20 program the kinds of services that we think
21 have the biggest probability of impacting in
22 that neighborhood. Then the question is who
23 can best provide them.

24 COUNCILWOMAN TASCO: Who makes that
25 decision? Who determines that need? Who is

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2 at table?

3 COMMISSIONER DOMZALSKI: At the
4 table would be our Director of Division of
5 Maternal and Child Health, Dr. Ingert that
6 heads up our OB program, Dr. James. Depending
7 on the issue, Dr. Godley might be involved and
8 some of our social work staff as well to look
9 and to say, okay, these look like the
10 interventions that make sense for that
11 particular issue in that particular
12 neighborhood; who in the neighborhood is best
13 able to provide those services.

14 And what we want to do is drive
15 those services down to the neighborhood level;
16 absolutely in the neighborhood at the
17 neighborhood level. And to do that, we want
18 to have organizations help us who are
19 comfortable who know how to interact with the
20 community, know how to deliver culturally
21 appropriate, competent services in the
22 neighborhood to get the effect that our
23 program individuals identify as having the
24 highest probability of impacting on something
25 as complex as infant mortality. And then we

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2 make a decision to award it in the first
3 place.

4 Often times, the next step that
5 happens is where we get into a lot of trouble,
6 and that's because we've started to evaluate
7 what is being produced in term of outcome.

8 We used to measure, for example,
9 immunization on how many times you knocked on
10 the door. We're not interested in that
11 anymore. We're interested in how many times
12 you've brought a child in to get immunization.
13 That's different than knocking on the door. I
14 might have to knock on the door to do it, but
15 we're interesting in measuring how many
16 children you actually bring in who will end up
17 being immunized. That's the outcome.

18 And often times, what we have to do
19 is to adjust our programs. And we never in
20 any circumstance have a situation where
21 there's a performance with a contractor, a
22 contract agency, where we say, "You didn't do
23 it; we're not going to contract with you
24 anymore." We always tell --

25 COUNCILWOMAN TASCO: We just went

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2 through that with Maternity Care Coalition on
3 the immunization, where they just took the
4 money away from them. They were doing it in
5 the Northwest. And I asked what basis did you
6 take away that money and give it to somebody
7 else or say that you were going to have
8 someone else provide the service. I never got
9 the answer. I never got documentation.
10 Nobody could ever document why that money was
11 taken from the Northwest.

12 COMMISSIONER DOMZALSKI:

13 Councilwoman, I was prepared to give it to you
14 then, I'm prepared to give it to you now. And
15 whenever we can get into talk, we'll sit down
16 and go over it.

17 COUNCILWOMAN TASC0: But who's doing
18 the program?

19 And you talk about the neighborhood
20 and the sensitivity of the people in the
21 neighborhood. And the group that I heard that
22 got the program, I'm not sure that they're
23 more connected to that community than the
24 group that was doing it.

25 COMMISSIONER DOMZALSKI: That's why

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2 I'd like to share that information with you.

3 COUNCILWOMAN TASCO: And no one told
4 them that they weren't going to get the money.
5 You just took the money and never told them
6 they were going to take the money away from
7 them. So I want to know who's making
8 decisions. I want to know who made the
9 decision on the Safe bid. Why if two
10 providers -- I fussed with Maternity Health
11 Coalition for years about expanding their
12 program. They expanded to the Northwest. We
13 don't have a lot of community groups up there
14 that you may have in some other parts of the
15 City. So when we get an organization that has
16 a history who can -- and La Salle College has
17 provided health services throughout. They
18 have a health clinic over in Hillcreek, and
19 you just snatched the program away from them.
20 So you're not going to get anybody else up
21 there to do the program because there are no
22 other community-based programs up there.

23 I want to know who is making the
24 decision and who's evaluating the success.

25 COMMISSIONER DOMZALSKI: Well, on

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2 the Safe piece, you see, I can give you this
3 piece of information but it won't be
4 responsive to the next piece of it. Who makes
5 the decision on the Safe Program is a group of
6 people that are some individuals from the
7 Health Department, some individuals from some
8 of the schools of nursing. I can give you
9 that, but it takes a little bit of detail to
10 go into that and that's why I think it's worth
11 me sitting down as long as half hour and going
12 over it.

13 COUNCILWOMAN TASC0: We have some
14 concern about who makes the decision in the
15 Health Department and what basis they make
16 those decisions.

17 COMMISSIONER DOMZALSKI: I'd be
18 happy to share that with you.

19 COUNCILWOMAN TASC0: You don't want
20 to talk about it right now, do you? So we'll
21 talk it with the Maternity Health Coalition,
22 because there's a problem there in the Health
23 Department in terms of who makes the decisions
24 for what community and what groups get the
25 money and what groups don't get the money.

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2 COMMISSIONER DOMZALSKI: I guess,
3 Councilwoman, when it comes right down to it
4 in terms of the final decision, I make it.

5 COUNCILWOMAN TASC0: Well, then
6 you're not making a very good decision.
7 You're not making very good decisions.

8 I'm told that the Coalition was told
9 that they were not going to get the money for
10 the Northwest for the MomMobile, but it's here
11 in the budget. Now, are they going to get the
12 same level of funding that they got this year?

13 COMMISSIONER DOMZALSKI: I don't
14 know. I don't know if they are going to get
15 the same level of funding. The reason is that
16 we're looking and we've competed all of the
17 services for competitive bidding --

18 COUNCILWOMAN TASC0: But you have no
19 one else doing services in the Northwest. You
20 have no one else doing the services in the
21 Northwest. You may have competing groups in
22 West Philly.

23 But if a group that has history
24 wants to provide the service, who in the
25 department decides they shouldn't do that?

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2 All we want, bottom line, are some
3 services for the people who are dying. Their
4 babies are dying in the Ogontz section. For
5 three years we've been talking about it, but
6 there has been no action out of the Health
7 Department to address the issue.

8 COMMISSIONER DOMZALSKI: There has.
9 Councilwoman, there's been action. We pick
10 that area to institute the FIMR Program. I
11 would really like an opportunity to sit down
12 and talk about this in some detail. I think
13 that when we do, we will have more
14 information. And we still may have areas of
15 legitimate disagreement, but I think we really
16 need to share that information.

17 COUNCILWOMAN TASC0: Let me go back
18 to the health centers. Councilman Ramos asked
19 you about a fee. How is the billing in the
20 health centers for constituents who qualify
21 for medical assistance and what do the centers
22 do to ensure that the application process is
23 completed?

24 COMMISSIONER DOMZALSKI: What we've
25 done is -- we used to refer people to the

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2 county assistance office to make applications.
3 We knew that wasn't working. So what we've
4 done is put insurance counselors and social
5 workers in all of our health centers to take
6 applications right on the spot to help people
7 understand what insurances they might be
8 eligible for and to assist them with the
9 application process as we go forward. And we
10 don't wait to deliver care until the
11 application approved. We deliver the care
12 while the application is in process.

13 COUNCILWOMAN TASC0: So what is the
14 success rate of that process.

15 COMMISSIONER DOMZALSKI: Well, when
16 we started it, we had 64 percent of people
17 coming to the health centers who were
18 uninsured. We expect that this year that's
19 going to be down to 55. It's down to 60
20 percent now. By the end of this fiscal year,
21 we expect that that's down to be down to 55
22 percent. And by the end of the new fiscal
23 year coming up, we expect that to be at 50
24 percent.

25 COUNCILWOMAN TASC0: I've met with a

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2 gentleman you know, Bob Brand, who the Council
3 President and some of us in Council have met
4 with him, look at this accessing system they
5 have to retrieve -- you've got a client into
6 the health center, and through this program
7 they can go online and access not only
8 Medicare services, but all other LIHEAP
9 services, all other services that would help
10 the City capture a lot of dollars, it would
11 help PGW. You've got a client there, they
12 qualify for services that -- not just health
13 insurance, but other services that would help
14 the City with its fiscal problems.

15 What is your assessment of that? I
16 know he messed with you. What do you think of
17 that process?

18 COMMISSIONER DOMZALSKI: Actually,
19 not only did Bob come over and meet with me,
20 but I was so intrigued with what he had to say
21 that I asked him could I come to meet with him
22 in his office and actually see that program in
23 operation. And we spent a good afternoon one
24 Friday afternoon there, and it was quite
25 impressive. They do have an excellent

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2 database.

3 And for people in our health
4 centers, we know that by and large our
5 patients and perspective patients qualified
6 for either medical assistance. They sometimes
7 qualify for PACE, a prescription assistance
8 program for the elderly. They sometimes
9 qualify for CHIP, the Children's Health
10 Insurance Program.

11 So our challenge is to identify.
12 Once we've identified that, we pretty much
13 know that from our insurance counselors, is to
14 get that application process started.

15 COUNCILWOMAN TASC0: Well, what's
16 wrong with his process? I mean, it's user
17 friendly. You capture a lot of information.
18 It would save the City a lot of money. And
19 it's been implemented in a lot of offices.
20 There's some state representatives that are
21 going to put it in their offices that will
22 help not just the City but also the client.
23 Don't.

24 You see it as a valuable asset to
25 your department?

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2 COMMISSIONER DOMZALSKI: Well,
3 actually, I think where we had our most
4 discussion was around PACE and how --

5 COUNCILWOMAN TASC0: I'm talking
6 about all services. They can access all
7 services. Certainly, help you capture your
8 medical assistance payment. You can tell them
9 they qualify for CHIP. They can get LIHEAP
10 services. They can qualify for all the
11 services just by plugging in their name into a
12 software program. What is so difficult about
13 that?

14 COMMISSIONER DOMZALSKI: Well,
15 what's difficult about it is -- and it's not
16 difficult, it's very easy. As you identify
17 what the service is that the person qualifies
18 for, the hard part is getting the application
19 done and getting it through their approval
20 process. So that doesn't mean what Bob has to
21 offer isn't valuable. And I'd be happy to
22 have Bob come in and talk to us again about
23 some other issues or other services that he'd
24 like us to know about. We did have a fairly
25 lengthy discussion on PACE.

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2 COUNCILWOMAN TASC0: I'm sorry. I'm
3 overwhelmed.

4 COUNCIL PRESIDENT Verna: Is Rob
5 Dubow in the room? I think he had met which
6 of the gentleman you're -- I don't know that
7 it's the same gentleman that you're referring
8 to. Maybe Mr. Dubow could shed some light on
9 this.

10 MR. DUBOW: Rob Dubow, City's Budget
11 Director.

12 Yes, someone in my office did meet
13 with Mr. Brand. And the next step for me was
14 to actually talk to the Health Commissioner
15 and get his impression on it. I haven't taken
16 that step yet, but we did meet Mr. Brand.

17 COUNCILWOMAN TASC0: What was your
18 assessment in discussing it with Mr. Brand?
19 Do you see it as a valuable service that could
20 benefit the City?

21 MR. DUBOW: It seemed on its surface
22 that it was interesting. But, obviously, in
23 any proposal, you need to understand the
24 details. And that's why we wanted to circle
25 back with the Health Department.

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2 COUNCILWOMAN TASCO: Well, when are
3 you going to meet with the Health Department?

4 Since we have such a massive deficit
5 and we're getting ready to cut recreation
6 centers, we're getting ready to cut out arts
7 and culture. And there is a system that is
8 used in other cities and counties to capture
9 dollars, why we find it so difficult to think
10 outside the box to move to accept something
11 that's new and different that could be
12 beneficial to us to capture money for this
13 City?

14 MR. DUBOW: I don't think we're
15 resistant to it. We just want to understand
16 it and make sure that we think it works. And
17 if it's going to be something that would
18 generate revenue for us, obviously we'd be
19 interested in it.

20 COUNCILWOMAN TASCO: We hope, Mr.
21 Dubow, that you will move forward in doing
22 that. Thank you very much.

23 I'll come back.

24 COUNCIL PRESIDENT Verna: The Chair
25 recognizes Councilman Ramos.

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2 COUNCILMAN RAMOS: Madam Chair, I
3 yield to my colleague Blondell Reynolds Brown.

4 COUNCIL PRESIDENT Verna: The Chair
5 recognizes Councilwoman Brown.

6 COUNCILWOMAN BROWN: I thank my
7 colleague. I assured him I would not abuse
8 this opportunity. I'm going to ask one
9 question, leave and come back, because I have
10 several.

11 A follow-up to Councilwoman Marian
12 Tasco's question, who we have to remember
13 chairs Health and Human Services and is
14 intimately involved with this issue of
15 indigenous professionals who care about
16 providing a service in a world where they
17 live. Pulling from my experience with the
18 Youth Services Coordinating Office, there was
19 a planning unit and an evaluation unit. And I
20 had a chance to work in both.

21 In the planning unit which was
22 responsible for going out and sitting with
23 those who were providing services to children
24 and youth, we had a process where we had to
25 sit down on the front end of the RFP and

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2 provide an orientation session to help them
3 understand what the criteria would be for a
4 particular proposal that was about to let.

5 Is that a standard operating
6 procedure in the Health Department?

7 COMMISSIONER DOMZALSKI: Absolutely.

8 COUNCILWOMAN BROWN: So before a
9 proposal is let, the world is informed that
10 this opportunity is coming and invites them to
11 -- let's them know what the criteria are and
12 invites them to apply?

13 COMMISSIONER DOMZALSKI: Yes. After
14 they get the RFP, if there are any questions
15 about it, there's an opportunity to raise
16 those questions at that point.

17 COUNCILWOMAN BROWN: You mentioned
18 on the back end that ultimately a decision is
19 rendered. For those organizations that do not
20 meet the criteria as outlined, what happens?

21 COMMISSIONER DOMZALSKI: It depends.
22 We'll have a discussion with the organizations
23 talking about why their proposal wasn't
24 competitive. Sometimes it's an issue -- we do
25 this fairly extensively around some of our

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2 AIDS RFPs with community-based organizations
3 where some of the issues have to do with
4 having the need for technical assistance or
5 payroll management and those kinds of things.

6 COUNCILWOMAN BROWN: Does the
7 Department provide technical assistance to
8 those agencies that want to --

9 COMMISSIONER DOMZALSKI: Yes, we do.
10 Because what we're trying to buy is not
11 necessarily -- the highest and best use of
12 that community organization's time is
13 frequently never whether or not whether they
14 can keep books accurately, but it's more how
15 they get out and access the community. And so
16 what we do is sure up and provide technical
17 assistance on the bookkeeping end so we can
18 avail ourselves and, more importantly, have
19 the community avail itself of the special
20 expertise of that organization.

21 COUNCILWOMAN BROWN: What about on
22 the program end?

23 COMMISSIONER DOMZALSKI: Program
24 end, sometimes maybe it's a misunderstanding.
25 Maybe we can adjust it on that end. Often

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2 times, it could be a situation where people
3 are saying, you know, "We understand that
4 goal. You asked for this, but we don't
5 understand -- you know, you ask for X; why
6 isn't Y if it accomplishes the same end just
7 useful to that."

8 Sometimes we can make an
9 accommodation. Sometimes if we make a change
10 in the standard, we have to say, "Wait a
11 minute. If we are going to change and maybe
12 we should change that standard or that
13 requirement, but in fairness we need to let
14 everybody now bid against the new standard."
15 So we may have to go out to re-bid on it.

16 COUNCILWOMAN BROWN: Is there any
17 tracking of agencies?

18 A practice at the Cultural Fund is
19 that we actually track arts and cultural
20 organizations who don't meet the muster to see
21 how many times they apply. And the goal is to
22 move them to a place so that they can take
23 benefit of those dollars.

24 So is there tracking of agencies
25 that don't meet the muster one, two or three

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2 consecutive years to really get a handle
3 around and make sure they clearly understand
4 what the criteria are?

5 COMMISSIONER DOMZALSKI: Yes,
6 Councilwoman. And sometimes what we do is
7 actually ask those organizations like that to
8 partner with another organization for a period
9 of time until they can get their ses legs kind
10 of thing and up and running on their own.
11 Sometimes what we'll do is just provide
12 technical assistance from a technical
13 assistance agency, an accounting firm or
14 whatever directly. But that's an ongoing
15 process.

16 COUNCILWOMAN BROWN: Could you
17 provide that kind of information to the Chair
18 so that those of us on City Council can look
19 at that more closely to what has happened over
20 the past few years, particularly around
21 agencies that apply, don't get the
22 opportunity, still care and are interested,
23 apply again and for varying reasons don't meet
24 the muster so that we can figure out what we
25 in the body can do to help them who are

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2 indigenous to the world where they want to
3 provide services right in their world because
4 they live and breathe it every day?

5 COMMISSIONER DOMZALSKI: I agree.
6 Absolutely. We'll provide that.

7 COUNCILWOMAN BROWN: Thank you.
8 I'll yield back to my colleague
9 Councilman Juan Ramos.

10 COUNCIL PRESIDENT VERNA: Councilman
11 Ramos.

12 COUNCILMAN RAMOS: Thank you, Madam
13 Chair.

14 Mr. Commissioner, one of the few
15 compliments that I get as I've gotten older
16 about my physical appearance -- compliments
17 are very, very few, and I usually get them
18 from my family. But one of them that I'm very
19 proud of is they say to me that I got healthy
20 teeth. And I like to tell them probably the
21 main reason why I have healthy teeth is
22 because as a child the Health Department would
23 come and actually escort the kids from my
24 elementary school to Health Clinic No. 6 which
25 was right across the street from the school.

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2 And I know that those services are not out
3 there the way they were back then, but dental
4 care for children is the blueprint for healthy
5 teeth for us when we get old. And I know that
6 that program has been, you know -- it's not
7 where it was at. But I do know that you have
8 started to do some innovative stuff with
9 Temple University. I know that Temple's
10 dental school, you opened up a program in at
11 least one of our schools, I believe the
12 Clemente School in North Philadelphia. Are
13 you going to be doing more of this? I think
14 that this is something that we can probably
15 get institutions like Temple and others to be
16 able to provide this type of service,
17 particularly to our kids that cannot afford --
18 their parents cannot afford to dentists.
19 Dental care is very expensive nowadays.

20 COMMISSIONER DOMZALSKI: Councilman,
21 we need to do that and do more of it. The
22 Roberto Clemente School is just wonderful. I
23 think we did that last summer, opened it up.
24 You were there for the opening and Dr. Ivan
25 Lugo and Dean of the dental school at Temple.

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2 We got some funding from the State. We got
3 some support from Temple Dental School. It
4 was just wonderful, a wonderful program. And
5 the whole key is the importance of dental care
6 for children. The period of time in the
7 Department that you refer to is our focus was
8 exclusively on children. We had a director of
9 dental medicine that required all our
10 administrators to know what the DMF was across
11 their health center population, and that was
12 the ratio among decayed teeth, missing teeth
13 and filled teeth. There was a certain level
14 where you wanted to get dental health for
15 children at a certain level and keep it there.

16 So important an issue such as infant
17 mortality as well because there's some
18 information that dental infections are
19 important with regard to poor outcomes if
20 there's dental infections for women who are
21 pregnant. So it's important across the board.

22 I will tell you that when you look
23 at the profile of our health centers at this
24 point, we are seeing more adults now in the
25 health centers than we have before. That's

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2 not to say that dental care for adults is not
3 important, but the critical nature -- dental
4 carries among children are the number one
5 reason for missed school in this country, just
6 across the board. So it's an issue that's on
7 the table of the American Public Health
8 Association, the American Dental Association,
9 and something we have to pay more attention to
10 here in our system about just, you know, do we
11 have children to get in those chairs and are
12 we making sure we try to get them in for early
13 care.

14 COUNCILMAN RAMOS: I didn't see any
15 of it in your report or your diagram of how
16 you spend your money in the various programs.

17 Do you see yourself doing more of
18 this? Is this a plan more of this? And if
19 so, are you doing it through your contract
20 employees? Is that the way -- I believe
21 that's the way you did at Clemente, right?

22 COMMISSIONER DOMZALSKI: Yes.

23 COUNCILMAN RAMOS: Do you have any
24 plans to do more of this?

25 COMMISSIONER DOMZALSKI: Yes. That

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2 was from a particular funding stream. What we
3 need to do is look for --

4 COUNCILMAN RAMOS: Do you have any
5 money left in that funding stream?

6 COMMISSIONER DOMZALSKI: No. It's
7 all spent and going down rapidly. And what
8 we're looking is looking to keep that program
9 going.

10 COUNCILMAN RAMOS: I would like to
11 work with you on this one particular issue to
12 the extent that I can. My doors are open to
13 you.

14 Thank you, Mr. Commissioner.

15 Thank you, Madam President.

16 COUNCIL PRESIDENT VERNA: Thank you.

17 The Chair recognizes Councilman
18 Rizzo.

19 COUNCILMAN RIZZO: Thank you, Madam
20 Chair.

21 Commissioner, first of all thank you
22 for your Department's response to my needs are
23 always first class and very effective and I
24 appreciate that because it's such a very
25 important issue to me personally.

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2 You may have addressed this, and I
3 apologize, I had to leave the Chambers for a
4 few minutes. An area that I have a concern is
5 eye care. I'm not sure what they do in the
6 schools. I'm not sure what we do in the
7 Health Department. But a child that has a
8 vision problem, and you've all seen the
9 commercials on TV how it can really have such
10 a negative impact on their life, the ability
11 to see, especially when nobody detects the
12 fact that they are having difficulty seeing
13 the blackboard or being able to read. What
14 are we doing in the area of eye care, whether
15 it's an examination and a referral or
16 providing eyeglasses? What do we do to help
17 monitor the vision of our young people, and
18 for the same sake, our older folks also?

19 COMMISSIONER DOMZALSKI: Vision care
20 is very important. Part of our program in the
21 health centers, children do get evaluated and
22 eyeglasses are part of that. But here's where
23 the issue is in terms of insurance. There's
24 program called EPSDT, Early Periodic Screening
25 and Testing Service Program. And under that

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2 program, there's a requirement that vision
3 screening be done. And in fact, eyeglasses,
4 corrective lenses can be supplied under that
5 program. So that's part of our health center
6 operation.

7 All children essentially who are in
8 our system -- and there's an exception, but
9 that might only be 2 or 3 percent at max. So
10 virtually all children are insurable in some
11 way in the centers, and so we're able to
12 access care for children. I know Paul Vallas
13 has been very concerned about eye care in the
14 schools as well, and he's been trying to bring
15 in the Medicaid managed care company to assist
16 with that as well.

17 COUNCILMAN RIZZ0: Are you
18 coordinated in any way?

19 I mean, I have no clue what they do
20 at the School District. I'm not sure whether
21 there is screening for the students. I'm not
22 sure what the screening process is. But let
23 me just give you a scenario. A mom brings the
24 child. You find that there's a condition,
25 their vision is not good. Will eventually

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2 that child be examined and, if needed, will
3 that child have glasses?

4 COMMISSIONER DOMZALSKI: If it's
5 detected -- you're talking about the child's
6 problem being detected in the school?

7 COUNCILMAN RIZZO: No --

8 COMMISSIONER DOMZALSKI: The child
9 will be screened.

10 COUNCILMAN RIZZO: And will have
11 glasses eventually.

12 COMMISSIONER DOMZALSKI: Yes. Yes.
13 The hesitancy is whether or not we've got the
14 EPSDT Program up and operating in terms of the
15 coverage for that child. So we'll do
16 everything necessary to be able to hook that
17 child up with glasses.

18 COUNCILMAN RIZZO: If I person
19 didn't qualify for insurance, they would leave
20 the center with a problem?

21 I think you know where I'm going
22 here. Would there ever been a situation where
23 we would knowing let a child out of that
24 center after a few weeks of knowledge that
25 that person had a vision problem and they

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2 wanted glasses and they wouldn't get them?

3 COMMISSIONER DOMZALSKI: No, they
4 should not be. We should be working with a
5 variety either through the EPSDT Program or
6 through the managed care company to be able to
7 get lenses for that child.

8 COUNCILMAN RIZZO: What if one of
9 our folder folks comes in or maybe not so old
10 and they have a cataract or some issue like
11 that, how do we deal with that?

12 COMMISSIONER DOMZALSKI: I think
13 we'd probably deal with that around whatever
14 provisions involved in Medicare. I do know
15 for our residents who are in our Riverview
16 Home, we have a relationship with the
17 Pennsylvania College of Optometry where they
18 actually provide services onsite and provide
19 lenses.

20 COUNCILMAN RIZZO: I think it might
21 be -- and I know that you're on top of the
22 game over there. But I think it wouldn't be a
23 bad idea to sit down with the School District
24 and maybe get together. We're talking about
25 this reaching out to each other. I think

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2 there might be a little bit of disconnect. I
3 don't want to be specific in what the School
4 District does and what you do. I think it
5 might be worth having a conversation. Not you
6 personally, one of your staff to see --

7 COMMISSIONER DOMZALSKI: I'll be
8 happy to do that.

9 COUNCILMAN RIZZO: Because I did
10 hear that it was very difficult for some of
11 our young people to get some help vision
12 issues.

13 COMMISSIONER DOMZALSKI: Well, I
14 think I'd like to talk to you about that in a
15 little more detail. And I'll also be very
16 happy to reach to the School District on that
17 issue.

18 COUNCILMAN RIZZO: Thanks.
19 Appreciate it.

20 Thank you, Madam President.

21 COUNCIL PRESIDENT VERNA: Thank you.
22 The Chair recognizes Councilwoman
23 Tasco.

24 COUNCILWOMAN TASCO: Thank you very
25 much.

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2 Commissioner, in looking through the
3 budget book and the number of providers that
4 you have, I notice there are two providers
5 that receive a large amount of funding from
6 the Health Department. I'd like to know who
7 they are, what services they provide, who they
8 provide those services to, and how do they
9 provide those services. One is Philadelphia
10 Mental Healthcare Corporation, and the other
11 one is Philadelphia Health Management
12 Corporation.

13 COMMISSIONER DOMZALSKI: These are
14 agencies that we contract with to help us
15 provide services, to get the services done
16 that we need that are a little bit outside of
17 our regular systems in the Department.

18 Picking up on Philadelphia Health
19 Management, we probably have somewhere around
20 22 contracts with Philadelphia Health
21 Management Corporation. And they provide a
22 range of services that go from providing
23 technical support to some of our
24 community-based organizations to actually
25 providing the business office support for our

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2 animal control program. So it's a wide range
3 of services that they provide.

4 On the behavioral health side,
5 there's also a number of services, direct
6 services and service agencies that are funded
7 through those mechanisms.

8 COUNCILWOMAN TASCIO: Now, is this a
9 bid contract or is this just a professional
10 service contract that you grant to them
11 without a bid?

12 COMMISSIONER DOMZALSKI: Usually
13 it's not bid.

14 COUNCILWOMAN TASCIO: How about the
15 Philadelphia Mental Healthcare Corporation,
16 who are they and what do they provide?

17 COMMISSIONER DOMZALSKI: This is a
18 somewhat similar -- and I have to say somewhat
19 similar in that Philadelphia Health Management
20 Corporation provides a very broad range of
21 services, including doing a community database
22 and a household survey and the rest of it
23 around the physical health aspects of service
24 delivery in the City. The Philadelphia Mental
25 Health, PMHCC kind of grew up around the

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2 behavioral health system, and they provide not
3 the same but a similar array of services that
4 I think Mike Covone could talk about in better
5 detail than I can when he comes up.

6 COUNCILWOMAN TASC0: Well, under the
7 Philadelphia Health Management Corporation,
8 are there other agencies in the City who could
9 do those same services? And why do you not
10 put it out for bid?

11 COMMISSIONER DOMZALSKI: These are
12 professional services contracts so we're not
13 bound by Charter to do it. If there's an
14 agency where -- often times we just don't have
15 other agencies that are competing in the same
16 area of service as --

17 COUNCILWOMAN TASC0: But you've not
18 put a contract out for any service that they
19 might be able to perform that you give them a
20 no-bid contract for. You don't put that
21 service out for bid for any other organization
22 that may be able to provide that service.

23 COMMISSIONER DOMZALSKI: Well, there
24 are other organizations that we've begun to
25 use. In the beginning, Philadelphia Health

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2 Management Corporation just had the services
3 that were needed and they had them most
4 readily available. They're not that exclusive
5 anymore.

6 We also do business with other
7 organizations such as the Health Federation
8 for comparable services but not on the same
9 scale sometimes as PHMC.

10 COUNCILWOMAN TASCO: Who do these
11 large organizations do business with? Who is
12 their constituency? Do they have staff to
13 perform these services that they provide to
14 you, or do they subcontract out the services
15 to other entities for the Health Department?

16 You give them money for technical
17 services for community organizations. Do they
18 have in-house staff to perform the technical
19 services or do they contract that out? And if
20 they do, who are they contracting out to?

21 COMMISSIONER DOMZALSKI: Sometimes
22 it's both. With, for example, with the Health
23 Federation, we employ a lot of our benefits
24 counselors that are located in the health
25 centers through the Health Federation. They

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2 become Health Federation employees and they're
3 detailed to do our work in the Health
4 Department.

5 COUNCILWOMAN TASC0: I'm talking
6 about these two organizations that provide
7 programatic service to the community. I don't
8 remember all of the services that they
9 provide, but some of the services they provide
10 -- it's about \$2 million worth of stuff I see,
11 plus more. Do they have in-house staff to
12 provide all the services that they contract
13 Department of Health, or do they subcontract
14 that? If they do, I'd like to know who the
15 subcontractors are and I'd like to know the
16 neighborhoods that they're doing the work in.

17 COMMISSIONER DOMZALSKI: We can
18 supply that.

19 COUNCILWOMAN TASC0: And I'd also
20 like to know some of the services they are
21 providing, are there other groups in this City
22 who can perform the same work.

23 I mean, we're back to where we had
24 the disparity issue around the minority MBE
25 program in the City and the lack of minority

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2 participation. When the majority of the
3 clients in the City tend to be minority, then
4 who are the minority contracts and service and
5 program providers that are reaching out and
6 serving them? Is it just large providers who
7 have no connection to the community? These
8 community-based programs that could do the
9 work and they could get a no-bid contract too.
10 You could give them a professional services
11 contract. But when it comes to them, it seems
12 that they've got to bid and they've got to
13 compete. They've got to compete against each
14 other. They have to fight for crumbs while
15 millions of dollars are going to larger
16 providers and they don't have to compete.
17 They can just get a professional service
18 contract.

19 COMMISSIONER DOMZALSKI: Some of our
20 contracts -- and I know these are not the ones
21 you're talking about -- with large hospitals,
22 we do contracting with them.

23 COUNCILWOMAN TASC0: I'm not talking
24 about hospitals. I'm talking about
25 Philadelphia Health Management Corporation.

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2 I'm talking about the Philadelphia Mental
3 Health Corporation and some of the others in
4 this book that are getting large numbers of
5 health dollars. Hospitals we contract with
6 because that's what we're supposed to do. We
7 don't have a public health hospital so that's
8 what we're supposed to do.

9 I want to know who are they doing
10 business with. I want to know diversity of
11 their contracts and how they're given out.
12 And I want to know why can't some of the
13 contracts that they have can't be given out on
14 a professional services basis to some of the
15 community-based organizations that provide
16 those same service.

17 COMMISSIONER DOMZALSKI: We'll be
18 happy to supply the information.

19 Also, I'm going to say that in the
20 Department we do have 24 percent looking to go
21 to 25 percent.

22 COUNCILWOMAN TASC0: Listen, I don't
23 24 or 25, I want as much as you can do. Don't
24 say, "Well, we're doing 25 percent; that ought
25 to be good enough."

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2 It's not good enough. We want it
3 expanded to provide to those community groups
4 who are struggling day-to-day to keep their
5 organizations going, who get pennies from the
6 Health Department while other providers get
7 millions. The dollar value has to be -- there
8 has to be some accountability for the parity
9 of dollars that are spent with the groups who
10 struggle with people every day in the
11 community.

12 COMMISSIONER DOMZALSKI: We agree.

13 COUNCILWOMAN TASC0: I want to talk
14 to you about the tobacco program you have. I
15 see you have about \$2.5 million for the
16 tobacco program?

17 COMMISSIONER DOMZALSKI: Yes.

18 COUNCILWOMAN TASC0: Do you have a
19 program in place for that yet?

20 COMMISSIONER DOMZALSKI: Yes, we do.

21 COUNCILWOMAN TASC0: Who's running
22 that program?

23 COMMISSIONER DOMZALSKI: It's a
24 variety of organizations. Greater
25 Philadelphia Urban Affairs Coalition has a

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2 contract with that. Branch Associates is in a
3 contract for tobacco. We contract with Teach
4 do our enforcement. We contract with
5 Philadelphia Safe and Sound to do prevention
6 and cessation activity. And probably a list
7 of maybe some 25 or 30 organizations through
8 which we provide service and I'd be happy to
9 provide you with that list as well,
10 Councilwoman.

11 COUNCILWOMAN TASC0: I'd like that
12 list to, too.

13 You talked earlier about the
14 enforcement by L&I on merchants who are
15 selling cigarettes. How forceful were you
16 with the L&I Department in terms of -- how
17 strong was your advocacy to them that it's
18 important that they enforce that law not to
19 children. Because we get calls all the time
20 and we get calls about the same store doing
21 it. So what is the real force to make them
22 stop?

23 COMMISSIONER DOMZALSKI: L&I is
24 really on board with this. They've been a
25 tremendous partner. I think what got me

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2 exercised at that meeting was look just how
3 many sales are going to children in
4 communities that are impacted by so many other
5 negative health status indicators, and we
6 clearly need to focus on that. L&I is right
7 on board. In fact, it was L&I that took the
8 unprecedented step of not only putting in a
9 \$10,000 fine a year half ago, but actually
10 supporting and causing the court of Common
11 Pleas to have a business close; not taking
12 away its license, they closed the business.
13 So they've been partners in this.

14 We need to keep pushing on our end
15 too to make it all come together and to get
16 this ratcheted back up to where it was a
17 couple of years ago.

18 COUNCILWOMAN TASC0: One other
19 question. There's so many here.

20 What has the Health Department done
21 to address the OB/GYN crisis?

22 COMMISSIONER DOMZALSKI: We continue
23 to work with every one of the OB providers
24 that are in the City. We get provided OB
25 services by a number of health systems. All

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2 of them have difficulty around the uninsured
3 and are having very, very great difficulty
4 with supplying services to uninsured
5 individuals. We've worked with them. We've
6 met with several of the systems.

7 Later this month or earlier this
8 month we're going to having all of the OB
9 providers in to talk about where they see our
10 services going and what needs to be done to
11 make sure that they continue to be available
12 in the health centers.

13 We did have one system that wanted
14 to pull out of our health centers. We had
15 advance notice of that, talked to them. That
16 health system did not pull out. They're back
17 in those centers.

18 So it's a matter of serious concern
19 to me. That's very much on my front burner
20 that's going to stay there as long as this
21 remains in crisis.

22 COUNCILWOMAN TASC0: Well, would
23 these women qualify for medical assistance?

24 COMMISSIONER DOMZALSKI: Yes.
25 There's an issue that's now being addressed by

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2 the Department of Public Welfare that's not an
3 easy one. For women who are uninsurable who
4 are pregnant -- say, they're immigrant women.
5 There's no coverage for them under the present
6 system. We provide some coverage for that out
7 of some funds that we have called the
8 Maternity Services Program. We're working
9 with the State and others are working to look
10 at a way to look at the CHIP regulation -- and
11 this is controversial -- to see whether or not
12 when a woman becomes pregnant whether or not
13 her prenatal services might be covered in
14 relation to the yet unborn child, covered
15 under the CHIP program. That is being
16 aggressively looked at and considered by the
17 State Department of Welfare. The reason it's
18 controversial is because the issue of
19 declaring the fetus as a person.

20 COUNCILWOMAN TASC0: That's a whole
21 other issue.

22 On Page 77 of the budget detail,
23 200,00 is identified to be determined provider
24 for a new federal grant for postpartum women's
25 health services.

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2 Who has been selected for these
3 services? If a provider has been selected,
4 what is the timeline and selection process for
5 a provider?

6 COMMISSIONER DOMZALSKI: This is new
7 money that we've gotten for Fiscal Year '05.
8 We haven't selected a vendor yet.

9 COUNCILWOMAN TASC0: How are you
10 going to select them?

11 COMMISSIONER DOMZALSKI: We'll look
12 at maybe existing providers, we'll look at
13 organizations that we continue to do business
14 with to see whether or not we can get these
15 services that are going to be specified that
16 have not been specified yet. We want to have
17 an open process. We want to have people who
18 are working in the community, working with our
19 programs. We don't want to be aloof in any of
20 our services. So we're going to work very
21 hard to have community-based, culturally
22 competent services.

23 COUNCILWOMAN TASC0: When you're
24 preparing a proposal for funding, do you list
25 in the proposal the possible organizations who

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2 could do the work? You have in mind who could
3 perform the service that you're applying for
4 the grant?

5 COMMISSIONER DOMZALSKI: We don't
6 name organizations.

7 COUNCILWOMAN TASCO: No, but do you
8 have some idea who might be able to provide
9 the service?

10 You don't just apply for the money
11 and say, "Let's get it and then we'll figure
12 out who can do it."

13 COMMISSIONER DOMZALSKI: Well, we
14 know what the services are and we know that
15 there are several ways that we might go about
16 doing that. For postpartum services, we'd
17 probably want some nursing services for home
18 visiting, maybe some lay home visiting serves.
19 The question would be, do we hire those
20 individuals ourselves as City employees and
21 deploy them or does it make more sense to
22 associate with and collaborate with an
23 existing program, whether it's LaSalle or
24 whether it's Maternity Care Coalition or some
25 other provider.

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2 COUNCILWOMAN TASC0: So the program
3 begins July 1st. When do you put out the RFP
4 or when do you determine who gets the money?

5 COMMISSIONER DOMZALSKI: That will
6 be in process the next couple of weeks.

7 COUNCILWOMAN TASC0: On Page 146 of
8 the budget detail, \$136,656 is allocated to be
9 determined providers for HIV/AIDS prevention
10 and care services.

11 What is the selection process and
12 time line for the selection of these
13 providers?

14 Also, what the ethnic makeup of the
15 City's HIV and AIDS population -- which you
16 don't have the answer; you said that. And
17 which percentage of the City's HIV and AIDS
18 providers are MWBEs?

19 COMMISSIONER DOMZALSKI: What page
20 are we looking at, Councilwoman?

21 COUNCILWOMAN TASC0: Page 146.

22 COMMISSIONER DOMZALSKI: Page 146?

23 COUNCILWOMAN TASC0: Yes. Down at
24 the bottom you have, "To be determined,
25 \$136,000 prevention services and care

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2 services."

3 It's item 250, second from the last.

4 COMMISSIONER DOMZALSKI:

5 Councilwoman, to get you a complete answer on
6 this, I'd like to get back to you on that.

7 COUNCILWOMAN TASCO: Okay.

8 What are the steps for a healthier
9 US program and how will the million dollars
10 designated to be -- how will you designate the
11 providers? How will you spend the million
12 dollars and who will be providers.

13 COMMISSIONER DOMZALSKI: The Steps
14 program is -- I think you may have some detail
15 on that. There are three pillars, it's
16 obesity, asthma, physical activity. What we
17 did was look at a number -- probably about 50
18 individuals representing maybe that many
19 organizations participated in this grant
20 process. And the proposals have been an
21 RFP-type of process, came back and a number of
22 individuals having gone through that process
23 and were selected. There's some, I think,
24 additional Procurement going on. Steps -- is
25 Brenda here?

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2 Brenda Shelton Dunston is our
3 program manager on this.

4 Brenda, state your name for the
5 record.

6 MS. DUNSTON: I'm Brenda Shelton
7 Dunston, I'm the Project Director, Footsteps
8 to a Healthier Philadelphia.

9 COUNCILWOMAN TASC0: How will the
10 million dollars designated for the program be
11 determined? How will it be spent and who will
12 be the providers?

13 MS. DUNSTON: The one point, for
14 year one -- it is a five-year program. And
15 for year one there was 1.5 million received.
16 And primarily during year one, which is
17 occurring right now, it is a planning year.
18 However, we do have involved on the planning
19 process neighborhood representatives,
20 individuals who represent the neighborhoods
21 that this program will be addressing --

22 COUNCILWOMAN TASC0: What is the
23 program and where is it targeted?

24 MS. DUNSTON: There are 15
25 intervention areas that include a population

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2 of just under 500,00 within north, southwest,
3 south and Center City. These are individuals
4 who have a -- we are basically addressing the
5 morbidity and mortality and attempting to
6 reduce morbidity and mortality as it relates
7 impacted by obesity, diabetes, and asthma.
8 And so these intervention areas are -- that's
9 basically how it was determined that this
10 project is funded by Health and Human
11 Services, the Centers for Disease Control.

12 And I mentioned for year one the
13 1.5, however, it's funded for a five-year
14 period and during that five-year period there
15 will be approximately 9.15.

16 We are looking right now at program
17 years two through five. And there will, in
18 fact, be some programs within those areas that
19 are community-based organizations that links
20 will be established and they will, in fact,
21 receive funds to support and address the
22 reduction of the incidence of diabetes,
23 asthma, and obesity in those communities. But
24 there is a strong neighborhood component and a
25 neighborhood coalition as well as a

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2 faith-based coalition to ensure that.

3 COUNCILWOMAN TASCO: What will be
4 the process for selecting the providers?

5 MS. DUNSTON: The process for
6 selecting --

7 COUNCILWOMAN TASCO: Let me just --
8 are you going to do an RFP? Are you going to
9 do professional services?

10 RFP is you put it out and people
11 have to bid on the program, they've got to
12 compete. Or you can just say, "There's a
13 group, North Philadelphia, West Philadelphia,
14 let's give it to them," without any bid into
15 it.

16 How are we going to spend \$10
17 million?

18 MS. DUNSTON: What the group is
19 looking at is really trying to make it an
20 inclusive process, one that makes sure that
21 those individuals in community-based
22 organizations in those areas who have an
23 interest and skills in providing those
24 services are in fact aware of the availability
25 of the funds and that they have an opportunity

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2 to submit proposals to be involved in those
3 funds.

4 The other piece is that in instances
5 where there is a need for an organization to,
6 I guess, have a stronger foundation for
7 administrative or foundation to ensure that
8 they can in fact operate those services
9 provide those services and it be a
10 community-based organization for that.
11 Technical assistance will be provided to help
12 sure them up so that that can be done.

13 And if necessary -- I've seen other
14 situations. We're going to explore all
15 options so that we can do that, that technical
16 assistance and consulting could possibly be
17 provided to some of those community-based
18 organizations to ensure that they have the
19 infrastructure to operate and sustain the
20 operation of them.

21 COUNCILWOMAN TASCOT: Will the
22 technical assistance come from the Health
23 Department? Are you going to contract with
24 someone to do the technical assistance?

25 MS. DUNSTON: I am not sure. We're

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2 going to explore all options.

3 Now, this is program year two
4 through five. And I am not sure whether it
5 will actually be provided through the Health
6 Department or an external organization.

7 COUNCILWOMAN TASC0: Have you talked
8 to the Councilmembers whose districts these
9 programs will operate?

10 MS. DUNSTON: We will be doing that.
11 This is the planning year and we do have plans
12 for sharing that information and getting input
13 from them as well.

14 COUNCILWOMAN TASC0: Well, since the
15 Councilmembers and maybe even the State
16 Representatives know the community groups in
17 their district, it would be helpful to have
18 them involved in the planning process.

19 MS. DUNSTON: Absolutely.

20 COUNCILWOMAN TASC0: Thank you.

21 COMMISSIONER DOMZALSKI: It's an
22 important point and we need to do that.

23 COUNCILWOMAN TASC0: I guess you can
24 see where I'm going, Mr. Commissioner, in my
25 line of questioning because I had a very

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2 frustrating meeting yesterday with some member
3 staff of your Department around an issue in my
4 district. And when I see large organizations
5 that continue to get funded year after year
6 without having to bid, it is very unfair, I
7 think. And when you have community based
8 organizations that struggle along year after
9 year trying to provide services to the
10 community that get into a situation where they
11 have to compete against agencies that are set
12 up new to provide services to meet the
13 criteria of a new program, it gets to be a
14 little much. And then when you have community
15 organizations come to say, "We are not treated
16 fairly," and then when we speak to the Health
17 Department -- you agree and you are concerned,
18 but nothing changes.

19 We want to know what's going to
20 change and how are we going to look at funding
21 these community-based programs?

22 I want them to get some professional
23 service contracts. Because if you give our
24 professional services contracts to solve these
25 community groups, then they don't have to get

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2 into this competing against each other. All
3 you've got to do is look at the City. If the
4 people who are making the decision about the
5 funding knows the community and they have the
6 information which they base their
7 determination where they have the program, you
8 know, it's all subjective from the Health
9 Department. "Well, we like this group, we'll
10 give to this group over here. And we'll make
11 this group over here bid and we'll make this
12 group over there compete." And that's what's
13 happening in the Health Department. And
14 there's an unrest, not only with me, but other
15 elected officials in this City about how the
16 money is distributed in the community for
17 services to the community. And when you have
18 a City as diverse as Philadelphia and you have
19 very few groups from the minority community
20 with any level of support from the Health
21 Department and you look at these two large
22 groups will millions of dollar and all you do
23 is say, "Let me just pick up the phone and
24 give them a contract."

25 That's just real easy. They just do

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2 that, and it's all insidious. It's just not
3 fair; it's not fair. So before we pass the
4 budget, we're going to have to figure out what
5 we do about that. We'll have to do something
6 about that. And it can't continue to go on
7 because its continuous over and over again and
8 there is a disparity. I guess maybe that's
9 what City operates disparity, but it's not
10 fair.

11 COMMISSIONER DOMZALSKI: I
12 understand the perception, Councilwoman. I
13 think a first step in that would be to open up
14 the process, come in and talk to you, show you
15 the process that we're going through --

16 COUNCILWOMAN TASCO: I just want you
17 to give them some of those professional
18 services contracts. If you've got a training
19 contract, don't call the Philadelphia Health.
20 I don't have anything against them. I think
21 they're fine people. But there are a lot of
22 people who do training in this City. They're
23 people I know who do training. They don't get
24 any contracts. It's just like what's been in
25 the paper lately. The same group gets the

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2 same money. It's not expanded to be inclusive
3 of the rest community. It's same little
4 network who know the people who work in the
5 Health Department and they work them to help
6 them expand their businesses and they get the
7 contracts. It's what it is. It's not a
8 secret in the community how it's done.

9 I could ask a lot more questions.
10 If you want to break, I will.

11 COMMISSIONER DOMZALSKI: We
12 certainly want to clear up that information
13 for you, Councilwoman. I'll be happy to do
14 that.

15 COUNCIL PRESIDENT Verna: Thank you.

16 While the Commissioner is here,
17 Councilwoman, since it's just me and thee, do
18 you have any questions regarding CBH?

19 COUNCILWOMAN TASC0: Yes.

20 COUNCIL PRESIDENT Verna:
21 Commissioner, you do not have to read your
22 testimony. It will be given to the
23 stenographer. It will be transcribed in full.
24 We do have it, and I'm sure the Councilwoman
25 will be asking her questions from your

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2 testimony. And I have a couple too.

3 COUNCILWOMAN TASC0: It goes back to
4 the secondhand smoke. What is your outreach
5 and communication strategy for dealing with
6 secondhand smoke in the City? Is that part of
7 your responsibility with the tobacco money.

8 COMMISSIONER DOMZALSKI: Yes. It's
9 part of the education effort that we do. We
10 have regulations that we enforce with regard
11 to separate sections in public eating and
12 drinking establishments. They have to provide
13 a smoke-free area. So we support those
14 efforts. Secondhand smoke is very definitely
15 a problem. There's no smoking in public
16 buildings. The airport will be going
17 smoke-free next week, I think. So these are
18 all important pieces of our educational
19 process.

20 COUNCILWOMAN TASC0: Do you have any
21 money in this budget for communicating and
22 educating people about secondhand smoke and
23 about the whole issue of tobacco?

24 COMMISSIONER DOMZALSKI: Yes,
25 Councilwoman, we do.

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2 COUNCILWOMAN TASC0: What is it?

3 COMMISSIONER DOMZALSKI: I don't
4 know the specific dollar figure, but it's a
5 fairly reasonable portion of the 3.4 million
6 that we have. I've been having some
7 conversations about how we're spending that
8 communication money. Some of it is regarding
9 advertising. Some of it is whether or not we
10 can use community groups to get the message
11 out. Some of it has to do whether we can use
12 community newspapers to reach folks.

13 COUNCILWOMAN TASC0: Have you made
14 that determination yet?

15 COMMISSIONER DOMZALSKI: Not yet.
16 The only determination we've made is what
17 we're now doing is not inclusive enough.

18 COUNCILWOMAN TASC0: Well, that's
19 the buzz word today.

20 How do you plan to make it
21 inclusive?

22 COMMISSIONER DOMZALSKI: By looking
23 at what we're doing, looking at who else is
24 out there that we can have that kind of a
25 relationship with and to have the contract

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2 done.

3 COUNCILWOMAN TASC0: Is it a
4 professional services contract?

5 COMMISSIONER DOMZALSKI: They're all
6 professional services contracts.

7 COUNCILWOMAN TASC0: So you can make
8 the determination without doing a bid. So who
9 have you got on the list to give this contract
10 to?

11 COMMISSIONER DOMZALSKI: Well, I
12 mean, some of the places where we do this
13 education is through the media such as we'll
14 be doing stuff on public transportation, we'll
15 be doing some targeted advertising in
16 community newspapers, those kinds of things.

17 COUNCILWOMAN TASC0: Well, I'd like
18 I have a conversation with you about that
19 before you leave.

20 COMMISSIONER DOMZALSKI: I would
21 love to.

22 COUNCILWOMAN TASC0: Thank you very
23 much.

24 COUNCIL PRESIDENT VERNA:
25 Councilwoman, can we go to CBH? I just have a

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2 couple questions too.

3 COMMISSIONER DOMZALSKI: Is the
4 Health Commissioner dismissed.

5 COUNCIL PRESIDENT Verna: As far as
6 I'm concerned.

7 COMMISSIONER DOMZALSKI: Thank you.

8 COUNCIL PRESIDENT Verna: Thank you
9 so much, Commissioner.

10 We don't have to read the testimony
11 from CBH. As I said, a copy of it has been
12 given to the stenographer and it will be
13 transcribed in full.

14 (Testimony attached.)

15 COUNCIL PRESIDENT Verna: Can you
16 tell me how many members are in the CBH
17 program?

18 MR. COVONE: Sure. There are
19 approximately 370,000 Medicaid recipients for
20 a part of the Health Choices program that's
21 operated by Community Behavioral Health.

22 COUNCIL PRESIDENT Verna: What are
23 the various category levels of care and the
24 associated per member per month payment?

25 MR. COVONE: The categories of

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2 service, Councilwoman --

3 COUNCIL PRESIDENT Verna: Excuse me,
4 sir.

5 Those leaving, do so quietly,
6 please. We're still trying to conduct
7 business. Thank you.

8 Please proceed.

9 MR. COVONE: The categories of
10 service include psychiatric inpatient which is
11 hospital-based inpatient care, not hospital,
12 drug and alcohol care, residential
13 rehabilitative services, there are residential
14 treatment facilities for children requiring
15 out-of-home placement, as well as traditional
16 outpatient services both on the mental health
17 and drug and alcohol side and a variety of
18 ancillary supports, including case management
19 services, resource coordination.

20 COUNCIL PRESIDENT Verna: How about
21 the associated member per month payment?

22 MR. COVONE: I don't have the exact
23 figure with me. I believe it's somewhere in
24 the neighborhood of, on a blended average,
25 \$120 per member per month. That varies by

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2 category of aid. There are approximately six
3 categories of aid, and each one has a
4 different per member per month, and that
5 represents a blended may.

6 COUNCIL PRESIDENT VERNA: Thank you.
7 I think we're so eager to move forward that I
8 neglected to ask you to identify yourself for
9 the record.

10 MR. COVONE: My name is Michael
11 Covone. I'm the Deputy Commissioner --

12 COUNCIL PRESIDENT VERNA: We know
13 who you are, but I don't think the
14 stenographer did.

15 Have the per member per month rates
16 been set for FY '05?

17 MR. COVONE: For FY '05, let me just
18 clarify one point. The Health Choices Program
19 operates on a calendar year, so the per member
20 per month have been set for the current year
21 that began January 1st. The negotiations for
22 the next year will occur during the summer.

23 COUNCIL PRESIDENT VERNA: Do you
24 have any outstanding rate issues with the
25 State? And if so, what are they?

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2 MR. COVONE: At this point in time,
3 what we're identifying for the Commonwealth
4 are things that we believe may impact next
5 year. For example, we're undertaking a
6 strategic planning initiative with the group
7 of stakeholders from the behavioral health
8 system. Part of that effort, we believe,
9 identify areas where we will need to expand
10 services in the future. And what we're
11 looking at identifying are those areas where
12 we think that may indeed impact on the rate.

13 COUNCIL PRESIDENT VERNA: Thank you.

14 The Chair recognizes Councilwoman
15 Tasco. Do you have any questions?

16 COUNCILWOMAN TASCO: I don't have a
17 lot of questions, just a couple.

18 Would you just explain to me now the
19 new status of CBH in going from an outside
20 agency to -- explain that process.

21 MR. COVONE: If I can first clarify
22 that back in October, the Mayor signed an
23 Executive Order creating the Office of
24 Behavioral Health and Mental Retardation
25 Services. So there are three components

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2 Office of Behavioral Health, and that's the
3 City Office of Mental Health, the City
4 Coordinating Office of Drug and Alcohol and
5 Community Behavioral Health who is our managed
6 care entity for the Health Choices Program.
7 So those three groups which used to be part of
8 -- two of them used to be part of the Health
9 Department, and one a 501C3, as you're aware,
10 CBH are now part of a separate department.
11 CBH is not City Civil Service at this point in
12 time, it's just part of that, as well as our
13 Office of Mental Retardation Services. With
14 this budget represents really the first break
15 from the Health Department. In previous
16 years, we testified in conjunction with
17 Commissioner Domzalski as part of Health.

18 COUNCILWOMAN TASC0: So the
19 community Behavioral Health will remain a
20 501C3?

21 MR. COVONE: Yes.

22 COUNCILWOMAN TASC0: Will the Office
23 of Mental Health come under that, or will it
24 just managed in the Managing Director's
25 Office?

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2 MR. COVONE: We're partners in that
3 as part of Behavioral Health. We will remain
4 City offices, the Office of Mental Health, and
5 the Coordinating Office of Drug and Alcohol;
6 both will remain City Civil Service offices.

7 COUNCILWOMAN TASC0: What about
8 retardation?

9 MR. COVONE: Mental Retardation as
10 well, yes.

11 COUNCILWOMAN TASC0: So yesterday
12 what was confusing to me --

13 MR. COVONE: Yesterday we were
14 talking about the mental retardation side,
15 correct.

16 COUNCILWOMAN TASC0: Which has
17 nothing to do with the Community --

18 MR. COVONE: With CBH.

19 COUNCILWOMAN TASC0: I thought they
20 were all together.

21 MR. COVONE: Part of the reason
22 mental retardation services was kept is
23 because as the Mental Health Mental
24 Retardation Act was established back in the
25 '60s, it was an Act that had both those

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2 services together. And basically the
3 infrastructures of the office are supporting
4 both mental health, drug and alcohol, and our
5 mental retardation programs. And when the
6 Mayor was considering the issue of an
7 Executive Order, one of the things we didn't
8 want to do was have to break out and create
9 duplicative administrative structures to
10 separate out mental retardation as a separate
11 department. So our finance offices, our IS
12 offices support both sides.

13 COUNCILWOMAN TASC0: Who is going to
14 be in charge of this new entity?

15 MR. COVONE: The Managing Director
16 actually is chairing a search as we speak.
17 And there's a search going on for the director
18 for that office

19 COUNCILWOMAN TASC0: Of the office
20 of --

21 MR. COVONE: Of the Office of
22 Behavioral Health/retardation Services.

23 COUNCILWOMAN TASC0: It's going to
24 be real confusing.

25 Now, here you have a budget of

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2 \$500 million. Now, is that combined budget of
3 Mental Health, CBH, and mental retardation?

4 MR. COVONE: That 500 million
5 represents the Health Choices, the CBH of the
6 program. The testimony will give you the
7 breakdown of the various components. About
8 272 million or 25 percent of that is for
9 mental retardation services and approximately
10 \$809 million are for the behavioral health
11 component, which includes CBH, CODAP and the
12 Office of Mental Health.

13 COUNCILWOMAN TASC0: Okay. I'll ask
14 you the same questions I hammered on with the
15 Health Department.

16 How many of the 100,000
17 Philadelphians who you serve in the Office of
18 Behavioral Health are -- what is the ethnic
19 makeup of that population?

20 MR. COVONE: I actually have that
21 here for you. Approximately 56 percent are
22 African-American, 22 percent Hispanic, 1
23 percent Asian, and the balance are Caucasian.

24 COUNCILWOMAN TASC0: According to
25 Page 59 of the budget detail, your office to

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2 provide contracts worth \$593 million. What
3 portion of these providers will be MWBEs and
4 what is the dollar amount of the contract
5 these providers will receive of the amount?

6 MR. COVONE: Similar to the Health
7 Department, we can update and provide you with
8 that information. I believe last year when
9 that information was requested, it was
10 somewhere in the neighborhood 20 to 25
11 percent. But we'll give you an update and
12 we'll attempt to provide you with the growth
13 over the last couple years as well.

14 COUNCILWOMAN TASC0: And the dollar
15 is very important.

16 MR. COVONE: And the dollar amounts
17 with that as well.

18 COUNCILWOMAN TASC0: Just for the
19 record, we had an in-depth discussion about
20 this yesterday, we talked about the support
21 coordination systems for individuals with
22 mental retardation. As you know, we really
23 had a serious discussion about the selection
24 process.

25 Would you go on record and tell me

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2 how that selection process worked? Because we
3 raised some issues about using new
4 organizations versus organizations who had
5 experience in running programs.

6 MR. COVONE: And this, as we
7 discussed yesterday, fortunately or
8 unfortunately, was a process that we went
9 through a formal RFP on. We began discussions
10 about reconfiguring the MR service, case
11 management system almost three years ago at
12 this point in time. Spent about a year prior
13 to the issuance of an RFP, meeting with
14 families and consumers and provider of network
15 around the changes that are required as a
16 result of -- some major changes that were
17 going on with our funder at the state and
18 federal governments and the requirements that
19 on the mental retardation side, services had
20 to be provided by providers that were
21 quote/unquote conflict-free. And what was
22 meant by that is that provider could also not
23 be a direct provider of mental retardation
24 services.

25 We issued a RFP on July 1, 2003. We

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2 had 11 organizations that responded to that
3 RFP in September. The RFP was reviewed and
4 six agencies were selected to go to the second
5 level which was a formal interview process
6 that began in December and continued through
7 February. That interview process consisted of
8 a group of two parents, a consumer, a provider
9 representative, a member of the Mayor's MHMR
10 advisory board and three representatives of
11 the Office of Mental Retardation.

12 In mid-March, the four entities were
13 selected for this particular service and
14 really are using this point in time as a
15 transition point in time. The new services
16 will take effect July 1st, but they're working
17 with the current network of providers to
18 transition records, to transition information.

19 COUNCILWOMAN TASC0: And the one
20 organization that you know I was very
21 concerned about was Warren E. Smith.

22 MR. COVONE: Correct.

23 COUNCILWOMAN TASC0: I want Warren
24 E. Smith to be like Philadelphia Health
25 Management Corporation. Why can't they just

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2 get some --

3 MR. COVONE: Warren E. Smith, as I
4 said yesterday, I think has and continues to
5 provide valuable services to the City.
6 Between the various components of the
7 behavioral health system, they receive in
8 excess of \$20 million. The vast majority of
9 that comes through Community Behavioral
10 Health, but over the course of the last year,
11 that organization was one the first
12 organizations selected to do one of the new
13 school-based behavioral health programs, was
14 the only organization selected to expand that
15 in the second year of that particular
16 initiative and also as an organization that
17 was, over the course of the last year,
18 identified as one of our targeted case
19 management pilots. There's only four that we
20 have in the City for behavioral health
21 services, and they were selected as one of the
22 four.

23 As I said yesterday, they're an
24 organization who does do good work. This was
25 not meant -- they're not being selected for

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2 the mental retardation was not meant as a
3 criticism of the organization.

4 COUNCILWOMAN TASC0: Just to go on
5 record, our concern was, one, the selection
6 process and the internal process for
7 selection. We question that in that there
8 were staff people who made those selections
9 and we had some concerns about that. And in
10 the future, the selection process should be,
11 even from the initial point, should be much
12 more community-based inclusive.

13 MR. COVONE: And I think we hear
14 that concern. That's something we'll
15 certainly take in consideration as we do
16 future RFPs.

17 One of the thing I did want to
18 comment on that is the selection process, that
19 two-layer selection process that we discussed
20 yesterday where staff reviewed the first wave
21 and the larger group of stakeholders reviewed
22 the second, was articulated in the RFP. So
23 that was not a surprise to any of the bidders
24 how that was going to be --

25 COUNCILWOMAN TASC0: Well, that may

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2 be true, but also we looked at the two
3 organizations who received the services were
4 spinoffs from other organizations that already
5 existed. And we have some concern about how
6 they would gear up the programs in communities
7 that they did not serve and do not serve. How
8 would they serve those communities?

9 I jut want to put on the record. We
10 still have open dialog about what we do with
11 that process. We haven't ended that.

12 I thank you, Madam President, that's
13 all the questions I have.

14 COUNCIL PRESIDENT VERNA: Thank you.

15 Mr. Covone, you indicated that the
16 Managing Director presently has a search he's
17 conducting for the director this department.
18 Can you tell me what the qualifications are?

19 MR. COVONE: I believe they're
20 looking for someone who has broad-based
21 knowledge of both behavioral health and mental
22 retardation reserve who has operated in large
23 systems and in an urban environment over the
24 years, has background both from a programmatic
25 and financial operating end of that. And

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2 there is a job description that I believe is
3 finalized and available if you would like
4 that.

5 COUNCIL PRESIDENT VERNA: Very well.

6 COUNCILWOMAN TASC0: Is there
7 another organization like CBH in any other
8 City in the country that you know of?

9 MR. COVONE: CBH is probably one of
10 a kind. This was an initiative that actually
11 received the Innovations in American
12 Government Award a couple years back because
13 of the approach we took with behavioral
14 health. And really the intent behind the
15 establishment of CBH is that any savings that
16 existed through the initiative, unlike other
17 states and other counties in Pennsylvania is
18 not going to the for-profit managed care
19 entities but is available for reinvestment in
20 the system.

21 COUNCILWOMAN TASC0: What did you
22 say the qualifications were? The person had
23 to work in an organization like CBH?

24 MR. COVONE: I don't believe so.

25 COUNCIL PRESIDENT VERNA: They would

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2 have to have some knowledge of the programs.

3 COUNCILWOMAN TASCO: Thank you,

4 Madam President.

5 COUNCIL PRESIDENT Verna: Thank you.

6 Thank you very much. Nice seeing
7 you.

8 The Committee will stand in recess
9 for a half hour. Thank you.

10 (Recess.)

11 COUNCIL PRESIDENT Verna: The
12 Committee is back in session.

13 The next department that we'll hear
14 from is the Department of Human Services.

15 We do have a copy of your written
16 testimony which has been given to the
17 stenographer. It will be transcribed in
18 whole. I would ask that you please abbreviate
19 your testimony.

20 COMMISSIONER MARTINEZ: Good
21 afternoon, President Verna and Members of City
22 Council. It's an honor to be here once again.
23 My name is Alba Martinez, I am the
24 Commissioner of the Department of Human
25 Services. And this afternoon, I am here to

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2 present on behalf of our department our Fiscal
3 Year '05 Operating Budget request and also to
4 report briefly to Council the progress we have
5 been achieving on successful outcomes for
6 children. I'm also here prepared to share
7 with you and discuss with you the challenges
8 that remain for us and also to preview some of
9 the plans that I believe will place
10 Philadelphia's Department of Human Services on
11 the cutting edge of service provision.

12 DHS's Fiscal Year '05 General Fund
13 budget request is \$640,801,137, representing
14 an increase of 9.4 percent over our
15 Department's Fiscal Year '04 estimated
16 obligations.

17 The Department has a budgeted
18 position level in Fiscal Year '04 of 213
19 employees, of which 1,887 were filled as of
20 December 2003. We are seeking a position
21 level to be filled at 1,964 and the increase
22 of 77 staff is detailed in the testimony, but
23 I would like highlight that 33 of them are to
24 investigate child abuse and neglect cases and
25 11 are to fill other social work vacancies.

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2 We have been engaged since the year
3 2000 in a top to bottom effort to make a
4 department more efficient, effective and
5 accountable.

6 Reform of a child welfare system, as
7 we all know, is an ongoing work in progress.
8 However, I want to highlight briefly some of
9 the accomplishments that we have made, and I
10 have to personally thank Council for its
11 support throughout this reform period.

12 We have increased our social work
13 staff, including experience and master level
14 professionals which has resulted in a
15 reduction in staff case loads.

16 We have created a staff training and
17 development center that counts on the
18 University of Pittsburgh, Temple University,
19 and the University of Pennsylvania as formal
20 partners.

21 We have specialized our sex abuse
22 investigations. We have expanded our
23 investigation division by six units to
24 respond to a 17 percent increase in reports of
25 abuse and neglect over the last three years.

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2 We created a midnight to 8:00
3 in-office shift to respond to abuse and
4 neglect.

5 We redesigned and expanded our
6 treatment foster care system which has
7 resulted in a reduction in the dependence on
8 institutional care for children with
9 behavioral health problems.

10 We've implemented performance-based
11 contracting in foster care which is designed
12 to increase permanency outcomes for children.

13 We had a record number of adoptions
14 last year, 654, and in the first year of
15 performance-based contracting we have seen a
16 31 percent increase in permanencies over the
17 prior two years.

18 We've implemented permanent legal
19 custody as a third permanency option for
20 children in our care.

21 We've created the Achieving
22 Independence Center for aging out youth.

23 These are just some examples of the
24 many accomplishments that we have been able to
25 achieve with the support of City Council.

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2 For '05, our goals and initiatives
3 include automating the entry of child abuse
4 and or neglect reports, and this is going to
5 help us document and track reports of abuse
6 and neglect more timely and also assign cases
7 much more quickly, which will, of course,
8 minimize any risk that might be resulting from
9 delays in the assignment of cases.

10 We are eager to establish a parent
11 support center focussed on family unification.
12 There are 2,474 families with at least one
13 child in placement as of December 31, 2003,
14 for whom the Department was seeking
15 reunification with their children. And while
16 we currently offer these array of services to
17 support the return of children home, we
18 recognize that parents often need additional
19 support. So in collaboration with the
20 Workforce Development System, we are going to
21 develop a one-stop shop for parents to reduce
22 the time that children are in placement, and
23 that one-stop shop is going to include
24 services like a gateway to mental health and
25 drug treatment services, education and

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2 training programs, benefits counseling,
3 mentoring and peer mentoring for these parents
4 and visitation, life skills, adult basic
5 education and transportation assistance, among
6 other supports.

7 Another important reform the
8 Department plans to fully implement is the
9 transition from the existing way in which we
10 are receiving legal representation to a team
11 approach to legal representation. This means
12 that attorneys will follow cases from
13 beginning to end and there won't be a
14 discontinuity in representation of children.
15 We believe that this will add to the efforts
16 to reduce the length of stay of children in
17 placement.

18 Lastly, we're working very
19 aggressively to seek reimbursement for the
20 Department's costs from, of course, any other
21 source that can assist us in meeting our
22 financial goals, and we are working on some
23 substantial revenue initiatives, increase
24 initiatives and we are tracking and following
25 and advocating for those two specific pieces

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2 of legislation which we can testify to in more
3 detail.

4 This concludes my truncated
5 testimony, and I look forward to your
6 questions and recommendations for the coming
7 year.

8 COUNCIL PRESIDENT VERNA: Thank you
9 very much.

10 You mentioned about attorneys
11 following the case from beginning to end. Are
12 the attorneys within your -- are they
13 in-house?

14 COMMISSIONER MARTINEZ: They are
15 attorneys that work within the City
16 Solicitor's Office that are designated to the
17 Department of Human Services.

18 COUNCIL PRESIDENT VERNA: How many
19 attorneys assigned to your department?

20 COMMISSIONER MARTINEZ: The exact
21 number of attorneys is 34. We added 14 in the
22 last year.

23 COUNCIL PRESIDENT VERNA:
24 Commissioner, do you have any contracts with
25 the fund for Philadelphia --

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2 COMMISSIONER MARTINEZ: Yes, we do.

3 COUNCIL PRESIDENT VERNA: -- in FY

4 '04?

5 You said yes. Can you tell me
6 what's the amount and what are the funds used
7 for?

8 COMMISSIONER MARTINEZ: Yes. Allow
9 me to look it up in our budget book, and I
10 will also ask our contracts Deputy
11 Commissioner Cheryl Ransom to join me at the
12 table.

13 COUNCIL PRESIDENT VERNA: Are you
14 also planning to contract with the fund for
15 Philadelphia in FY '05?

16 COMMISSIONER MARTINEZ: Yes.

17 COUNCIL PRESIDENT VERNA: Can you
18 tell us what the amount in '04 is and what are
19 the funds used for and also what is the amount
20 for '05 and what services will be provided?

21 COMMISSIONER MARTINEZ: Yes.

22 MS. RANSOM: Cheryl Ransom, Deputy
23 Commissioner for the Department of Human
24 Services.

25 COUNCIL PRESIDENT VERNA: Good

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2 afternoon.

3 MS. RANSOM: For FY '04, it's 1.2
4 million.

5 COUNCIL PRESIDENT VERNA: What were
6 the funds used for?

7 MS. RANSOM: Various projects. One
8 is we have a CAPTA Project for special needs
9 children.

10 COUNCIL PRESIDENT VERNA: I'm sorry,
11 what project?

12 MS. RANSOM: We call it a CAPTA
13 Project, C-A-P-T-A. It's support for children
14 with special medical needs and equipment.

15 The next is family preservation
16 services in terms of planning family
17 preservation activities for families.

18 We have our communications campaign
19 for the Department.

20 COUNCIL PRESIDENT VERNA: Who runs
21 the communications?

22 MS. RANSOM: Our Communications
23 Director, Ted Quali (ph).

24 COMMISSIONER MARTINEZ: While it's
25 called Communications, we have invested a

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2 significant amount of time and effort in
3 public education and outreach to the
4 community. And that's really at the core of
5 what we do in communications. In addition to
6 public education and outreach on many
7 different issues, which is partly the reason
8 why we have a 17-person increase in reports of
9 abuse and negative, we have also done
10 tremendously aggressive outreach which has
11 cost us money but has paid off in recruitment
12 of staff for the Youth Study Center and the
13 Department of Human Services social work team.
14 And just to explain why this is needed,
15 because it is a substantial amount of money,
16 since in the last four years we have hired
17 over 450 social workers for a net increase in
18 the Department today of around 118. So the
19 turnover is enormous. And the recruitment --
20 this is crisis nationally, the recruitment of
21 social workers. So these are examples of the
22 kinds of initiatives that we do through our
23 communications campaign. And we have a
24 Communications Director and we also then use
25 different consultants in carrying out some of

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2 those functions.

3 COUNCIL PRESIDENT Verna: What are
4 you planning to contract with the Fund for
5 Philadelphia in FY '05, how much?

6 MS. Ransom: The same amount.

7 COUNCIL PRESIDENT Verna: And it
8 would be for the same type of services?

9 MS. Ransom: Yes.

10 COUNCIL PRESIDENT Verna: Would you
11 explain your contract with Philadelphia Safe
12 and Sound.

13 COMMISSIONER MARTINEZ: Yes. I'm
14 asking Deputy Managing Director Ellen Steiker
15 to join me at the table for that question.
16 But Safe and Sound is a provider for the
17 department of after school and youth
18 development initiative, and the department
19 contracts with Safe and Sound to manage and
20 oversee those many after school and youth
21 development initiatives.

22 In this current fiscal year, the
23 Department provides them with approximately
24 \$25 million for those comprehensive programs
25 throughout the City. And in Fiscal Year '05,

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2 we are proposing to provide the same amount,
3 and if we are successful in getting our
4 increase, then we would increase that by an
5 additional \$10 million.

6 COUNCIL PRESIDENT VERNA: Let me
7 ask. You also have summer programs that Safe
8 and Sound administers. Are community
9 recreation groups allowed to participate in
10 running or applying or being a part of the
11 programs that are in existence?

12 COMMISSIONER MARTINEZ: Well, I will
13 defer to Deputy Managing Director Syker for
14 detail. I will report to you, President
15 Verna, that I am aware that the Children's
16 Investment Strategy does invest in the
17 Recreation Department and that there are 63
18 recreation programs, at least that I am aware
19 of, that receive support that comes from the
20 Department through Safe and Sound. And in
21 addition to that, the Mayor has committed and
22 an additional \$1.2 million --

23 COUNCIL PRESIDENT VERNA: I am led
24 to believe -- and I don't mean to be cutting
25 you short, but we are really pressed for time.

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2 I understand that last year 40 recreational, I
3 guess, different communities filed an
4 application with Safe and Sound to be a part
5 of a summer program or after school program,
6 and not one of them were accepted. Was that
7 portion of the money that would have gone to
8 the community groups given to the Department
9 of Recreation?

10 MS. STEIKER: This is Ellen Steiker,
11 Deputy Managing Director. As part of that RFP
12 process, indeed, a number of groups,
13 recreation advisory councils, and recreation
14 departments sites applied. A decision was
15 made to actually give the money directly to
16 the Recreation Department where it could be
17 optimized better, so that instead of having
18 one site getting a lot of money and another
19 site getting nothing, we have awarded or Safe
20 and Sound awarded 1.2 million over three years
21 to the Recreation Department, that's 400,000 a
22 year and that started in FY '04. So FY '04,
23 FY '05 and FY '06, and that's being used by
24 the Commissioner to develop and enhance after
25 school programming.

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2 COUNCIL PRESIDENT Verna: Would you
3 please send me in writing the breakdown of how
4 the Fund for Philadelphia operates their money
5 and who they contract with and for what amount
6 for both FY '04 and FY '05, please?

7 COMMISSIONER MARTINEZ: Yes.

8 COUNCIL PRESIDENT Verna: Thank you.
9 The Chair recognizes Councilwoman
10 Tasco.

11 COUNCILWOMAN TASCOS: Thank you very
12 much.

13 Good afternoon. Could you bring me
14 up to date on the status of the Kinship Care
15 Program?

16 COMMISSIONER MARTINEZ: Well, the
17 Kinship Care Program of the Department of
18 Human Services has two components. One would
19 be in the prevention side, the Kids and Kin
20 Program that we support through Philadelphia
21 Society for Services to children, and that has
22 been growing and it's very successful. And I
23 believe at this point -- and I will David Fair
24 to join me to answer questions pertaining to
25 that, but I believe our funding level with

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2 them is \$350,000 now. And when I became
3 Commissioner, it was around 200,000. So we're
4 investing more in that.

5 In addition, on the foster care
6 side, which is the other part of Kinship Care
7 where relatives or friends actually become
8 certified as foster parents, the number of
9 kinship caregivers in foster care is growing
10 dramatically. I mean, we continue to see a
11 growth in that. And this year, we are seeing
12 a dramatic move of kinship caregivers to
13 permanency. We have close to 200 families
14 that have now achieved permanency and are out
15 of the foster care system, many of whom were
16 kinship care providers. And that means that
17 they will continue to receive a subsidy until
18 the age of 18 of the child. So we're making
19 progress. We prefer children to be with
20 relatives caregivers instead of with strangers
21 in foster care. And second of all, we prefer
22 children to never to come into the system at
23 all if we can avoid it. So we want to support
24 that network of community services for
25 families.

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2 COUNCILWOMAN TASCO: What's
3 happening to the Grand Central Station site
4 that was opened as a information site.

5 MR. FAIR: My name is David Fair,
6 I'm Director of community based and prevention
7 services for DHS.

8 We're actually funding seven
9 programs in addition to the Kids and Kin
10 Program that the Commissioner mentioned
11 targeting kinship caregivers, and Grand
12 Central is one of those. We have continued to
13 fund that. They are talking to us now about
14 moving out of their Center City office
15 building to a neighborhood site in South
16 Philadelphia, and we are supporting the
17 planning for that. That's probably our most
18 essential component of our Kinship Care
19 approach because it's the place where almost
20 everybody starts. They're asking for
21 information, they're asking for advice. Grand
22 Central has helped a whole lot of Kinship
23 caregivers through the Kinship foster care
24 process, which can be very confusing and
25 cumbersome for people. But mostly what they

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2 do for us is help primarily older Kinship
3 caregivers to connect to the network of social
4 services that are available for them so that
5 they don't need go through the formal foster
6 care process; or if they do want to adopt the
7 children, we help through process.

8 Grand Central in Philadelphia is a
9 society for services to children with the Kids
10 and Kin Program, our largest providers in that
11 area. We also have contracts with the 18th
12 Street Development Corporation for a program
13 called Raising Others Children. With the
14 Center for Intergenerational Learning for a
15 respite program for older caregivers called
16 Family Friends. And that's targeting Kinship
17 caregivers where the children have serious
18 emotional disturbances and the adult needs
19 respite periodically. And that's a peer
20 respite program, so other Kinship caregivers
21 who are in the same situation participate in
22 that.

23 We also have the Grandma's Kids
24 Program which is a program that we've been
25 expanding in the last two years which is a

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2 tutoring literacy training program targeting
3 the children of Kinship caregivers in what
4 used to be the William Penn Cluster in North
5 Philadelphia. And what we're trying to show
6 there is that if we can target those kinds of
7 supports to the Kinship families, that we can
8 make more progress for those children than we
9 do than just by having them go through the
10 regular School District tutoring programs.

11 COUNCILWOMAN TASC0: Who runs that
12 program?

13 MR. FAIR: Grandma's Kids is also
14 run by the Center for Intergenerational
15 Learning.

16 COUNCILWOMAN TASC0: The Temple
17 center--

18 MR. FAIR: The Temple Center for
19 Intergenerational Learning.

20 COUNCILWOMAN TASC0: How many of
21 these programs do they run?

22 MR. FAIR: I don't know exactly. I
23 think there are about 70 kids who are in
24 Grandma's Kids. That's one program and it's
25 serving a particular neighborhood in North

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2 Philadelphia. We started it at the time when
3 the School District was organized by clusters.
4 And that's about the extent of my knowledge.

5 COUNCILWOMAN TASC0: Now, is Grand
6 Central Station moving from -- they were
7 downstairs, right?

8 MR. FAIR: They're currently at 1211
9 Chestnut Street. They want to move to a site
10 that's actually right next door to
11 Philadelphia Society for Services to Children
12 since that's the primary social service agency
13 that they actually refer families to, there is
14 a certain cost effectiveness as well as just a
15 smoothness of operation by having them
16 together.

17 COUNCILWOMAN TASC0: Is their
18 funding being cut in any way?

19 MR. FAIR: No, absolutely not.

20 COUNCILWOMAN TASC0: They don't have
21 a funding problem?

22 MR. FAIR: They always want more
23 money, but other than that...

24 I should say, we also support an
25 annual local conference through Grand Central

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2 to highlight Kinship issues and to advocate
3 for the needs of Kinship caregivers.

4 COMMISSIONER MARTINEZ: We are
5 deeply, deeply committed to this issue. There
6 are, the last time I looked at statistics,
7 approximately 23,000 children being raised by
8 relatives and family in the City of
9 Philadelphia. These children do not belong in
10 foster care. Clearly, the foster care system
11 is not big enough to serve them. So the
12 Department's whole reason for creating that
13 community-base service network is to create
14 real networks of support in communities that
15 are there when people need them, not when it's
16 too late or not after the fact. And so we are
17 proud of those efforts and we're deeply
18 committed to it.

19 COUNCILWOMAN TASC0: And Raising
20 Others Children, they are out of South
21 Philadelphia, aren't they?

22 MR. FAIR: Yes, they are part of
23 another organization called the 18th Street
24 Community Development Corporation. There is
25 some question about 18th Street's continuing

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2 operation after the end of this fiscal year.

3 If they decide to go out of business, then

4 Raising Others Children Program will be

5 transferred to either Grand Central or PSSC or

6 one of the other programs. We've already

7 started discussions with other kinship

8 programs to make sure Raising Others Children

9 doesn't suffer as a result of 18th Street's
10 problems.

11 COUNCILWOMAN TASCO: One of the

12 things that I asked a lot of questions about

13 to the Health Department and I want to talk to

14 you about is how much of your direct services

15 to children is contracted out and what is your

16 bidding process and how contracts are given

17 out and how many of them are no-bid contracts

18 and what's the diversity in those people who

19 operate those programs who are providers?

20 COMMISSIONER MARTINEZ: Well, I will

21 begin answering the question and, again, will

22 ask Deputy Commissioner Ransom to join me at

23 the table since she's our contracts and

24 program evaluation deputy.

25 The Department is really committed

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2 to diversifying our provider base because it's
3 the right thing to do, because it's the
4 mandate of the Mayor and Council, and also
5 because it results in a greater ability to
6 deliver quality services, all for the right
7 reasons. We have seen an increase -- I'll
8 just give you one example. We have worked
9 very aggressively to bring in a minority
10 provider who does excellent work in Baltimore
11 and District of Columbia to come and do
12 treatment foster care in the City. And so we
13 gave that provider a start-up grant, and they
14 should be online with us, hopefully, next
15 year.

16 And refresh my memory about their
17 name.

18 MS. RANSOM: Progressive Life
19 Center.

20 COMMISSIONER MARTINEZ: Progressive
21 Life Center.

22 And in addition to that, the
23 Department has grown in the prevention arena.
24 A lot of the work that have done before that
25 continues to be done, it's foster care and

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2 institutional placements. And in the
3 prevention arena, we have been very aggressive
4 at diversifying. Unfortunately, the MBEC does
5 not count that because a lot of that money
6 gets the passed through intermediaries. So,
7 for example, if we give a substantial amount
8 of money PHMC then PHMC gets counted as a
9 provider and not the subcontracts which
10 usually the majority of the money goes.
11 However, we are prepared to give you
12 information today about the diversity in our
13 prevention contracts.

14 But first I would ask Cheryl to
15 speak to the difference in accounting and what
16 our numbers tell us.

17 COUNCILWOMAN TASC0: Before you go
18 to that question, one of the questions I
19 raised earlier is why do you pass the money
20 through PHMC and why don't you contract
21 directly with these groups?

22 COMMISSIONER MARTINEZ: Because the
23 Department is so large, we are right now at
24 close to \$600 million and most of that money
25 is in service contracts, \$450 million. But

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2 yet our staff infrastructure has not grown
3 sufficiency. Frankly, Councilwoman, we
4 wouldn't have the capacity to execute all of
5 those contracts individually. So in order to
6 be able to achieve the work and do it
7 efficiently and do it responsibly and have
8 sufficient accountability, we have to do it
9 through an intermediary.

10 COUNCILWOMAN TASC0: Are they the
11 only intermediary who can --

12 THE WITNESS: No, we use GPUAC as an
13 intermediary, Greater Philadelphia Urban
14 Affairs Coalition, and we use PMHCC as A
15 intermediary as well.

16 COUNCILWOMAN TASC0: Do you monitor
17 who they contract with? If they are
18 contracted with these programs, does the
19 Department monitor the diversity of their
20 contracts?

21 COMMISSIONER MARTINEZ: Yes, we do.
22 And in fact, we participate in the selection
23 of providers. The providers are selected by
24 the Department. We also use North City
25 Congress as an intermediary for contracts.

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2 It's partnership. When we talk about
3 intermediary, we're not giving them the
4 contract and then allowing them to do anything
5 they want with the money. We are actively
6 involved in the selection process, in setting
7 standards, in setting expectations, and
8 assuring that the providers are in the
9 neighborhoods we need them to be, because our
10 services are following the need. We look at
11 data. We know that most of our client base is
12 in lowest income neighborhoods in the City.
13 We know that, so we've made every effort to,
14 while having services equitably distributed
15 according to need because abuse can happen
16 anywhere, we are targeting the highest risk
17 neighborhoods. We have to concentrate our
18 resources, and we're doing it in those
19 neighborhoods. And we know that those
20 neighborhoods are often minority neighborhoods
21 in the City. So, therefore, the logic follows
22 that we need to have great representation.

23 So I will differ to my staff,
24 however, for the details of that which they
25 will give you right now in terms of numbers

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2 and specifics.

3 COUNCILWOMAN TASCO: Identify
4 yourself.

5 MS. RANSOM: Cheryl Ransom, Deputy
6 Commissioner for the Department of Human
7 Services.

8 The majority of our contracts are
9 with non-profit providers. However, we
10 participate with MBEC, but we're not able
11 anymore to count the minority participation.
12 They used to be able to get an affidavit and
13 we could count their participation. And the
14 requirement was to have over 51 percent
15 minority or women on the board to serve
16 minorities and to serve minorities in their
17 communities. And we would really seek support
18 to be able to go back to that because that's
19 where the majority of our money is spent, with
20 minority providers in minority communities.

21 COUNCILWOMAN TASCO: What caused
22 that to change?

23 MS. RANSOM: I'm not sure about
24 that. MBEC decided that they would no longer
25 allow the affidavit process. You're not

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2 permitted to certify a non-profit. According
3 to MBEC rules, only for-profits may be
4 certified.

5 COUNCILWOMAN BROWN: MBEC?

6 MS. RANSOM: Yes.

7 COUNCILWOMAN TASC0: Well, we've got
8 a new director now. Let's see what he says.

9 MS. RANSOM: Because our numbers
10 were 20 to 25 percent. Now, it's like 2
11 percent because we can't count on non-profits,
12 and that's where a lot of our money is spent.

13 COUNCILWOMAN TASC0: That's why the
14 community groups are very concerned because
15 they're not getting a dollar share as
16 providers anymore. So if there's no
17 monitoring and there's no way to hold these
18 people accountable, then the contracts go to
19 whoever.

20 COMMISSIONER MARTINEZ: Correct.

21 And also the City, both the Administration and
22 Council, not getting the credit for what we're
23 doing because non-profits are businesses.

24 They are organized businesses. DHS is the
25 largest operating department, and we put most

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2 of our money on the street and services so
3 that \$450 million --

4 COUNCILWOMAN TASC0: It seems to me
5 that you have the contract with these
6 organizations to subcontract out, you can
7 require them to have a number to report to you
8 how many of non-profits who the service
9 providers, how many of them are disadvantaged
10 or minorities. There's nothing to stop you
11 from doing that.

12 MS. RANSOM: The majority of our new
13 services now, we issue requests for proposals.
14 As part of that process, the MBEC requirements
15 are attached and providers must adhere to
16 them. So that's a standard requirement for
17 all of our requests for proposals.

18 COUNCILWOMAN TASC0: Well, if you do
19 that now, will you see an increase in the
20 number of minority providers through that
21 process?

22 MS. RANSOM: If we could count the
23 non-profits because those are ones that are --

24 COUNCILWOMAN TASC0: Who says you
25 can't count the non-profits?

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2 MS. RANSOM: The Minority Business
3 Office has discontinued that activity.

4 COUNCILWOMAN TASC0: But you can do
5 it.

6 COMMISSIONER MARTINEZ: And we do.
7 So our numbers show 20 to 25 of our
8 contractors are minority, overall. That's not
9 counting the intermediaries. The
10 intermediaries is over and above that. Our
11 direct contracts --

12 COUNCILWOMAN TASC0: But she just
13 said 2 percent.

14 MS. RANSOM: Now because MBEC only
15 counts at this point in time for-profits, so
16 our minority participation with for-profits is
17 2 percent. When we were able to count
18 non-profits we were 15 to 20 percent and we've
19 even grown 20 to 25 at this point in time.

20 COMMISSIONER MARTINEZ: Also to
21 explain that, that 20 to 25 percent is our
22 accounting of what we consider minority
23 organizations according to what we know is
24 real, not the MBEC standards, 20 percent.
25 However, in the last four years, the

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2 Department has grown by \$180 million and a lot
3 of that has been in the development of a
4 prevention and community-based services
5 network. Our community-based contracts since
6 that time are 71 percent in minority
7 organizations, and those are the ones that we
8 count through PHMC and North City Congress and
9 others. So 71 percent of those contracts are
10 with minority community-based organizations.

11 COUNCILWOMAN TASC0: Well, are there
12 a number non-profits who are in the business
13 here, minority non-profit organizations in the
14 City? You said that there are only 2 percent
15 for-profits.

16 MS. RANSOM: The for-profits that
17 have to have minority participation on their
18 contracts.

19 COUNCILWOMAN TASC0: So only 2
20 percent.

21 MS. RANSOM: Yes, the for-profit
22 that must have minority participation

23 COUNCILWOMAN TASC0: How many
24 for-profits do you have? Do you have a large
25 community of for-profits?

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2 MS. RANSOM: No.

3 COUNCILWOMAN TASC0: But those who
4 do exists only get 2 percent of the
5 participation?

6 MS. RANSOM: Yes.

7 COUNCILWOMAN TASC0: Are they
8 subcontracted out through these larger
9 organizations?

10 COMMISSIONER MARTINEZ: No, those
11 are contracted --

12 COUNCILWOMAN TASC0: Directly with
13 you?

14 COMMISSIONER MARTINEZ: Yes, yes.

15 MS. RANSOM: For example, on our MIS
16 contracts, we required that some of their
17 staff be minority employees. That was a way
18 to get participation.

19 COUNCILWOMAN TASC0: How about joint
20 ventures?

21 MS. RANSOM: Yes, we actually had
22 MBEC identify MIS businesses that were
23 certified by minority and had our consultant
24 providers go meet with them to talk about the
25 kind of work we needed and actually received

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2 resumes from them so that we could interview
3 of those staff, those minority firms that were
4 approved by MBEC.

5 COMMISSIONER MARTINEZ:

6 Councilwoman, just to clarify, the
7 overwhelming majority of our contracts are
8 directly contracted. We use intermediaries in
9 limited purposes. So most of our contracts
10 are direct contracts with providers.

11 COUNCILWOMAN TASCO: Thank you very
12 much, Madam President.

13 COUNCIL PRESIDENT Verna: Thank you.

14 The Chair recognizes Councilman
15 Kelly.

16 COUNCILMAN KELLY: Good afternoon.

17 Commissioner, I just want to know what
18 percentage of funds in your budget is matching
19 funds from the state or federal government?

20 COMMISSIONER MARTINEZ: I'm going to
21 ask our finance director to join me at the
22 table to address your financial questions.

23 MR. ZANIER: Good afternoon. I'm
24 John Zanier, DHS Fiscal Director. Around 93
25 percent of the money for DHS comes from

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2 federal and state and other sources.

3 COUNCILMAN KELLY: 93 percent?

4 MR. ZANIER: Yes.

5 COUNCILMAN KELLY: Is that committed
6 by the federal government? Are they federal
7 grants? Is it state funding?

8 MR. ZANIER: State and federal
9 funding.

10 COUNCILMAN KELLY: I just want to
11 know if anything happens with the state or the
12 federal government reducing the level of
13 funding, what would you do to make up the
14 difference, if there's any reduction at all
15 proposed in in '04 or '05 or '06?

16 COMMISSIONER MARTINEZ: First,
17 Councilman, let me say that Philadelphia has
18 the fifth largest child welfare system in the
19 country. And we know nationally that child
20 welfare systems are fragile and that if
21 something goes terrible wrong that it can cost
22 a CITY, a county, a state unspeakable amounts
23 of money, as we're seeing in New Jersey. So
24 our position and my position as Commissioner,
25 and I position of the Mayor is that we must

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2 receive all the funding that has been
3 certified as due to us. So there is a
4 certified number that the state has certified
5 that relates back to our need, and it is our
6 position that that money has to be provided,
7 the state and federal share in that.

8 In the last few years, our tradition
9 has been, when we are not satisfied with the
10 results of what the state has given, to file
11 an appeal and to proceed with litigation if we
12 need to, and we intend to do that also.

13 To date, I believe 60 counties --

14 COUNCILMAN KELLY: Has that happened
15 recently?

16 COMMISSIONER MARTINEZ: Sixty
17 counties in Pennsylvania have filed appeals
18 against the decision or the recommendations of
19 the Governor to the Legislature, and we are
20 one of those counties. And so I guess what
21 I'm saying is that we are taking the position
22 that we will receive our full funding. So if
23 we have a situation where we absolutely don't
24 have everything we're asking for, then of
25 course we would look first at expansion

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2 dollars, the things we wanted to do to make
3 our system better that we can't afford to do
4 without. However, we're not conceding that at
5 this point. And, of course, if things went
6 beyond that, then at that point I believe it
7 is the position of the Mayor that he will find
8 the money for child welfare because that is
9 not an area where he believes our City can
10 compromise. Of course we do everything we
11 could to be even more efficient and as
12 efficient as possible. But at this point, we
13 are fighting for our revenue.

14 COUNCILMAN KELLY: The word I was
15 looking for was certified, and you explained
16 that.

17 I just have another question that
18 has to do with the foster care. Do you have
19 any problems in finding qualified foster
20 parents at any time? Do you have a waiting
21 list? What is the procedure for that?

22 COMMISSIONER MARTINEZ: Well, we
23 have over 30 foster care agencies, 27 of them
24 are most active partners, 27 of them are
25 performance-based contracting foster care

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2 agencies. It is the responsibility of those
3 agencies -- and we fund them. Within their
4 contract there's money for recruitment and
5 outreach, but we also use our own
6 communication dollars to do a lot of outreach
7 for foster parents. In answer to your
8 question, absolutely, there is always a need
9 to be recruiting foster and adoptive parents.
10 And anything that Council can do to help us in
11 that is important because the more qualified,
12 committed, loving foster parents and adoptive
13 parents you have, the safer we keep our city's
14 children. So you always want to have more
15 foster parents than you need. You never want
16 to be just at that moment because it's
17 organizational nature people will cut corners.
18 So, yes, there's always a need. And also, as
19 a City we are moving more to permanency and
20 moving more children to adoption and permanent
21 legal custody. And that means that foster
22 parents in the system will move out of the
23 system and become just regular parents. So
24 there's always a need to replenish that. And
25 what we are doing is we're forging

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2 partnership. We just formed a partnership
3 with Freddie Mack Foundation to come into the
4 City, and with Channel 10 we're doing a lot of
5 recruitment for adoptive parents, Wednesday's
6 Child. We put a lot of ads in the paper, we
7 work with our providers in that. It's always
8 a need, always a concern and --

9 COUNCILMAN KELLY: I'm sure I have a
10 large screening process also.

11 COMMISSIONER MARTINEZ: It's a
12 regulated process and there are state
13 regulations around who is qualified. And in
14 addition to that each agency is responsible
15 for doing a careful screening process.

16 And lastly, what I wanted to also
17 share with you is that this is an opportunity
18 also, as we grow the foster parent pool, to
19 reduce the number of children in institutions
20 because we have almost a thousand children,
21 perhaps a little more, of children in
22 institutions. And if we can bring them into
23 foster homes, then that would not only be a
24 cost-efficient solution but better for
25 children.

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2 COUNCILMAN KELLY: Thank you
3 Commissioner.

4 Thank you, Madam Chair.

5 COUNCIL PRESIDENT VERNA: You're
6 welcome.

7 The Chair recognizes Councilwoman
8 Brown.

9 COUNCILWOMAN BROWN: Thank you,
10 Madam President.

11 Good afternoon. I would like to
12 first follow-up on Council Lady Marian Tasco's
13 questions regarding diversity amongst your
14 direct service providers, and I need to make
15 sure I heard it correctly in that at some
16 point instituted the new policy where you no
17 longer certify non-profits.

18 COMMISSIONER MARTINEZ: That is
19 correct. And I'm asking Cheryl Ransom, Deputy
20 Commissioner Ransom to assist in answering
21 this question.

22 MS. RANSOM: Good afternoon. Cheryl
23 Ransom, Deputy Commissioner for DHS. I guess
24 they stopped it about two years ago.

25 DHS had contracts with a majority of

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2 non-profits. They would allow the non-profits
3 to receive affidavits rather than be
4 certified. And the affidavit had to confirm
5 three things. One is that their board had to
6 be composed of 51 plus percent either women or
7 minority. They had to serve a majority of
8 minorities clients. And third, they would
9 have to serve those minority clients in their
10 communities. And many of our providers
11 received the affidavits and we were able to
12 count that participation.

13 About two years ago, they stopped
14 that. We advocate that it be reinstated.

15 COUNCILWOMAN BROWN: That's
16 important information for us to have at this
17 juncture in MBEC's development.

18 Absent that procedure, what impact
19 has that had?

20 MS. RANSOM: Well, we continue to
21 advocate to have diversity in minority
22 providers. The impact is that we are not able
23 to count the participation. So if you looked
24 at our record in MBEC, the reports that are
25 done, you would also see 2 percent. And

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2 that's because that 2 percent is with the
3 for-profits.

4 COUNCILWOMAN BROWN: I see.

5 Of your direct service, 71 percent
6 minority community-based organizations provide
7 direct services. Is that accurate? Did I
8 take that down correctly?

9 MS. RANSOM: And the prevention
10 programs.

11 COUNCILWOMAN BROWN: Is it possible
12 for you to break down that further?

13 Let me just tell you where I'm
14 headed. When we know what's happening with
15 African-American men and we know the value,
16 connect to have African-American male role
17 models participating in a leadership capacity
18 with programs that are making a difference for
19 African-American men or women, in that mix,
20 I'd be curious to know how many of those
21 direct service programs actually have an
22 African-American man in leadership heading it
23 up. So if you don't have that information
24 today, if you could provide that to the Chair,
25 because if we want to preach nurturing among

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2 African-American men, young people need to see
3 African-American men in leadership in those
4 kinds of programs in their community to foster
5 all of what that means. So I'd be curious to
6 know what the yield of that is.

7 MS. RANSOM: Yes, we have provide
8 that.

9 COUNCILWOMAN BROWN: There is also
10 the question regarding this intermediary
11 organization. What's the name of it? Help me
12 out.

13 COMMISSIONER MARTINEZ: We use a
14 number of intermediary organizations. North
15 City Congress, Philadelphia Health management
16 Corporation --

17 COUNCILWOMAN BROWN: That one in
18 particular.

19 There's a commitment where you sit
20 with regard to diversity. What type of, for
21 lack of a better word, stick can you hold over
22 the head of intermediaries to ensure that they
23 are honoring your commitment to diversity? Do
24 you have one?

25 COMMISSIONER MARTINEZ: We

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2 participate in the decision-making about who
3 receives the subcontract.

4 COUNCILWOMAN BROWN: Oh, you do?

5 COMMISSIONER MARTINEZ: Yes, because
6 these are initiatives that the Department sets
7 up based on research and best practice and we
8 know the targeted neighborhoods we want to go
9 into and we have more expertise than almost
10 anyone in this City collectively. I'm not
11 speaking personally here. The Department of
12 Human Services has more expertise than almost
13 anyone in the City about who's doing social
14 work in the City because of our history and
15 the scale of our contracts. So we would know
16 who we want, who we need, not particularly but
17 in terms of the traits of a provider. So we
18 dictate that and then the intermediary carries
19 our dictate. They do not have that much
20 discretion.

21 COUNCILWOMAN BROWN: All right then.

22 On the issue of recruitment, the
23 direct question is, help me understand why you
24 were budgeted for 2,013 positions in FY '04
25 yet about 1800 were filled and put that in the

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2 context of the work you've been doing around
3 recruitment and where you were when you came
4 on board and where you are now.

5 COMMISSIONER MARTINEZ: Well,
6 Councilwoman, as you know, there is a hiring
7 freeze in the City, and so the department is
8 subject to that hiring freeze. However, the
9 Administration has been very clear that we
10 will not compromise on safety of children.
11 And so the exception for that hiring freeze is
12 the position of social worker and any position
13 that is legally required, for example, social
14 work supervisor, you need to have a ratio
15 under state Rules, and also youth detention
16 counselors. Those positions that are critical
17 to health and safety are exempt. So as a
18 result, the Department has taken full
19 advantage of that exemption and we hire social
20 workers and youth detention counselors
21 aggressively. And we do have 120, or maybe
22 more right now, more social workers than four
23 years ago, but the point I made is we have
24 hired almost 450 to get to that 118 increase.
25 So it's just a lesson learned about the

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2 incredible challenge to hire and retain social
3 workers in you child welfare. It's incredibly
4 hard.

5 COUNCILWOMAN BROWN: Let me just say
6 on a personal note, one of my forward jobs out
7 of school was with Slaten Farms School when it
8 was still servicing all girls. I lasted seven
9 months because the burnout just came that
10 quickly.

11 So of the positions that you have,
12 most of those employees are social workers
13 and -- most of them, professional positions?

14 COMMISSIONER MARTINEZ: The majority
15 of our staff are in the social work profession
16 or related. For example, we have
17 approximately 40 program analysts, maybe
18 between 40 and 50, and those program analysts
19 do work related to social work. They do
20 policy and planning and contract management
21 and evaluation, and that's a promotional
22 opportunity from social work. So that's
23 really the overwhelming majority of the
24 department.

25 On the juvenile justice side, we

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2 have a substantial number of employees, I
3 believe around 300, in juvenile justice
4 working in the Youth Study Center, which is a
5 24/7 facility.

6 So that really constitutes the bulk
7 of our employees.

8 COUNCILWOMAN BROWN: Well, that's a
9 perfect segue to my next line of questioning
10 around Youth Study Center.

11 Speak to some of the changes that
12 have happened since you were last with us.
13 And to the extent it's possible, knowing that
14 there is still a lot of sensitive information
15 around the new building site location
16 possibly, give us some up-to-date on where you
17 ever with that.

18 COMMISSIONER MARTINEZ: Well, with
19 the leadership of the Managing Director's
20 Office and the Law Department, we are closer
21 to an outcome on the issue of a site. The
22 negotiations are very close to completion for
23 a particular site in West Philadelphia, and we
24 are hopeful that by the end of this week we
25 will have some sort of resolution.

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2 COUNCILWOMAN BROWN: Any systemic
3 changes you've made at the Youth Study Center
4 under your leadership?

5 COMMISSIONER MARTINEZ: Yes, many.
6 Our population used to be on the average 150
7 children a day. And the average daily
8 population now is approximately 105 or 100.
9 And we have done that through managing our
10 staff differently. We have reduced overtime
11 by millions of dollars. The place is safer.
12 It's actually now certified at a national
13 level. We have state certification or
14 national certification as a juvenile
15 correctional facility. And certainly, the
16 programmatic improvements are significant, and
17 I believe that the physical improvement, a new
18 facility, will allow us to do even better
19 programming. We have a great school, great
20 health services and great support services for
21 children of families inside the Youth Study
22 Center.

23 COUNCILWOMAN BROWN: So
24 acknowledging the fact that you're now able to
25 redirect young people before they come through

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2 those doors, is there adequate staffing for
3 those professionals who are involved in the
4 preventive or intervention, I should say,
5 before they have to go through the juvenile
6 justice system? Are you adequately staffed
7 that way? Because my understand, based on
8 some homework, that those dollars were
9 actually -- the dollars for those staff was
10 being handled by another revenue stream. Am I
11 correct?

12 COMMISSIONER MARTINEZ: Can you
13 clarify?

14 COUNCILWOMAN BROWN: I'll try. I
15 did a tour with Judge Myrna Field, and I was
16 struck by the decrease in number and there is
17 some procedural program step that has to be
18 taken before making a determination that that
19 child should go through the criminal justice
20 system. And what I learned in the discussion
21 was, if we had more staff, then more young
22 people could be redirected and not end up in a
23 juvenile justice system.

24 COMMISSIONER MARTINEZ: Well, I
25 believe that when it has been brought to my

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2 attention that there's a gap in staff that I
3 have aggressively filling that gap. And I'm
4 not sure that there's -- I mean, there's a lot
5 of areas, as Mr. Fair mention, where we would
6 love to have more so we can do that. That
7 being said, I don't believe that we have any
8 major gap in staffing right now in the Youth
9 Study Center. However, we have Deputy
10 Commissioner Ambrose from Juvenile Justice
11 right here to help expand on this answer.

12 MS. AMBROSE: AnnMarie Ambrose from
13 DHS, Deputy Commissioner for Juvenile Justice.

14 Councilwoman Brown, I think you're
15 referring to the diversion program that is
16 actually run by David Fair's prevention
17 division which prior to Alba's leadership
18 there were about 150 kids that went through
19 the juvenile justice system who were diverted
20 through a process called the Informal
21 Adjustment Section of the Juvenile Act.
22 Because of the David's work and the court's
23 commitment, we've now diverted 700 kids from
24 the juvenile justice system directly into
25 community-based programs. Those programs

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2 include the Functional Family Therapy, lots of
3 good community-based work so that those kids
4 are not coming into the system in the first
5 place and also they're not getting
6 re-arrested. The overall recidivism rate for
7 kids in juvenile justice returning from
8 delinquent placement is around 30 percent.
9 For the child who go through diversion
10 programs in community-based the recidivism
11 rate is about 12 percent. So that program has
12 been very successful.

13 It's not necessarily a staffing
14 issue that I'm aware of, but David and the
15 Court have done a tremendous job of increasing
16 the number of kids who don't need to come into
17 the juvenile justice, just need some services
18 in the community and in the family that are
19 going to prevent them from deeper re-entry.

20 COMMISSIONER MARTINEZ: To clarify,
21 I was speaking to direct DHS City of
22 Philadelphia staff, and I think that that
23 issue is one about additional resources for
24 contracts to serve those children out in the
25 community. And as I mentioned earlier, we

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2 have over \$450 million contracts with
3 providers so that would be that issue. And in
4 that sense, Councilwoman, absolutely, the more
5 this City can invest in community-based
6 services that are able to handle high-risk and
7 high-end families, the less we would have to
8 rely on institutions and foster care. And
9 that is the system we are building. And, yes,
10 if we had more, we could do more; but I will
11 say that I am very proud of what we have been
12 able to do in terms of building a
13 community-based service prevention division
14 that has almost \$70 million today, but we will
15 keep trying to expand on that.

16 COUNCIL PRESIDENT VERA:

17 Councilwoman, do you mind holding on some of
18 your questions for the second go around?

19 COUNCILWOMAN BROWN: Sure.

20 COUNCIL PRESIDENT VERA: Thank you.

21 Councilman Ramos.

22 COUNCILMAN RAMOS: Thank you, Madam
23 Chair.

24 Good afternoon, Commissioner

25 Martinez. Good to see you.

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2 On September 16, 1997, before your
3 stewardship of DHS, the police found the body
4 of the 6-year-old child. She died of
5 starvation up in Brewerytown section of
6 Philadelphia. Her name was Charnay Wise. A
7 state review of a DHS internal investigation
8 found a serious lapses in which the agency had
9 not followed its own policies for child
10 safety. There were, according to the
11 information that was provided, no times when
12 no social workers were assigned to the family,
13 that required risk assessments were not
14 conducted, no record keeping during crucial
15 periods of the child's life, and long-term
16 family plans were not made, and that the case
17 was arbitrarily closed.

18 Again, I remind you, this is before
19 your stewardship and back quite a few years in
20 1997.

21 We fast forward to August of 2003
22 and the tragic death of 3-year-old Porsche
23 Bennett. Similar circumstances but the same
24 end result, the death of a young child.

25 What practices are in place in your

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2 stewardship, given the 1997 case and the
3 Porsche Bennett case of last year? What
4 practices are in place to make sure that this
5 never happens again to the extent possible?

6 COMMISSIONER MARTINEZ: Well, let me
7 speak to the Porsche Bennett tragedy which
8 deeply, deeply affected the Department. And
9 since that point also, we have been working
10 diligently to address some issues that were
11 identified as a result of that.

12 The situation in the Porsche Bennett
13 tragedy is that the child was not born when we
14 last served the family. The family was last
15 served by the Department in the year 2000, and
16 the mother was transient, she was in shelter
17 and she left the shelter in 2000. After some
18 time searching, the court allowed us to
19 discharge the case because the family could
20 not be located.

21 Three years later, Porsche Bennett
22 and her two sisters are living with her aunt
23 and the boyfriend and they are being severely
24 abused. They are not known to the Department
25 at that point. Two days before her death, we

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2 received a call to the hotline where there are
3 allegations of abuse, but the caller does not
4 know the names of the children. The
5 allegations pretty serious, but we don't have
6 the names of the children so we really can't
7 trace back, which is a standard procedure.
8 You always clear the case and find out if it's
9 an active case or what we know.

10 So a social worker went out the next
11 day and could not get into the home. The day
12 after when the social worker went out, the
13 police was there and the child had died.

14 So one of the issue that became
15 clear to us that we needed to tackle was the
16 policy that the Department follows with regard
17 to locating missing families, because it is
18 not uncommon that families who do not welcome
19 services or who are transient try to avoid the
20 Department's oversight and our social workers
21 are not investigators. So in looking at our
22 internal practices, we found that, number one,
23 we could have a tighter policy but also that
24 we did not have enough tools in place for our
25 staff to look for families.

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2 So right now, Councilman, we have
3 established an electronic search unit where we
4 have right now numerous databases that allow
5 our social workers to immediately search in
6 multiple places for or social workers when
7 they can't track down a family. And since
8 that was instituted -- it took us a long time
9 and some money to do it. Since that was
10 instituted, we have had approximately a
11 hundred requests for help and over 80 of them
12 have resulted in additional leads and
13 information.

14 In addition, we have contracted with
15 a private investigator to help back out staff
16 up when after they try they can't find a
17 family. We've been consulting with the
18 police, and they have given us guidance.
19 They're the ones, frankly, that recommended
20 that hire a private investigator because they
21 did not see themselves in the position of
22 helping us go out and find families because of
23 that limited resources. That was hope
24 originally.

25 In addition, we are tightening our

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2 policy and we have added four more units to
3 our intake department so that we can reduce
4 the number of investigations that we give our
5 workers so they can do a better job and spend
6 more time doing it.

7 In response to the questions about
8 the 1997 case, since that time, the Department
9 has really revolutionized many of its
10 practices. For example, we have a visitation
11 tracking system now that --

12 COUNCILMAN RAMOS: I'm sorry,
13 Commissioner. What kind of system was that?

14 COMMISSIONER MARTINEZ: A visitation
15 tracking system. So the Department now
16 electronically tracks any visit, any visit
17 that we do for a child, and it also is a
18 system that lets us know when a visit is due
19 and it has not been made.

20 COUNCILMAN RAMOS: And that was in
21 place before your tenure, and as a result of
22 the 1997 --

23 COMMISSIONER MARTINEZ: That was
24 part of the response of that 1997 tragedy. I
25 would love to take the credit for it, however,

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2 it was already underway in planning when I got
3 there. But I will take the credit for it. So
4 since I'm there, we have a new visitation
5 tracking system. But we also have added a lot
6 of staff. As I mentioned, we have 120 more
7 social workers. And the fact of the matter is
8 in child welfare, the higher your case loads,
9 the more limited your ability to do a good
10 job. It doesn't matter if you are a social
11 worker. So lowering cases and increasing
12 staff has been part of our building of quality
13 system.

14 We've added a staff training and
15 development division to the Department to make
16 sure that our staff are continuously trained.
17 We have enforced strictly our evaluation
18 procedures.

19 When I got to DHS, 50 percent of
20 evaluations of employees were not completed.
21 Now, over 95 percent of evaluations are
22 completed on our staff. We reward our staff
23 for good performance and hold them accountable
24 when their performance is substandard.

25 We've enriched our provider

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2 contracts so that they can help our staff do
3 the work.

4 One last thing, however. There's
5 much more work to be done. And unfortunately,
6 Councilman, children die of abuse and neglect
7 nationally every year. Children die
8 throughout Pennsylvania every year. And every
9 death is a horrible tragedy but every death is
10 also an opportunity to look at our system and
11 continuously improve it. So the job of child
12 welfare will never be done until no child dies
13 of abuse and neglect.

14 COUNCILMAN RAMOS: Very good.

15 Now, when you took office in 2000,
16 you took a look at what was in place to
17 prevent what is probably -- correct me if I'm
18 wrong -- what your main mission is as head of
19 DHS, and that's the protection of children
20 that in some kind of way are under your
21 custody.

22 So you go into your job in the year
23 2000 and you see there has been some other
24 things that have been put in place to try to
25 prevent to the extent possible -- and I agree

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2 with you that there is no way of making this a
3 perfect system because of human frailties.
4 But then this Porsche Bennett case occurs, and
5 you're pained by it; I heard your pain during
6 that time and you have then tightened your
7 policies, you've gone into numerous databases,
8 contracted investigators, more staff. At some
9 point as we do our job, and sometimes I do
10 this, I just put on the brakes and go back to
11 what's my real job here, what's my principal
12 responsibility?

13 Do you do that occasionally and say,
14 "Let me get away from this whole budget stuff
15 here and let me double-check my system to make
16 sure that the children under our custody in
17 whatever way that happens are being protected
18 and how do you do it?

19 COMMISSIONER MARTINEZ: Well, child
20 welfare systems are subject to annual
21 inspections by the State. This a county-run
22 but state-supervised system. So we have
23 continuous reporting that we do to the State,
24 not only financially but programatically.

25 In addition to that, we are subject

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2 to federal outcomes. And while we receive 93
3 percent of our funding from state and federal
4 sources, that means that those sources expect
5 something from us, just like City Council
6 expects something from us and the
7 Administration doing something from us. And
8 Administration we are reviewed and I believe
9 that's actually a good thing. Last year we
10 had a child in Family Service Review by the
11 government. It was a state review, however,
12 because Philadelphia is so large we were 50
13 percent of the cases reviewed. Ad out of that
14 review came a report about qualitative and
15 quantitative performance. And they found that
16 the Department does really well in safety
17 compared to other systems but needs to do a
18 better job around permanency. So that's why a
19 lot of our work is around improving the number
20 of children that achieve permanency meaning
21 that they won't languish in foster care, will
22 not grow up in foster care, and will not
23 further injured by a system that does not give
24 them a permanent answer regarding who their
25 family is going to be until they reach

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2 adulthood. That does not mean, however, that
3 we turn our backs on the safety issue because
4 safety is front and center what child welfare
5 is about. I work in a system you have to have
6 your eye on everything all the time. And what
7 we have done build an incredible executive
8 leadership team that works very, very hard and
9 does everything they can to keep their eye on
10 the present as they keep another eye on the
11 future, because we are subject to federal
12 penalties a few years down the road if we do
13 not improve our permanency outcomes.

14 COUNCILMAN RAMOS: Not to mention
15 the wrath of the public every time that we
16 have the misfortune of having a tragedy occur.

17 What I'm hearing is that you don't
18 see it just as your responsibility, although
19 you're primarily responsible, as stated you've
20 stated, but you that have a team that you hold
21 responsible within DHS to make sure they
22 continue to stay focused on the principal
23 mission of your Department.

24 MS. MARTINEZ: We hold each other
25 collectively responsible.

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2 COUNCILMAN RAMOS: All right.

3 Can you tell me the status of
4 Riverview Home?

5 MR. HESS: Rob Hess, Deputy Managing
6 Director.

7 COUNCIL PRESIDENT Verna: Good
8 afternoon.

9 MR. HESS: Good afternoon.
10 Councilman, many of us will recall
11 reading about the possible closing of
12 Riverview Home in last year's five-year plan.
13 Subsequent to that, we've had a lot --

14 COUNCIL PRESIDENT Verna: Excuse me.
15 Mr. Hess, you'll have to pull the microphone
16 closer to you. You cannot be heard.

17 MR. HESS: Oh, I'm sorry. Is that
18 better?

19 COUNCIL PRESIDENT Verna: Better.

20 MR. HESS: Subsequent to that, we've
21 had a lot of internal discussion, a lot of
22 discussion with a variety of stakeholders.
23 And I think there's really two issues.

24 First, this year's Five-Year Plan
25 does not call for the closing of Riverview

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2 Home. That's Number 1.

3 Number 2, what we are doing at

4 Riverview --

5 COUNCILMAN RAMOS: I'm sorry. For

6 FY '05?

7 MR. HESS: Anywhere in the Five-Year

8 Plan.

9 COUNCILMAN RAMOS: Nowhere in the

10 Five-Year Plan.

11 MR. HESS: Correct.

12 Where we are is where we describe

13 here last year at Councilwoman Tasco's

14 questioning which is that we do

15 philosophically believe that the best

16 placement for people who currently reside at

17 Riverview would be high quality supportive

18 living arrangements in the community. The

19 problem with that is that those placements do

20 not currently exist. And we do not have an

21 expectation that they will exist certainly

22 shortly in the short run. And therefore,

23 Riverview Home continues to be a placement

24 opportunity of last resort for poor folks in

25 the City that are aging.

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2 And so we think it's an incredibly
3 valuable resource that needs to continue.

4 COUNCILMAN RAMOS: I agree.

5 MR. HESS: Now, that's not to say
6 that we shouldn't continue to explore
7 community-based options, and we will continue
8 to do that.

9 COUNCILMAN RAMOS: What are the
10 problems? You don't seem too optimistic at
11 this point that you can place them in the
12 community. Why? What were the obstacles?

13 MR. HESS: Well, I guess the biggest
14 obstacle is there's not available funding
15 sources that allow you to do that development
16 in a way that gets you to the scale that you
17 need.

18 In other words, for Riverview Home,
19 we spend about 5 and a half million dollars a
20 year. About \$2 million of that we recover
21 from fees from residents. That leaves you
22 \$3 million a year to place at the moment about
23 220 residents. And so the math just doesn't
24 work.

25 We're looking at other options,

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2 we'll continue to do that. Philosophically,
3 we would agree that Riverview looks like an
4 institution in some ways. It is a facility of
5 last resort. It is very important to us in
6 the City and to the residents that live there.
7 And so although we will continue to explore
8 those community-based options, there is no
9 plan in the Five-Year Plan at this time to
10 close Riverview.

11 COUNCILWOMAN BLACKWELL: Point of
12 information, Madam President.

13 COUNCIL PRESIDENT Verna: The Chair
14 recognizes Councilwoman Blackwell.

15 COUNCILWOMAN BLACKWELL: Thank you.

16 I want to just chime in on this
17 issue because I've had this discussion with
18 Mr. Hess and we've even had people on the
19 other end who are interested in the Riverview
20 facility. We've been associated with
21 Riverview for a very long time, from the old
22 days when we were feeding in the subway. And
23 you get some seniors who needed help and even
24 though many of them would rather to have been
25 closer to the City and neighborhoods, they had

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2 no place for them to go. And these were also
3 some seniors who really didn't their income
4 intact, so they had to have someplace to stay.
5 And over the years, and Mr. Hess can correct
6 me if I'm wrong and Commissioner Martinez,
7 over the years we've had various people -- it
8 served various uses for this aging population,
9 but we haven't been able to pull closer in the
10 neighborhoods for this reasons he described.
11 So it gives us an option. You don't get many
12 out there on the streets, but you always get
13 some in addition to other people in
14 neighborhoods who have to end of having
15 someplace to go and who don't quite fit or
16 have family or other places where they can go.
17 So we've got to have some kind of facility
18 like this even if it's not as modern and
19 up-to-date as we like it in how we deal with
20 senior care today. We've got to have some
21 facility for seniors who need it. And so I've
22 never gotten any complaints. We talk about it
23 more in our level than -- I've never had
24 anybody stays there complaining. We always
25 talk about it ourselves and we talk about how

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2 we care for seniors, what works best and what
3 are modern methods. I've never had a person
4 complain about it. And they have open house,
5 as you know, every year and invite us.

6 So thank you very much.

7 Thank you, Madam President.

8 COUNCILMAN RAMOS: Thank you, Madam
9 Chair.

10 COUNCIL PRESIDENT Verna: The Chair
11 recognizes Councilwoman Miller.

12 COUNCILWOMAN MILLER: Thank you,
13 Madam President.

14 Good afternoon.

15 COMMISSIONER MARTINEZ: Good
16 afternoon.

17 COUNCILWOMAN MILLER: How are you?

18 COMMISSIONER MARTINEZ: Fine, thank
19 you.

20 COUNCILWOMAN MILLER: I have a
21 couple questions.

22 With your goal of children achieving
23 permanency and you had a record number of 654
24 adoptions last year, I guess?

25 COMMISSIONER MARTINEZ: Yes.

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2 COUNCILWOMAN MILLER: How many
3 children are actually in need of being
4 adopted? And are the older ones harder to
5 place? That must have been very difficult.
6 What were the numbers the year before last?

7 COMMISSIONER MARTINEZ: I will need
8 the assistance of my staff to give me the
9 exact number of children going in the
10 pipeline. I don't want to misspeak, but I
11 will say that there is approximately 150
12 children in Philadelphia who need an adoptive
13 resource. There can be 800 children at any
14 one time moving through the process. The key
15 for us is, obviously, to accelerate the
16 process to achieve that adoption as quickly as
17 possible, and that is what those numbers
18 reflect. But I also want to point out our
19 remarkable progress in that when I became
20 Commissioner, there were approximately 300
21 children with no adoptive resources. That
22 number conservatively is 150. It might be
23 lower. It might be down to 100. So I would
24 say that at any one time, Councilwoman, we
25 need to find families for 150 children. The

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2 demographics of those children is that they
3 are older. Some might be teens, but I'm
4 saying 7, 8, 9 years old, children often who
5 are in sibling groups, and the reason why they
6 are at that stage and don't have an adoptive
7 resource is because perhaps they were living
8 with a relative who has now determined that
9 they can't keep them permanently or perhaps
10 they were in a home that wasn't a permanent
11 resource because we planned to reunify them
12 with their family, however, that did not work
13 out.

14 The law and best practice now
15 requires the Department to do concurrent
16 planning. So a department that does the job
17 right, I hope is ours most of the time,
18 receives a child into placement and
19 immediately places him in a home from which
20 they can return but a home also that can
21 become their permanent home. And that is
22 called concurrent planning.

23 The number exactly is 800 children
24 who are freed for adoption which means they
25 are eligible for adoption.

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2 The other thing we've done this year
3 which is really historic is that we now have
4 third permanency option. Before we had
5 reunification with a family, adoption or
6 long-term foster care. Now we have permanent
7 legal custody. That means that in cases where
8 adoption is not possible because the child
9 doesn't want to be adopted or because a
10 grandmother doesn't want to terminate their
11 child's parental rights, they can accept
12 permanent legal custody. They're entitled to
13 the same subsidies as an adoptive parent.
14 They have the same legal rights over the child
15 and authority, but the biological parents can
16 maintain ties and connections which is really
17 healthy in many cases and can have visitation.

18 So we started this year and so far
19 we have close 200 of these permanent legal
20 custodies. And I will say that all my staff
21 say all the social workers, all the lawyers,
22 that one of most the beautiful things in child
23 welfare is when those to say in child welfare
24 when those families are created right at the
25 bar of the court. And, of course, it's good

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2 for us because we get out of the business of
3 parenting children, which I don't think
4 government should be in that business at all.

5 COUNCILWOMAN MILLER: How long is
6 the actual adoption process when you fast
7 track it?

8 COMMISSIONER MARTINEZ: Well, I
9 believe that once a child gets freed for
10 adoption, the process should not take longer
11 than a year. That being said, though, to be
12 very direct and candid, there is work to be
13 done in our system to reduce delays. And part
14 of our performance-based contracting
15 methodology and contracting approach and part
16 of our adding lawyers was to cut through
17 unnecessary delays, delays in getting
18 clearances, delays in getting petitions filed,
19 delays in getting hearings.

20 And Family Court has been really
21 cooperative with us. They are holding special
22 listings now for us when we have list some
23 children that need to be adopted.

24 This City making progress in the
25 right direction.

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2 COUNCILWOMAN MILLER: Tell me when
3 is the goal to open the Achieving Independence
4 Center?

5 COMMISSIONER MARTINEZ: It's open.
6 I'm pleased to say that it is open. It's been
7 open for a year. And the reports back are
8 very, very favorable. We had a goal of
9 enrolling 500 youth, and those youth are youth
10 that have been in the foster care system or
11 are in the foster care system at the age of 16
12 or older. Our goal was to enroll 500; we
13 enrolled close to 600. Those children are
14 receiving support from Temple University,
15 Community College, Planned Parenthood, and a
16 number of other providers right there and
17 we're getting them placed in jobs, helping
18 them get scholarships for school and helping
19 them transition to adulthood. It's open
20 extended hours, and it's at Seventh and Market
21 Street in the Mellon Independence Building.
22 And it's also a joint venture with the
23 Workforce Development System, so there's very,
24 very strong and education focus in that
25 center.

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2 COUNCILWOMAN MILLER: That's really
3 good, because I worry about the young people
4 transiting from foster care to adulthood,
5 particularly after I met with Wanda and she
6 told me that many of those young people end up
7 homeless or incarcerated.

8 COMMISSIONER MARTINEZ: It's a huge,
9 huge problem. We're collaborating with Rob
10 Hess' department and with the Workforce
11 Development system to see what we can do
12 around housing, subsidized housing for those
13 young people and also with the Philadelphia
14 Housing authority, because it is very tragic
15 that the children who have been with the City
16 a long time in DHS would exit that system and
17 end up in the street.

18 We are not legally able to provide
19 services to those children pass the age of 21,
20 so at the age of 21 they will be independent,
21 ready or not, and that's why we've created
22 this Achieving Independence Center. But
23 that's also why, Councilwoman, this focus on
24 permanency is so important because if we build
25 homes for those children before they're 16 and

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2 17, then we wouldn't even face that situation.

3 COUNCILWOMAN MILLER: That's
4 correct.

5 I had a young woman -- actually a
6 young cousin of mine who came to live with me
7 last year who had been foster care. When she
8 came to live with me she was 17 turning 18,
9 and we were trying to do a whole lot to help
10 figure out what we would do with her, get her
11 in Cheney and some other things. So I'm glad
12 to hear -- I don't think the center was open
13 then, but that would have been a good --
14 actually, I think she may have off the rolls
15 for about a year, so I don't know whether she
16 could have gone to that center or not.

17 COMMISSIONER MARTINEZ: We are
18 definitely committed to expanding our
19 resources and programs for older youth. It's
20 a very, very important population for the City
21 to pay attention to.

22 And the profile of children in
23 placement is changing. We have older youth
24 more and more and more, and we can't turn our
25 back on that population. It's very

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2 challenging to serve, but we have to confront
3 that and so we've expanding that array. We've
4 expanded our mother/baby programs, so that
5 mothers who are teenagers don't have to be
6 separated from their children if the only
7 barrier is housing and economic. So we're
8 expanding that with the help of Catholic
9 Social Service.

10 COUNCILWOMAN MILLER: When I was
11 downstairs, I was actually listening to the
12 testimony over the TV. And I believe
13 Councilman Kelly may have asked a question
14 regarding reimbursements. Did he ask that
15 question? Do you remember if you were asked a
16 question regarding state and federal
17 reimbursements?

18 COMMISSIONER MARTINEZ: Yes,
19 Councilwoman.

20 COUNCILWOMAN MILLER: I didn't quite
21 catch the answer. Can you tell me -- can you
22 answer again what would happen if the
23 reimbursements that you anticipate don't
24 happen? I'm little worried about whether the
25 state and the federal government are going to

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2 do adequate reimbursements.

3 COMMISSIONER MARTINEZ: Well, we are
4 worried, too. And I will restate the
5 Department and Administrative's position on
6 this matter. The State, under the law,
7 provides for a needs-based planning process,
8 and that process requires the Department to
9 submit a plan to the State for the State
10 Department of Public Welfare to certify our
11 need in terms of dollars and then to allocate
12 the appropriate level of federal, state, and
13 city revenue. Those numbers have been
14 certified, and we expect that the State will
15 fill its commitment to this county and every
16 other county regarding giving us what we need.
17 We cannot compromise on what children need.
18 And our position is that we will work with the
19 State through appeal and communication and
20 dialog to get the revenue that we need to do
21 the job right. And if we don't receive what
22 we need, then the Mayor is committed to
23 continue fighting and also to make sure that
24 children do not suffer, abused and neglected
25 children do not suffer further because of bad

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2 policy or political or financial decisions
3 that are made at higher levels. So at this
4 point, we're not prepared to concede that we
5 have to cut back. But I did also mention that
6 one area where we would obviously immediately
7 look is in our desire to grow some programs.
8 Obviously, that would be the first thing to be
9 looked at, expansion.

10 COUNCILWOMAN MILLER: I had someone
11 from a community-based program mention that
12 prevention funds, some of the programs dealing
13 with prevention may be cut with youth, youth
14 at risk, prevention programs for youth at
15 risk.

16 COMMISSIONER MARTINEZ: Well, we do
17 not have any plans to cut our investment, to
18 cut back our investment in programs for
19 high-risk children.

20 What you may have heard,
21 Councilwoman, is that we do reprogram money.
22 And I believe that in doing so, we are
23 fulfilling the mandates of Council and the
24 Administration that periodically we review is
25 our money being spent efficiently. Not so

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2 much that the agency is not doing a good job,
3 but in the right kind of strategies. So
4 periodically, we do issue new RFPs and we ask
5 for providers to compete again because we
6 changed the design of the program in order to
7 meet the needs of today, not of yesterday. So
8 we have issued a number of RFPs, including
9 some for youth development programs and some
10 for parenting programs. But we have not cut
11 back on our commitment to high-risk youth.

12 COUNCILWOMAN MILLER: That's good to
13 hear.

14 COUNCIL PRESIDENT VERNA: Do you
15 mind holding your other questions until the
16 next go-around?

17 Thank you.

18 The Chair recognizes Councilman
19 Rizzo.

20 COUNCILMAN RIZZO: Thank you, Madam
21 Chair.

22 Commissioner, your comments about
23 adoption -- and I don't want you to
24 misinterpret my question. I'm not a
25 professional, I don't know a whole lot about

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2 what you do. But I just have a basic
3 question. When you talk about adoptions and
4 other relationships where biological parents
5 still have access to those children, is that
6 good in all cases or are they exceptions where
7 biological parents are not allowed to have a
8 relationship? Because I just can imagine --
9 and I'm not sure what the ramification or the
10 effect that has on young people, this bouncing
11 back and forth. Could you describe how --
12 maybe it's politically correct to do that, but
13 is it the right thing to be doing?

14 COMMISSIONER MARTINEZ: Well, I
15 think that that's a really important question.
16 And I will say that it took me a while to
17 learn the system, and I'm still learning it.
18 In adoption, all legal rights terminated.
19 It's as if the relationship never existed, and
20 the adoptive family becomes the full legal
21 family of the child, legally, on paper, a new
22 birth certificate, the whole thing, and the
23 biological family of origin has absolutely no
24 right and there's no right to sibling
25 continuity. The adoptive parent determines

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2 whether there can be some contact in the
3 future or not. The government doesn't
4 determine it, the court cannot determine it,
5 no one can but that legal family.

6 In permanent legal custody, the
7 legal rights are not terminated, however,
8 legal custody is in the hands of the new
9 family. So while the biological parent may
10 have visitation rights, it's not shared
11 custody. The child does not go back and forth
12 from one home to another, because we have
13 ruled out when we apply permanent legal
14 custody -- and I also want to say the Court
15 makes that decision, it's an adversarial
16 process where the Court makes a decision based
17 on the evidence. We don't make that decision
18 and implement it with court approval. But
19 reunification has to be ruled out by law. In
20 other word, a decision has to be made that
21 child cannot return home. Adoption has to be
22 ruled out by law, because adoption would be
23 better than legal custody. And then legal
24 custody becomes the third best option because
25 of the next alternative is long-term foster

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2 care where the child has no status of
3 permanency.

4 COUNCILMAN RIZZ0: Commissioner, at
5 what point does the Court stay involved?

6 I can't prove the statement that I'm
7 about to make, but I have heard that in some
8 of these relationships where the biological
9 parents have access to the children, the
10 parents with custody, for lack of a better
11 word, the people that have custody of the
12 child sometimes have days and days and days of
13 problems associated with that contact that
14 they have to deal with at after the fact. If
15 are you observe that, do you have a way to go
16 back to the court and say that this is not
17 good for this child? Because I hear that this
18 is a bit more common than we know, that it is
19 very difficult sometimes because those visits
20 create a lot of problems. And I don't know
21 whether they're true or created just to avoid
22 the visit.

23 Could you comment on your experience
24 with that.

25 COMMISSIONER MARTINEZ: Yes. In

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2 permanent legal custody, the biological parent
3 does not a right to visitation, first of all.
4 It's something that the Court can provide if
5 it's in the best interest in the child. It's
6 not a guarantee, and often in cases it's not
7 given. The reason why adoption may be ruled
8 out is simply because a child is over 14,
9 doesn't want to be adopted or the grandmother
10 doesn't want to terminate the child's parental
11 rights, so visitation is just something that
12 can be added if it's the right thing in that
13 particular set of circumstances.

14 Second of all, anticipating that, of
15 course, change is the constant and
16 relationships can change, we made arrangements
17 when we set the system this system up with the
18 Domestic Relations Court, and the Department
19 working with the Domestic Relations Court to
20 resource this function where if a custodian
21 has permanent legal custody and wants to alter
22 a visitation agreement, they can go straight
23 to Domestic Relations Court, file a request
24 for an amendment to the custody order, and
25 they will have access to all of the

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2 information. In other words, they can get the
3 file, read the circumstances, and alter the
4 order.

5 COUNCILMAN RIZZO: So you do monitor
6 these types of situations, or are you out of
7 it until you get a phone call?

8 COMMISSIONER MARTINEZ: When
9 permanency is achieved, the Department is
10 available to support the family on a voluntary
11 basis. However, if somebody calls us back and
12 asks us for help, we will never turn them
13 away. We will connect them to the services
14 that they need.

15 But the whole point of achieving
16 permanency is that government gets out of the
17 life of the family. However, it's not
18 automatic. There's a process that is gone
19 through and it's done with careful court
20 approval.

21 COUNCILMAN RIZZO: My next question.
22 Is foster -- and again, help me with the
23 language here. Foster care, has that become a
24 business? Are there people who do this for a
25 business?

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2 I had someone tell me a story about
3 this one particular family that has -- and I
4 don't know what the max is, five, six, seven.

5 COMMISSIONER MARTINEZ: Six, by law.

6 COUNCILMAN RIZZO: And the neighbors
7 refer to this as this lady's business. She
8 does it because it's very lucrative. Is that
9 so? Are there people who do this for a
10 business?

11 COMMISSIONER MARTINEZ: Well, of
12 course, my position would be that it's very
13 lucrative, but everybody else's position in
14 the system is that it's not. It's really not
15 a lucrative service, first of all. We do per
16 diem per child. And the per diem at this
17 point is \$20.23 a day. And with this \$20.23 a
18 day, that family has to provide for the needs
19 of that child. In addition, we give a per
20 diem to the provider agency to provide case
21 management and social services. And then more
22 other, the Department has its own staff
23 providing support and services. So it's not a
24 lucrative business.

25 I would say, Councilman, that I have

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2 heard that too, and I'm sure -- it's a large
3 system, I can't tell you that no there aren't
4 people who wouldn't enter into this service
5 for perhaps economic reasons, but I will tell
6 you that in four years that I've been
7 Commissioner, I have seen a huge amount of
8 love and passion and commitment on the part of
9 the people who do foster care. And I need to
10 say that the Department of Human Services is a
11 complex bureaucracy. It is not fun to deal
12 with. On a good day it's not fun to deal
13 with. So people have to really love this work
14 to stay committed to being a foster parent for
15 a long time. So I will tell you
16 overwhelmingly that it's not a concern, but we
17 also have mechanisms to audit and monitor
18 foster parents. If we believe that a foster
19 parent is not taking care of a child properly,
20 that foster parent will lose that child
21 immediately.

22 COUNCILMAN RIZZ0: Could you provide
23 to the Chair -- just a curiosity question --
24 how many of your foster parents are maxed out,
25 that have six children?

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2 COMMISSIONER MARTINEZ: That would
3 be interesting data to look at. I'm not sure
4 how quickly we can get it, but we will
5 certainly work on getting that for you as
6 quickly as possible.

7 COUNCILMAN RIZZO: Because, just to
8 finish this conversation. I've been told
9 there are certain families that always have
10 six, it seems. When one goes on, bingo,
11 another one. And that's why they refer to it
12 as being a business.

13 COMMISSIONER MARTINEZ: Well,
14 Councilman, there are requirements about how
15 much space there has to be per child and there
16 are large families absolutely and there are
17 people who want large families. I have met
18 incredible people who have adopted six, seven,
19 eight children. So some people have large
20 families because they love large families,
21 they come from large families. That may be
22 possible, too. However, we will look for that
23 information for you.

24 I will tell you that --

25 COUNCILMAN RIZZO: Not that that

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2 means anything negative.

3 COMMISSIONER MARTINEZ: It's a good
4 question. But I will tell you that while it
5 is, of course, an imperfect system, there is a
6 lot of love and passion and commitment that
7 you see. And the other interesting point is
8 that children that are adopted out of the
9 child welfare system, 90 percent of them are
10 adopted by their foster parents. So that's an
11 interesting statistic also.

12 COUNCILMAN RIZZO: There was a lot
13 of love in my family, but there were a lot of
14 days that my father or mother wanted me to go
15 out to adoption.

16 (Laughter.)

17 COUNCILMAN RIZZO: Thank you, Madam
18 Chair.

19 COUNCILWOMAN BLACKWELL: You're
20 welcome.

21 Councilwoman Tasco.

22 COUNCILWOMAN TASCO: Thank you. I
23 just have a couple questions.

24 Councilwoman Blondell Reynolds Brown
25 asked you about what programs for men are

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2 headed by men. I'd like to ask that question
3 in a different way but will achieve the same
4 end. What programs provide services to
5 African-American men and who are the
6 providers?

7 COMMISSIONER MARTINEZ: Well, I will
8 ask David Fair, Director of Community Based
9 Prevention, to speak to programs that respond
10 to need.

11 MR. FAIR: This is David Fair, I'm
12 Director of Community Based Services at DHS.

13 In terms of adult men, we have a
14 limited number of programs. Starting in July
15 we will be taking responsibility for the
16 fatherhood initiative program at the Mayor's
17 Office of Community Services so that we can
18 better integrate it into our community-based
19 parenting collaborative. And we have a few
20 other programs, the Fathers Day Rally
21 Committee, Men United for a Better
22 Philadelphia is a major contract for us. But
23 in the big picture, we have two big challenges
24 in terms of targeting services specifically to
25 African-American men. One is the difficulty

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2 in targeting our resources that way within the
3 regulations that we have to follow with our
4 money, because most of the families that
5 involved in the child welfare system is headed
6 by women, and it's the women who are looking
7 for the legal custody and it's not always
8 directly available, a father who's even
9 involved in the situation.

10 The second problem is to be truthful
11 is that there are very true community agencies
12 that want to do this work. We put out our
13 first parenting RFP about three years ago. We
14 had \$6 million available through that RFP. We
15 funded 70 organizations, and two of them, 2 of
16 the 300 or so applicants mentioned fathers as
17 their target population even though our RFP
18 emphasized that. I think there's the
19 perception that that's a harder population to
20 work with, especially men who are no longer
21 connected to their children tend to have
22 heavier burdens, they tend to have an
23 incarceration history or a drug problem or a
24 mental health issue or unemployment or
25 whatever. I don't know whether that's true,

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2 but that is the perception of what happens.

3 This past year we did enter into a
4 contract with an organization called "Menergy"
5 to work with the batterers of women coming
6 into the court system or the justice systems
7 because of domestic violence. The majority of
8 those men are also African-American men. That
9 program has been very effective in helping to
10 not only address the particular sort of
11 counseling those men have, but also connecting
12 them to a variety of social services.

13 I think you're at the question of
14 where men in our system work. I mean, how
15 many African-American men are in leadership
16 positions in our system, I think is really a
17 fascinating one to me because even in our
18 division the overwhelming majority of the
19 organizations we work with are organizations
20 that target lower income, primarily minority
21 communities and are run by people who live in
22 those communities, overwhelmingly it's women
23 who are running those organizations and
24 working in those organizations.

25 We do have some programs like the

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2 Imachi (ph) Project that we work with Reverend
3 Good on where just yesterday he and I were
4 meeting to talk about recruiting mentors for
5 young men in the delinquent system, young
6 African-American men in the delinquent system.
7 And what we were talking about was how hard it
8 is to recruit a mentor for that function when
9 he's standing at the pulpit at the church and
10 says, "I need mentors for kids who are in the
11 delinquent system and I need men for that,"
12 it's very hard in that context to get men to
13 step forward. But when we started jumping on
14 the band wagon for his other recruitment
15 efforts for mentors and made sure we had
16 quality mentors in a pool, it was easier then
17 to approach the men who were already
18 volunteering to be mentors to connect with
19 these kids.

20 It is a very complicated issue,
21 obviously, I could talk to you for hours for
22 about it.

23 COMMISSIONER MARTINEZ: And what I
24 want to add is that this is an area where the
25 Department is, obviously, investing resources.

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2 But it is also, quite frankly, an area for
3 improvement. And when the federal government
4 came in and did our child and family service
5 review, they complimented us in some areas,
6 but their purpose was also to tell us areas
7 where we are weak, and one of things they told
8 us is engaging fathers is an area where the
9 Department has to do better in foster care
10 side, because obviously children can return
11 not to one parent or not to one family but to
12 two.

13 So I think it's clear that more
14 needs to be done. This is a national problem,
15 not a city problem. But in this City, we want
16 to take leadership around it. We funded and
17 hosted a fatherhood conference an engaging
18 fathers conference last year that was really
19 successful. And out of that came a couple of
20 good initiatives. And one of them in one of
21 our family service regions where we have
22 approximately 200 workers, they're doing
23 family trees when a child comes into care to
24 force ourselves to find out who are these
25 children's families up front, not just filling

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2 out the record but really using a tool to do
3 that.

4 We've also talked to the Police
5 Commissioner to add the lock and track system
6 into our electronic search database. Because,
7 unfortunately, a substantial number of
8 children who come into care have parents who
9 have addiction problems and who go in and out
10 of prison or who may be hard to reach.
11 Sometimes their families don't know where they
12 are. So by having the lock and track system
13 accessible to us, we would be able to work
14 with the prison to look on a periodic basis
15 for the parents. And when they're in prison,
16 that's actually an opportunity to intervene
17 and get them clean and sober and start
18 engaging them. So there are some
19 opportunities there and some ground to be
20 covered. And I believe and I hope that it's a
21 question that Council asks us about on a
22 yearly basis to hold us accountable on making
23 progress.

24 COUNCILWOMAN TASCO: Well, I don't
25 want to dredge up old history, but I do know a

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2 couple of years ago there was an effort to do
3 a program and Warren E. Smith had put the
4 pieces in place to provide the service to the
5 men and the contract was never awarded to
6 them.

7 COMMISSIONER MARTINEZ: Can you tell
8 me what program that was?

9 The Delinquent Day Treatment Program
10 was for teens. And I do remember the case and
11 I remember Warren E. Smith's complaints about
12 the outcome of that RFP. And at that, Estelle
13 Richman was the Director of Social Services,
14 and I believe that their concerns were
15 addressed by her but, frankly, Councilwoman, I
16 don't remember the details of it, but I can
17 look that up in answer to you. You'd like to
18 know about it.

19 COUNCILWOMAN TASC0: I just want to
20 say that it's an organization, it's in the
21 community, it provides mental health services,
22 it provides community services. And wherever
23 they turn to get a project from the City,
24 whether it's DHS and they do exist or whether
25 it's the Health Department, they get turned

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2 down for every project. And it just boggles
3 my mind that while it happens, but then you'll
4 say, "We've got to find people to do the
5 project," but there are people who do the
6 projects but they never get funded.

7 COMMISSIONER MARTINEZ: I understand
8 your concern.

9 COUNCILWOMAN TASC0: One other
10 question.

11 You provide funding to Safe and
12 Sound for community-based programs?

13 COMMISSIONER MARTINEZ: For after
14 school and youth development programs.

15 COUNCILWOMAN TASC0: Do they then
16 contract out with providers for that service?

17 COMMISSIONER MARTINEZ: Yes, they
18 do.

19 COUNCILWOMAN TASC0: Do you monitor
20 who these groups are who provide the services,
21 and what is the diversity among those groups?

22 COMMISSIONER MARTINEZ: They
23 actually have a sophisticated monitoring
24 service in place. I believe that the
25 technical assistance and oversight is with the

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2 United Way and also with Philadelphia Health
3 Management Corporation. They have two
4 entities that assist them in the technical
5 assistance and monitoring and training. But
6 for more detail on that, I would defer to
7 Deputy Managing Steiker since I frankly don't
8 have more much more detail than that. But
9 they do have evaluation systems in place.

10 COUNCILWOMAN TASC0: Who do they
11 contract what? Providers do they contract
12 with to provide the service?

13 You may want to give me later: Who
14 are the providers of these after school
15 programs?

16 COMMISSIONER MARTINEZ: I will
17 ensure that that information is made
18 available, both on the contracting and
19 evaluation aspect and the service delivery.

20 COUNCILWOMAN TASC0: Thank you very
21 much.

22 Thank you.

23 COUNCILWOMAN BLACKWELL: You're
24 welcome.

25 Councilwoman Blondell Reynolds

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2 Brown.

3 COUNCILWOMAN BROWN: Thank you,
4 Madam Chair.

5 I would like to go back if we could,
6 Commissioner, to the new information you
7 provided to us with regard to MBEC. MBEC
8 certifies only for-profits. If not today, can
9 you provide for us an accounting of the
10 dollars in terms of percentage across the
11 board, what percentage of what you do are
12 for-profits and what percentage are
13 non-profits and then break that down in terms
14 of dollars.

15 COMMISSIONER MARTINEZ: Yes, we
16 will.

17 COUNCILWOMAN BROWN: And then for
18 the for-profits, if you can provide the
19 breakdown of minority, women, and
20 disadvantaged-own businesses.

21 COMMISSIONER MARTINEZ: We will.

22 COUNCILWOMAN BROWN: Second
23 question. Since MBEC only deals with
24 for-profit dollars in contracting and
25 procurement, what has been the level of

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2 interface with your department and MBEC for
3 the for-profit agencies.

4 COMMISSIONER MARTINEZ: Because
5 Deputy Commissioner Ransom interacts with MBEC
6 most frequently, I'm asking her to assist in
7 answering.

8 MS. RANSOM: Cheryl Ransom, Deputy
9 Commissioner for DHS.

10 One thing we've done on all of our
11 RFPs, we stipulate that the MBE participation
12 is mandatory so that we can find what -- MBEC
13 normally sets the ranges. They look at our
14 RFPs and decide what the range should be. And
15 we issue that range to the providers.

16 We've also worked with them with our
17 IT contracts to look at how they could get
18 participation, and we've done that through
19 their staff.

20 And I said earlier that we also
21 worked with MBEC. They identified minority
22 firms in the IT business who were certified,
23 and we went to those firms and explained the
24 type of work we were doing, and they offered
25 resumes to us.

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2 COUNCILWOMAN BROWN: And then MBEC
3 has the responsibility to share with you what
4 the numbers are in those areas, correct?

5 MS. RANSOM: They give us a range to
6 reach in terms of what our goals should be for
7 the Department.

8 COUNCILWOMAN BROWN: For the
9 for-profit, do you know what those current
10 numbers are?

11 MS. RANSOM: They actually look at
12 -- for example, if we're doing an RFP, they
13 will review the RFP and determine what the
14 range should be based on the type of program,
15 who's going to be served and the funding
16 level.

17 COUNCILWOMAN BROWN: Okay. I'm
18 trying to follow you. And so of the 2
19 percent, have they recently given you the
20 number that speak to total number of minority,
21 total number of women-owned? Have you
22 received those numbers at all from MBEC?

23 MS. RANSOM: Normally, we do a
24 report every year where we indicate --

25 COUNCILWOMAN BROWN: We, meaning

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2 DHS?

3 MS. RANSOM: DHS. We indicate who's
4 certified. That's really where the number
5 comes from. It's the actual number of
6 contracts that you let and the total money
7 spent on a for-profit who is certified.
8 That's where the 2 percent comes from. That's
9 not a number that has been given by MBEC,
10 that's a number that we calculate based on
11 certified for-profits that we can count the
12 participation.

13 COUNCILWOMAN BROWN: That's it for
14 now. I'm still just trying to get a handle on
15 not just DHS but all City departments where
16 and how MBEC does what they are prescribed to
17 do.

18 Thank you for your testimony.

19 Clarity. Did Councilman Juan Ramos
20 pose the question regarding how you may have
21 adjusted your system with regards to the loss
22 of the little girl last year? Was that your
23 question, Councilman Ramos?

24 COUNCILMAN RAMOS: Yes, it was.

25 COUNCILWOMAN BROWN: Thank you very

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2 much.

3 COUNCILMAN RAMOS: I was satisfied
4 with her answer.

5 COUNCILWOMAN BROWN: Thank you. And
6 on that, let me just say in closing with
7 regards to your performance measures, I did
8 look hard and I found nothing which suggests
9 to me that DHS does enormously important work,
10 period, and you're to be commended for the
11 work we knew you were doing when you first sat
12 with us in January 2000 and how far that
13 agency has come with regards to systemic
14 change and not just tinkering with reform
15 around the margins. So I congratulate you.

16 COMMISSIONER MARTINEZ: Thank you.
17 Our Department is grateful for your
18 recognition. Thank you.

19 COUNCILWOMAN BLACKWELL: Are there
20 further questions?

21 I believe OESS, you're next.

22 COMMISSIONER MARTINEZ: Thank you
23 very much.

24 COUNCILWOMAN BROWN: One moment,
25 please.

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2 Councilman Ramos.

3 COUNCILMAN RAMOS: Just one last
4 question, Commissioner.

5 Back in March, the City Council
6 presented a resolution urging the Pennsylvania
7 House of Representatives to oppose
8 Representative Jerry Birmelin. It was a bill
9 which we considered discriminatory under
10 City's Fair Practice Code which undermines the
11 core value of the original bill to improve the
12 Adoption Assistance Program as reported by the
13 House Children and Youth Committee. It was a
14 bill essentially that was trying to prevent
15 non-traditional families or same-sex couples
16 the right to adopt. And you gave a report
17 about your adoption rate.

18 Are we now making adoptions
19 available to non-traditional families or
20 same-sex couples?

21 COMMISSIONER MARTINEZ: Yes.
22 Philadelphia and the court system has been
23 actually on the leading edge, along with other
24 major cities in defining family as broadly as
25 possible in the best interest of children.

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2 And so it is a City that has been in a
3 tradition of doing that and supporting
4 same-sex couples or gay and lesbian
5 individuals being foster or adoptive parents
6 long before I became Commissioner.

7 The amendments that Representative
8 Birmelin proposed were withdrawn and the
9 legislation moved forward as originally
10 planned. However, this is an issue, as we all
11 know, that is hot nationally and we have not
12 heard of end of the debate.

13 COUNCILMAN RAMOS: Have any same-sex
14 couples or gay or lesbian individuals applied
15 or have adopted children in our system?

16 COMMISSIONER MARTINEZ: While we do
17 not track that particular aspect of our foster
18 and adoptive parents identity, I know
19 anecdotally that they have because they come
20 up to me and say that they've adopted. The
21 question is not asked about their sexual
22 preference and that's perhaps what makes our
23 system so progressive and so open-minded that
24 what the system looks for is the
25 qualifications and the background and the

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2 ability of that individual and that family to
3 provide a loving home for a child. So we
4 don't keep those statistics but, yes, there is
5 a history of it being done through the child
6 welfare system.

7 COUNCILMAN RAMOS: A loving home is
8 the gauge we should use.

9 COMMISSIONER MARTINEZ: Thank you.

10 COUNCILMAN RAMOS: Thank you,
11 Commissioner.

12 COUNCILWOMAN BLACKWELL: Councilman
13 Goode.

14 COUNCILMAN GOODE: Good afternoon,
15 Commissioner. Just curious about the issue
16 Procurement opportunities even within
17 non-profit contracts. In terms of your
18 non-profit contracts, are there opportunities
19 or cases where there is either subcontracting
20 or materials that are borrowed under those
21 non-profit contracts?

22 COMMISSIONER MARTINEZ: Yes, there
23 are opportunities. And I believe that the
24 department has made a lot of effort and a lot
25 of progress in getting our own providers, if I

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2 understand the correctly, our own providers to
3 use minority providers in their own
4 operations. But I will ask Deputy
5 Commissioner Ransom to assist in answering
6 that.

7 COUNCILMAN GOODE: Let me just
8 advance the question then. So even within the
9 non-profit contracts, there are opportunities
10 to set goals for minority participation in
11 terms of subcontracting opportunities and in
12 terms of the purchasing of services?

13 MS. RANSOM: Yes. We often
14 recommend to our providers -- we have the MBEC
15 book of certified vendors. They often
16 approach us and ask us about the services, and
17 we in turn give them information about the
18 certified vendors.

19 COUNCILMAN GOODE: So MBEC does not
20 set goals for your non-profit contracts?

21 MS. RANSOM: No. We had an
22 arrangement with MBEC around affidavits and
23 having the non-profits --

24 COUNCILMAN GOODE: Can you explain
25 to me, although they do not certify

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2 non-profits for obvious reasons, why they
3 still wouldn't be setting goals for non-profit
4 contracts?

5 COMMISSIONER MARTINEZ: Why they
6 would not?

7 COUNCILMAN GOODE: Yes.

8 COMMISSIONER MARTINEZ: We believe
9 that they should.

10 COUNCILMAN GOODE: Can you request
11 that they set goals for your non-profit
12 contracts as well? As long as you're going to
13 have subcontractors and you're purchasing
14 services and there are still for-profit
15 companies that are going to benefit from that
16 non-profit contract, there's no reason why you
17 can't meet as many goals and even exceed goals
18 under non-profit contracts.

19 COMMISSIONER MARTINEZ: Yes,
20 Councilman. We have requested it and we will
21 request it again. And I am aware that this is
22 an issue that Council is going to be
23 discussing with MBEC also, but we will
24 definitely make that request. There's
25 opportunities for the City to get recognition

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2 and also opportunities to promote that
3 principle and non-profit community because
4 their business is just like any other
5 business, they just happen to be tax exempt.
6 In other way, they are a business.

7 COUNCILMAN GOODE: Absolutely.

8 Thank you, Commissioner.

9 COMMISSIONER MARTINEZ: Thank you.

10 COUNCILWOMAN BLACKWELL: Thank you,
11 Councilman.

12 Are there further questions?

13 (No response.)

14 COUNCILWOMAN BLACKWELL: Thank you
15 again.

16 Mr. Hess and OESS.

17 Good afternoon. We thank you for
18 your patience. Certainly, we do have your
19 testimony. You can present any part of it or
20 make reference to it if you would like. And
21 we would like you to introduce the folks with
22 you and make your comment.

23 MR. HESS: Thank you, Madam Chair.

24 To my right I have the Director of OESS, Letty
25 Hinton; behind her, our Administrative

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2 Services Director, Richard Shaeffer. And then
3 the balance of the team is spread throughout
4 the gallery and employees to assist as
5 necessary.

6 I would like to take this
7 opportunity to thank you for being offer
8 testimony today on behalf of the Office of
9 Emergency Shelter and Services for Fiscal Year
10 2005, as well as to have an opportunity to
11 discuss the challenges and opportunities that
12 lie ahead. I will touch on just a couple of
13 specific areas that I think are particularly
14 important to share with Council this
15 afternoon.

16 First, I think it's important to
17 state that in the area of demand for emergency
18 shelter, the upward trend that I reported in
19 last year's testimony has continued,
20 unfortunately, into this fiscal year. The
21 overall number of people staying in emergency
22 shelter so far this year is on average 8
23 percent greater than last year and 15 percent
24 more than two years ago. The month of April,
25 we're currently running about 11 percent ahead

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2 of last year in demand for emergency shelter.
3 So this trend, which we view as a result of
4 the long economic slump that communities
5 across the country has experienced and
6 although there have been some recent
7 encouraging signs for the economy and the
8 creation of jobs nationwide, we have not yet
9 seen the trend extend to Philadelphia.

10 Furthermore, homeless people living
11 in our shelters are often excluded from
12 realizing the benefits of a rising economy by
13 being the last hired, first fired. Because of
14 these combined factors, we do expect the
15 higher demand for shelter will remain steady
16 for the remainder of this fiscal year and in
17 the next fiscal year.

18 I think with that said, I think the
19 testimony addresses a lot of the programatic
20 improvements that we've been able to make over
21 this past year. It does point out that we've
22 made some great inroads on the Parkway with
23 respect to being able to relocate some feeding
24 operations indoors. And I'd like to publicly
25 thank you, Councilwoman Blackwell, for your

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2 leadership and support that assisted us in
3 working with Chosen 300 and Reverend Brian
4 Jenkins to be able effect that change, which
5 we view as incredibly important. You know, it
6 wasn't that long ago that there were several
7 hundred folks at night standing in line out on
8 the Parkway no matter what the weather in
9 order to enjoy the good meal that Chosen 300
10 provided. Now those folks are able to go
11 indoors, sit down with the kind of dignity and
12 respect that we all deserve to be able to
13 enjoy a meal and it's because of your
14 leadership and the Mayor's and others that
15 allowed us to make that happen. So I would
16 like to publicly thank you for that.

17 I'd also like to publicly recognize
18 the great work being done by City employees,
19 by our non-profit partners, by the Mayor's
20 task force on the issue of chronic
21 homelessness where we've now seen the street
22 numbers drop from kind of a high watermark of
23 824 to 133, as counted by the Police
24 Department and Center City Philadelphia just
25 this past week. Still a lot of work to be

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2 done. Still incredibly tragic for the 133
3 folks who still call our streets home, but we
4 have made a lot of progress in this area, and
5 it's been because of great leadership and
6 partnership with members of this Council, the
7 Administration, the non-profit community, and
8 City workforce that's helped us immensely in
9 this area.

10 With that, Madam Chair, I'd be happy
11 to entertain any questions you have.

12 COUNCILWOMAN BLACKWELL: Thank you
13 very much.

14 We would certainly like to thank you
15 and your Department for all that you do as
16 well. And if I did not respect you and like
17 you, which I do, I'd still find a way to get
18 along with you because this is my area. This
19 is part of my mission and what I'm meant to
20 do.

21 In your testimony, you refer to
22 about 2200 people at night on an average
23 night. I know in past year we've had 24 and
24 26 and 2700 people who are in shelter and
25 people who need shelter.

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2 Will you still be able to absorb
3 people above 2200 who could be on the street
4 at any given time?

5 MR. HESS: Madam Chair, the
6 commitment of this Administration is to
7 provide as many beds as necessary to meet the
8 demand. We have been as high as about 2700
9 beds in the midst of this past winter, which I
10 must say was incredibly difficult. So far
11 this winter, we've had 72 Code Blue days and,
12 hopefully, we've put the last one behind us,
13 but who can tell. Last year, we set a record
14 with 73 Code Blue days. So as you know, we
15 have developed a system of sort of a just in
16 time delivery system for beds to be able to
17 expand to meet the need, and you have our
18 commitment to continue to do that. And if
19 that strains our budget as we go along, then,
20 of course, I'm confident we'll be having those
21 conversations.

22 COUNCILWOMAN BLACKWELL: Thank you.

23 You mentioned outside feeding, and
24 we are doing better. As you know, I'm always
25 one of those people who believes we have to do

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2 it one place or another. And as we push for
3 people without lodging or the homeless to go
4 inside, we just hope that those in Center City
5 -- we know it's tough on some of the
6 businesses who complain, but I hope that they
7 will continue to understand that we've really
8 come a long way and we're working very, very
9 hard to certainly make sure that people are
10 inside and that they're not outside.

11 As you know, the Mayor made a
12 commitment, I don't know, maybe about four
13 years ago to end homelessness in 10 years.
14 And I continue to hope that, while I'm still
15 working, before I retire that we won't have
16 any homeless people on the streets in this
17 City and certainly not in this country, but
18 here in this City because I do believe that we
19 have the wherewithal, we have the capacity to
20 take care of people. And that it's a moral
21 commitment on the part of you, me, and every
22 elected official in our City and every elected
23 official in our country. People in America
24 shouldn't have to sleep on streets. And I
25 will say that as long as I see one person out

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2 there because it's what we have to do.

3 MR. HESS: Madam Chair, I absolutely
4 share those views and absolutely believe with
5 a firmest of commitment that Philadelphia is
6 capable of becoming the first City in America
7 to end the need for any of our citizens to
8 sleep on our streets. We've made tremendous
9 progress in this area so far, but the work is
10 not yet done. I'm so encouraged, though, by
11 the help and support of my fellow
12 commissioners, John Domzalski, Alba Martinez,
13 Mike Covone and others have been incredibly
14 supportive as we've gone to them for
15 additional resources to be able to provide
16 those resources to those folks sleeping on our
17 streets. It has been an incredible team
18 effort with your office and others in the
19 Administration and in the community that have
20 really achieved phenomenal results, but we
21 still have a long way to go to become that
22 first City in America which I believe we can
23 become that ends the need for any of its
24 citizens to sleep on the streets.

25 COUNCILWOMAN BLACKWELL: Thank you.

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2 What you might also remark about is
3 the fact that your Department -- we do a lot
4 more with case workers because we know that
5 people need training. People can't go from
6 shelters to self-sufficiency without training
7 of various sorts, without job readiness,
8 without case management to deal with whatever
9 their situations are, and that you are working
10 and that you've moved forward in that arena as
11 well.

12 MR. HESS: We are so fortunate to
13 have the leadership of Letty Hinton as
14 Director at OESS that is retooling business
15 practices, creating systemic change in a way
16 that we could have only envisioned a couple of
17 years ago, being able to position ourselves to
18 lower the case loads of our social workers,
19 remove some of the administrative impediments
20 and duties from our case workers so that they
21 can really focus in on working with the
22 clients and on the clients' needs to help them
23 move back into the community and to be
24 self-sufficient in the community with
25 appropriate supports attached to them. We've

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2 come so far under her leadership and that of
3 her team.

4 I'm also extraordinarily proud of
5 the work that we're doing to implement the new
6 HMIS system that will help us from a
7 management perspective better track, better
8 coordinate with the services of other
9 departments and better serve the clients that
10 come in our front door.

11 So I believe that we are well
12 positioned to continue to make those systemic
13 changes necessary to better serve our clients
14 moving forward.

15 COUNCILWOMAN BLACKWELL: Thank you.
16 Thank you, Mr. Hess.

17 Questions?

18 Councilwoman Blondell Reynolds
19 Brown.

20 COUNCILWOMAN BROWN: Thank you,
21 Madam Chair.

22 First let me say thank you for the
23 new initiative for little people on front end of
24 their lives, the Bright Spaces Program at our
25 shelters. It's a wonderful idea. And I'm

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2 curious to know how many are up and running as
3 we speak.

4 MR. HESS: Thank you for that
5 question, Councilwoman. We have at the moment
6 six Bright Spaces that have opened and an
7 additional planning eight planning to open in
8 2005.

9 This is just an incredible program,
10 as you point out. We're so fortunate to have
11 the Bright Horizons Foundation and McNeal
12 Pharmaceuticals that came to the table to be
13 able to provide us the funding to enlighten
14 the lives of women and children and men in
15 shelter.

16 COUNCILWOMAN BROWN: That was my
17 next question. Who's paying for it? How did
18 it come to be?

19 MR. HESS: The way this worked is
20 Bright Horizons Foundation came to us and said
21 they would like to add a couple of these play
22 spaces to our family shelters. And we said,
23 "Oh, no, this is a tremendous opportunity. We
24 shouldn't limit ourselves two shielders. We
25 should be the forward city in America to have

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2 Bright Spaces in all of our family
3 facilities." They agreed.

4 It was a little beyond the scope of
5 what they could do internally, so they reached
6 out to McNeal Pharmaceuticals who
7 enthusiastically who embraced the idea and
8 have been working closely with us to make this
9 dream a reality for all of our children, the
10 900 now plus children that reside in our
11 shelter system on any given night.

12 COUNCILWOMAN BROWN: Because that
13 was one of our questions too. How many
14 children are currently in our homeless
15 shelters?

16 MR. HESS: About 900 right now on
17 any given night.

18 COUNCILWOMAN BROWN: Currently six
19 and adding two more essentially for FY '05,
20 correct?

21 MR. HESS: Eight more.

22 COUNCILWOMAN BROWN: Eight more so
23 we'll be up to 14?

24 MR. HESS: That's correct.

25 COUNCILWOMAN BROWN: Out of a total

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2 of how many shelters?

3 MR. HESS: It looks like we have --
4 the future projects beyond these 14 include
5 four more facilities and so that would be 18
6 total family facilities.

7 COUNCILWOMAN BROWN: And how many
8 shelters in total does the City have in
9 operation?

10 MR. HESS: 29.

11 COUNCILWOMAN BROWN: So that's 18
12 out of 29. Okay, so that is useful and
13 important and a new phenomenon for little
14 people on the front end of their life. Let's
15 look to those on the back end of their lives
16 who met bumps and they're looking for a second
17 chance.

18 Under professional services in your
19 budget for FY '03 there are eight non-profits
20 that are providing, I would imagine, education
21 training services to individuals. And then in
22 FY '04, there are three. In FY '05, there's
23 one. And the reason why I'm troubled by that
24 when I look at those numbers and stack that
25 against your opening comments which were that

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2 homelessness is going from 8 to 15 percent and
3 we're 11 percent ahead in the demand for
4 emergency shelters this year than we were last
5 year, help me recon with the reality and where
6 you're moving with regards to fewer programs,
7 fewer educational and training programs.

8 MR. HESS: Employment and training
9 programs?

10 COUNCILWOMAN BROWN: Yes.

11 MR. HESS: This is an area where I
12 have to take you back a couple of years.
13 We're now in the fifth year of a six-year
14 cycle on employment training programs. OESS
15 historically was a system to try to provide
16 all of its own services and, frankly, was
17 inadequately funded to do so. And so
18 employment training programs like clean and
19 sober programs and mental health services,
20 they tried to fund internal to the agency and
21 they weren't a sufficient capacity to be able
22 to do that work effectively; effectively being
23 meeting the demand within the system. So we
24 had to reach out -- we recognized that had
25 began to reach out to the mainstream systems,

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2 if you will.

3 For example, we could spend a couple
4 hundred thousand dollars on drug and alcohol
5 treatment. Well, CODAAP is a much bigger
6 system and has much greater resources, so if
7 we can tap into that system more effectively,
8 then our clients would be better served. And
9 so we have done that.

10 On the employment training side,
11 clearly there's two ways for folks to leave
12 our shelter system and not come back. One is
13 to have sufficient income to be able to afford
14 market rate housing. Or two is to have some
15 sort of housing subsidy. And so we try to
16 work that on both ends. We have been blessed
17 with a variety of good employment training
18 providers. I think it was seven or eight to
19 begin with. That funding came from HUD. It
20 came from PWDC and came from a City match.
21 The City overextended its match in the early
22 years, the first three years. So we got into
23 the second round of a three-year renewal and
24 the final renewal. At that point, we had PWDC
25 back out of the picture and so we were left

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2 with HUD funding and some general funds.

3 COUNCILWOMAN BROWN: Okay, pause
4 there. Define "back out." Does that mean
5 they were approached and they said no?

6 MR. HESS: Yes.

7 COUNCILWOMAN BROWN: You approached
8 the leadership at PWDC, Ernest Jones, to ask
9 them to continue to offer their share of
10 funding for training programs when PWDC is in
11 the business of training programs; is that
12 what I'm hearing?

13 MR. HESS: That's correct.

14 COUNCILWOMAN BROWN: And the reason
15 they provided you was?

16 MR. HESS: A couple reasons. They
17 have a threshold what they call success
18 requirement -- and if I get any of this wrong,
19 somebody speak up so we can get it exactly
20 right for you -- of about 75 percent success
21 rate is what they need.

22 COUNCILWOMAN BROWN: This what was
23 year, FY '04 or FY '05?

24 MR. HESS: I think this is '04. Our
25 programs -- obviously, we have a challenging

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2 clientele and our programs have historically
3 not been achieve to level of success that PWDC
4 asked us for.

5 COUNCILWOMAN BROWN: My immediate
6 reaction to that is PWDC is in the business of
7 providing training across the board, including
8 hard to reach or difficult to manage
9 populations.

10 MR. HESS: And that was our feeling
11 as well. So what we recognized is we need to
12 find other ways to be able to have our clients
13 access mainstream employment programs that
14 PWDC already funds and offers as opposed to
15 long-term trying to fill that void with our
16 own internal programs.

17 COUNCILWOMAN BROWN: I cut you off.
18 So as of FY '04, you no longer had the match
19 with PWDC which is the reason why we only
20 three here for FY '04?

21 MR. HESS: I thought it was four,
22 but I'm sure you're right.

23 COUNCILWOMAN BROWN: I actually see
24 three -- no, that's not true; it's four.

25 MR. HESS: I think you're just

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2 looking at General Funded programs. I think
3 there may have been actually four. I'll ask
4 Richard Shaeffer to check me on that.

5 MR. SHAEFFER: Good afternoon. My
6 name is Richard |Shaeffer, Administrative
7 Services Director.

8 In this fiscal year, if you want to
9 count the Ready, Willing and Able Program,
10 there are actually five funded programs.

11 COUNCILWOMAN BROWN: How many of
12 them are Philadelphia based?

13 And I know that for myself that
14 Ready, Willing and Able is not from out of the
15 City, it may be New York because I clearly
16 remember former Commissioner Estelle Richman
17 telling us about that program and I know
18 clearly of their value and their worth.

19 So the other four are located where?

20 MR. SHAEFFER: They're all
21 Philadelphia based, the other four.

22 COUNCILWOMAN BROWN: All right.
23 Continue.

24 MR. HESS: And so with the cutback
25 in the funding, the total pot of funding, we

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2 reduced the number from eight to four this
3 current year. We're now approaching the final
4 year of funding from HUD, which was the big
5 piece that got this program started to begin
6 with.

7 COUNCILWOMAN BROWN: Okay, you'll
8 have to help me understand that in terms of
9 the actual dollars. You say "the big piece,"
10 I need to know what that means in terms of
11 actual numbers.

12 MR. HESS: HUD provides, I think,
13 about \$400,000 a year, and we have one year of
14 HUD funding left. That will be for Fiscal
15 Year '05. We have already met all of our
16 match requirements for general funds for this
17 cycle of funding. So we're not required to
18 put any additional general funds into this
19 employment and training pot for Fiscal Year
20 '05, it will be strictly HUD funded.

21 COUNCILWOMAN BROWN: So the Ready,
22 Willing and Able which did not get axed is
23 funded by whom?

24 MR. HESS: Ready, Willing and Able
25 is funded largely from general funds. It's

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2 outside this program mix. Ready, Willing and
3 Able was never funded from HUD.

4 COUNCILWOMAN BROWN: There's one
5 year left of HUD funding; that will go to
6 support what?

7 MR. HESS: That would fully support
8 three of the four programs that remain.

9 COUNCILWOMAN BROWN: For FY '05.

10 MR. HESS: Yes, ma'am. That's
11 encouraging, stacking that against this 11
12 percent increase and the need for emergency
13 shelter, but they're not listed in this
14 document. So there's been some development
15 since this paper was produced in today's
16 hearing?

17 MR. SHAEFFER: Councilwoman, if you
18 look at Page 21, there's a grant information
19 summary form. Even though it doesn't show the
20 detail, that shows the funding that is set
21 aside for the three remaining employment and
22 training programs.

23 COUNCILWOMAN BROWN: I need
24 Councilman Nutter over here.

25 You said Page 21?

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2 MR. SHAEFFER: That's correct

3 MR. HESS: Councilwoman, about in
4 the middle of the page in the second column
5 from the right, it says "Fiscal Year 2005
6 obligation level," that's Column 6. If you
7 follow that down about halfway, there's
8 \$493,352 under purchases of service line 200.

9 COUNCILWOMAN BROWN: I'm going to be
10 quite honest with you, I'm struggling with
11 trying to find it in the book. But if you're
12 telling me it's on Page 21 --

13 MR. HESS: Page 21, Column 6, Class
14 200.

15 COUNCILWOMAN BROWN: I got it. So
16 repeat what you said. For FY '05, I see
17 \$493,000.

18 MR. SHAEFFER: Right. And that
19 money will be used to fund three of the
20 Philadelphia-based employment training
21 programs for FY '05.

22 MR. HESS: And that represents the
23 balance of the HUD grant.

24 COUNCILWOMAN BROWN: That will cover
25 the three. Is one of them Ready, Willing and

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2 Able?

3 MR. HESS: No. Ready, Willing and
4 Able is never part of funding mix.

5 COUNCILWOMAN BROWN: So these three
6 are for Philadelphia-based organizations?

7 MR. HESS: That's correct.

8 COUNCILWOMAN BROWN: Do providers
9 provide a written -- so you're saying funding
10 is driving this, not insufficient or
11 ineffective program performance?

12 MR. HESS: That's correct.

13 COUNCILWOMAN BROWN: How do you
14 monitor program performance?

15 MR. HESS: We have analysts that do
16 regular monitoring. Each of the agencies we
17 have contracts with also is required to
18 provide us regular data on their program
19 results.

20 COUNCILWOMAN BROWN: So if you're
21 going from eight to three, then it's
22 ultimately the information retrieved from the
23 program evaluations that move you to the lucky
24 three that benefit from the remaining HUD
25 dollars?

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2 MR. HESS: Yes.

3 COUNCILWOMAN BROWN: For the five
4 that aren't lucky and continue to provide the
5 service and deal with this issue of
6 homelessness and getting folk where they need
7 to be so they can become self-sufficient, what
8 provisions are made for them in terms of
9 awareness and letting them know criteria --
10 typically at the end, my experience is, a
11 program evaluation -- let me not answer the
12 question.

13 What does OESS do when you make a
14 determination that an agency is not meeting
15 the criteria and therefore don't warrant
16 consideration for continued funding?

17 MR. HESS: We would certainly
18 indicate that to the agency.

19 COUNCILWOMAN BROWN: And that's done
20 how, written or a meeting or a conference call
21 or what?

22 MR. HESS: It could be any
23 combination of those, depending upon the
24 circumstances. In the case of a program where
25 we were terminating funding, of course, that

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2 would be in writing.

3 COUNCILWOMAN BROWN: Final question.

4 Given the high percentages of homelessness,
5 knowing that PWDC is in the business of moving
6 individuals to self-sufficiency, does OESS do
7 anything to aid the agencies to move them to a
8 place where they can meet the criteria to
9 benefit from PWDC funding?

10 MR. HESS: Councilwoman, we view
11 this money that remains for employment and
12 training as being simply a final year
13 phase-out. We know that we will not be able
14 to fund any of these programs beyond Fiscal
15 Year 2005 because there will be no more HUD
16 funding. And, therefore, we recognize that we
17 need to be working very closely with PWDC.
18 And we've already had a number of meetings and
19 conversations to be able to get better access
20 to all of the PWDC array of training programs
21 for our clients. We also recognize that given
22 PWDC's --

23 COUNCILWOMAN BROWN: Humongous
24 budget, huge budget.

25 MR. HESS: Yes. We also recognize

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2 that five PWDC's wide array and large budget,
3 they ought to be able to kind of spread our
4 folks across their programs and not hurt any
5 of the programs total numbers. In some ways,
6 the way we have provided employment and
7 training programs to date has been unfair to
8 the providers because we've given the
9 providers all complicated folks. And maybe
10 the results would have been better had they
11 had more of a mix of clients in those
12 programs. Maybe at that point, the
13 percentages would have been at the 75 percent
14 or better and PWDC would be in a better
15 position to be able to report to the State
16 rather than viewing our programs as kind of
17 holding them back.

18 COUNCILWOMAN BROWN: Have you shared
19 with PWDC?

20 MR. HESS: Yes.

21 COUNCILWOMAN BROWN: In a very
22 formal way? Because that's now on some ways
23 killing these programs. The way you've just
24 presented it, the fact that they did not meet
25 their numbers now leads you to no longer fund

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2 the programs.

3 MR. HESS: Well, we would not be
4 able to fund the programs beyond Fiscal Year
5 '05 in any event because the federal funding
6 will not be there for us.

7 COUNCILWOMAN BROWN: So am I hearing
8 that you're prepared to serve as a bridge or a
9 negotiator with PWDC so that these agencies
10 who can't get funding for the reasons you just
11 stated can be fairly considered by PWDC?

12 MR. HESS: Absolutely. In fact,
13 Director Hinton and Richard Shaeffer had a
14 meeting with PCDC just, I think, last week.
15 I've talked Blackwell about giving us an entry
16 to PWDC to have those discussions greater
17 depth. We fully recognize that we need
18 greater employment and training opportunities
19 for all of our clients all of our clients.
20 And we fully recognize that we're generally
21 better off when our clients are treated within
22 the mainstream systems as opposed to being
23 singled out in a homeless system.

24 COUNCILWOMAN BROWN: Sure.

25 Well then I will look to the Chair

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2 of the Committee on homelessness and housing
3 for us stay close -- as a member of that
4 Committee, Madam Chair, for us like a laser
5 beam, stay in touch with this issue so that
6 PWDC, A, recognizes agencies in our City in
7 the business of providing services to this
8 population and hear the observations and
9 judgements shared by Mr. Hess so that do what
10 they've been legislated to do.

11 MR. HESS: Thank you, Councilwoman.

12 COUNCILWOMAN BLACKWELL: Thank you,
13 Councilwoman. And we also note that one of
14 the providers is here OIC. We thank them for
15 coming in. They have had contracts with OESS
16 and they are reviewing that who area. We've
17 talked with them Mr. Nelson and we're glad he
18 and his team are here.

19 Let me ask one final question that
20 the President had.

21 Is the 15 million in the Grants
22 Revenue Fund, is that money secured? Is that
23 speculative or is that secured money?

24 MR. HESS: We've reflected in the
25 budget, Madam Chair, an increase of 15 million

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2 essentially in the Grants Fund. Of that,
3 \$5 million is new dollars, Act 148 dollars,
4 through the DHS needs based budget to support
5 women and children in shelter. So we are
6 hopeful and encouraged by what we've heard so
7 far with respect to how that will play out.
8 But that 5 million does represent new
9 investment from the State.

10 COUNCILWOMAN BLACKWELL: Thank you,
11 Mr. Hess.

12 MR. HESS: Thank you, Councilwoman.
13 Mr. Nutter, would like to ask a
14 question?

15 COUNCILMAN NUTTER: Mr. Hess, I
16 think this came up during Capital; I believe
17 you came up. I wanted to ask some questions
18 with regard to shelter services related to
19 domestic violence. So first I'll say if
20 you've already gone over this topic --

21 MR. HESS: I've not yet had the
22 pleasure of doing that, Councilman. We have
23 prepared a response to your questions with
24 respect to the Capital Budget hearing and that
25 is in the process of being submitted to the

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2 Chair.

3 COUNCILMAN NUTTER: Okay. Do you
4 know what the answers are?

5 MR. HESS: Yes.

6 COUNCILMAN NUTTER: Okay. Well,
7 one, that's very good because quite honestly I
8 don't remember what the question was.

9 MR. HESS: I've forgotten the
10 question, I only remember the answer.

11 COUNCILMAN NUTTER: Well, we've got
12 one heck of an operation going on here.

13 (Laughter.)

14 COUNCILMAN NUTTER: But I think it
15 was around the issue of how many shelter beds
16 do we have for victims for domestic violence,
17 how many do we believe we actually need, the
18 issue of -- I don't want to secret but
19 certainly confidential or there must be some
20 other appropriate term, but the ability of
21 people to when they're in a dangerous
22 situation to go somewhere that is not a known
23 place as opposed to some of the known places
24 that we have. And I think I also asked about
25 the City acquiring properties specifically for

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2 the purpose of creating that kind of
3 environment, whether known or unknown, given
4 much of the property acquisition activity that
5 we're already experiencing through the NTI
6 program. Can you respond to some of that.

7 MR. HESS: I can. We looked into
8 this, and I've worked with Carol Tracey, the
9 Co-Chair of the Mayor's Task Force on Domestic
10 Violence. We currently have dedicated
11 specifically to domestic victims at an
12 undisclosed location 46 beds. We compared
13 that to a couple of other cities. In New York
14 City, for example, they have 832 beds. In
15 Chicago, a City of 3 million or about twice
16 our size, there's 211 beds. And in Boston,
17 City of 600,000 there is 96 beds. And so I
18 think it supports --

19 COUNCILMAN NUTTER: And we have 46?

20 MR. HESS: Yes. That is not to say,
21 as I think we mentioned before, that this
22 represents all the beds available to victims
23 of domestic violence, but these are the
24 undisclosed locations relatively secure beds.
25 We fully believe that we need more. We are

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2 unclear and unsure at this point how many
3 more. I think it is safe to say we need to at
4 least double that inventory.

5 COUNCILMAN NUTTER: You indicated at
6 the last hearing that, I'm going to assume,
7 you correct me if I'm wrong, that in the
8 disclosed environment we had the capacity if
9 we needed to to serve I believe you said
10 somewhere between 50 and a hundred. Did you
11 tell me that?

12 MR. HESS: That was in the
13 undisclosed. I was incorrect. The actual
14 number is 46.

15 COUNCILMAN NUTTER: It's just 46,
16 there are no expansion?

17 MR. HESS: Correct.

18 COUNCILMAN NUTTER: And in the
19 disclosed, not that I want the locations, how
20 many are there?

21 MR. HESS: About 1500 beds. That
22 that would be the shelter system itself.

23 COUNCILMAN NUTTER: That's just the
24 regular shelter?

25 MR. HESS: That's correct.

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2 COUNCILMAN NUTTER: So that is not
3 designated specifically for victims of
4 domestic violence, that's for, I've become
5 homeless, I need to go in the shelter system,
6 I have a domestic violence situation, I had a
7 fire, whatever circumstance happens, there are
8 1500.

9 MR. HESS: Yes, sir.

10 COUNCILMAN NUTTER: With regard to
11 general services, the 1500 or undisclosed 46
12 specifically for domestic violence, do we find
13 at any point in time that we are over
14 capacity?

15 MR. HESS: Yes.

16 COUNCILMAN NUTTER: For which
17 category?

18 MR. HESS: For the undisclosed
19 locations of 46. It is not unusual to have
20 all of those beds filled. It is not unusual
21 for them to try to, you know, squeeze in an
22 extra person or two to accommodate a specific
23 family or a specific situation.

24 COUNCILMAN NUTTER: How often would
25 you say that happens?

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2 MR. HESS: I would say that is more
3 the rule than the exception.

4 COUNCILMAN NUTTER: What are we
5 doing to address that issue?

6 MR. HESS: We are currently working
7 very closely with the Mayor's Task Force on
8 Domestic Violence and Women Against Abuse in
9 particular to identify a new location that we
10 would be able to expand significantly the
11 number of undisclosed beds available to the
12 system at any given time.

13 COUNCILMAN NUTTER: And with the new
14 location are you talking about getting rid of
15 the 46 at whatever location that's at, or is
16 it on top of the 46?

17 MR. HESS: I think that would depend
18 on the location. I think our forward goal
19 needs to be to essentially double the number
20 of available undisclosed beds and continue the
21 work of the task force to complete the real
22 needs assessment that needs to happen.

23 COUNCILMAN NUTTER: And you may have
24 just said this and it got past me. Have we
25 identified a location?

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2 MR. HESS: We have identified a
3 potential location that we're going through
4 kind of the feasibility piece on now

5 COUNCILMAN NUTTER: Would you be the
6 right person also to talk about the hotline?

7 MR. HESS: I can certainly tell you
8 what limited knowledge I have about the
9 hotline. I think Carol Tracy is here also if
10 you have specific questions.

11 COUNCILMAN NUTTER: Again, I know
12 I'm coming in fairly late in the course of
13 today, so I don't want to you go over any
14 material that's already been discussed.

15 MR. HESS: We have not discussed
16 this.

17 COUNCILMAN NUTTER: Is Carol Tracy
18 around?

19 MR. HESS: She is.

20 COUNCILWOMAN BROWN: Councilman
21 Nutter, can you add to that line of question,
22 because I also had some questions around that,
23 where we are in the process of identifying a
24 facility, just where you are? In addition to
25 Councilman Nutter's questions, please address

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2 that one as well.

3 MR. HESS: I can tell you that we
4 have identified this is a need, that we meet
5 on a weekly basis with an internal group of
6 commissioners and directors to kind of move
7 the facility feasibility through a process
8 that is ongoing, and that we are hopeful of
9 finding a location that we can do some of this
10 work with very soon.

11 COUNCILWOMAN BROWN: Okay.

12 MR. HESS: Not soon enough.

13 COUNCILMAN NUTTER: Actually, to
14 follow-up the Councilwoman, can you give us a
15 sense of the timing on this? Are there some
16 particular obstacles? Is there a financial
17 issue? Is it in negotiation with the property
18 owner? And are we looking for an acquisition
19 or lease?

20 MR. HESS: We're looking at both
21 options. We are in negotiations at the
22 moment. I think it would be premature for me
23 to try to guess how long that will take, but I
24 am encouraged by the team. Joan
25 Schlotterbeck, the Commissioner of Public

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2 Property has been intimately involved and very
3 supportive of our facility's needs, and I am
4 greatly encouraged by her direct involvement
5 in this.

6 COUNCILMAN NUTTER: Okay. Before I
7 get to the hotline issue, but this is tied
8 into it, are there any estimates or relatively
9 hard numbers on -- what would you estimate is
10 the average number of daily victims of
11 domestic violence in Philadelphia?

12 MS. TRACY: I'm Carol Tracy, I'm the
13 Director of the Women's Law Project and
14 Co-Chair of Mayor's Task Force on Domestic
15 violence.

16 Councilman Nutter, there are 115,000
17 segregated domestic violence calls that go
18 into 911 each year, so the numbers are
19 enormous. There are 14,000 petitions for
20 protection.

21 COUNCILMAN NUTTER: When you use the
22 terminology you used earlier, you're saying --
23 you used a specific term "segregated." Are
24 you telling me that you mean to indicate they
25 are separate calls?

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2 MS. TRACY: Yes.

3 COUNCILMAN NUTTER: Separate
4 individuals?

5 MS. TRACY: The Police Department
6 two years ago segregated domestic violence
7 calls from other domestic disturbance calls.
8 Previously, dog bites and domestic violence
9 were in the same category. So now they can
10 actually count the number of domestic violence
11 calls that come in and they heighten the
12 priority call for which they get. In the
13 previous fiscal year, the first full year that
14 it was in place, there were 115,000 domestic
15 violence calls going to 911. More than half
16 of them had been called to the address more
17 than once.

18 COUNCILMAN NUTTER: More than half
19 had had a previous call to the address?

20 MS. TRACY: Yes.

21 COUNCILMAN NUTTER: I know this is
22 not your area, but you've been on a couple
23 different task forces in the past. We get
24 about, what, a million calls to 911? Do you
25 have any recollection what those numbers are?

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2 MS. TRACY: I don't know. It's a
3 significant portion.

4 COUNCILMAN NUTTER: There's no
5 question about that.

6 So 115,000 calls. And what is your
7 information in terms of what happens with the
8 vast majority of people who call seeking
9 assistance?

10 MS. TRACY: I believe that somewhere
11 on the order of 12 to 14,000 arrests are made.
12 And in the cases in which prosecution will
13 occur, the District Attorney's Office and
14 Women Against Abuse verifies this, more than
15 half of the victims decline to prosecute.

16 COUNCILMAN NUTTER: Half of the --

17 MS. TRACY: Victims of domestic
18 violence decline to prosecute.

19 COUNCILMAN NUTTER: Can you tell us
20 a little bit about the hotline?

21 MS. TRACY: The Mayor has provided
22 or has suggested, I guess, to Council an
23 increase of somewhere in the order of a
24 million dollars, \$300,000 of which will go to
25 improving the hotline services. The hotlines

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2 are run by four independent agencies as is the
3 domestic violence shelter and they share one
4 hotline -- they have four different numbers.
5 They bounce the numbers from one to the other.
6 They have indicated that they have an extreme
7 need for more staffing and for more
8 technological support to provide better, more
9 efficient technology to provide this. So
10 three will be at least four more staff people
11 that will be handled by this and, hopefully,
12 this will pay for both the technical
13 assistance and the technology itself.

14 COUNCILMAN NUTTER: I'll kind of
15 conclude with this.

16 What kind of efforts should the City
17 be making -- and I know a significant step is
18 even the Mayor creating the task force. What
19 kinds of efforts should we be taking to try to
20 help curtail or reduce the amount of domestic
21 violence directed at women and families?

22 MS. TRACY: I think we need more
23 services for women and families. But we also,
24 I think, are in desperate need of services for
25 men who batter. There are very limited

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2 services. Almost always those services,
3 except some something that was mentioned
4 earlier that the DHS is funding, an
5 organization called Menergy, almost all of the
6 services that are available to men who batter
7 come from criminal justice proceedings. So
8 it's an after-the-fact service. There is, for
9 example, no hotline that someone might call
10 who wants to change his behavior. So I think
11 that that's one of the issues that's very much
12 on the agenda of the task force. And quite
13 frankly, part of our work in the task force is
14 looking at best practices around the country.
15 And much to my surprise, that practice doesn't
16 exist anywhere. And I think part of our
17 emphasis is not what has so generally been the
18 emphasis in domestic violence cases of looking
19 at why does she stay as much as why does he do
20 it and what kinds of efforts should we be
21 developing to intervene. Some of them are, of
22 course, at the educational level in the school
23 systems and some are with adult men who want
24 help, some of whom I believe want help, some
25 of whom do benefit from the services they get

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2 even after they've been convicted of a crime
3 but for whom there's very little available,
4 here or anywhere else. It's actually a
5 national disgrace.

6 MR. HESS: I think what will likely
7 happen with the creation of hotline is we will
8 begin to gather a lot more information than we
9 have now and it will probably inform our
10 service delivery system in a way that we can
11 not even imagine yet. For example, I can
12 certainly foresee a time before long where our
13 emergency relocation services are dispatched
14 to support from a service delivery standpoint
15 women who are very difficult situations at
16 that moment but maybe don't need police
17 intervention yet. So I think there's a lot
18 still to be done and learn from the collection
19 of data as we move forward.

20 COUNCILMAN RIZZO: I could jump in
21 here just for a second with a point of
22 information?

23 I would hope when you develop this
24 hotline technology that you ask for every
25 exemption possible because many times people

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2 will call from a phone that is blocked, that
3 you're able to capture through caller ID the
4 location, the number that's being called from.
5 Because today, unless you have a government
6 exception, that information is not shared with
7 normal customers. So I would hope that you'd
8 have the ability to see a person like you just
9 describe that are in immediate distress that
10 we have a similar system -- and I'm on this
11 technology committee now here in Council --
12 that you're able to capture all of the
13 information from location that the person is
14 calling from, the phone number, the address,
15 et cetera, because if you don't have that
16 exemption, you will be blocked from a person
17 that has the phone line that is blocked or a
18 pay phone or a cell phone or whatever the
19 instrument may be. So I would hope you take a
20 note and make sure that that happens, whatever
21 technology you move towards.

22 MR. HESS: That note has been taken
23 in ink. Thank you for that.

24 COUNCILMAN RIZZO: Thank you,
25 Councilman Nutter.

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2 COUNCILMAN NUTTER: Sure.

3 Lastly, Ms. Tracy, is the
4 expectation in terms of the task force that
5 there would be a report issued as a part of
6 the work and the series of recommendations for
7 action steps to be taken?

8 MS. TRACY: Yes. As we're moving
9 along, action steps are being taken, but I
10 would be more than happy to provide a report,
11 an interim report, an ongoing report. I think
12 that this is not an issue that we're going to
13 be able to turn away from for sometime to
14 come. So I think that it would be interim
15 reports. And I am so appreciative of
16 Council's interest in this because this year
17 is really the first year that government has
18 really paid attention to domestic violence.
19 It has been on the shoulders of four small
20 private agencies. So I think Police
21 Commissioner Johnson and I would be very happy
22 to provide a report, an interim report to
23 Council at your desire. You tell me the
24 appropriate committee.

25 COUNCILMAN NUTTER: Thank you. If

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2 you could just forward it to the Chair or the
3 Council President and then we'll get it.

4 One last question. Are there any
5 discussions with regard to the male side of
6 the problem, which is basically where it
7 starts, where the City might possibly sponsor
8 workshops or kind of meetings for men to have
9 these kinds of discussion either with a
10 facilitator or some other person to come in?
11 You know, guys are -- you know, we can be a
12 little strange about a variety of things.

13 MR. HESS: I don't know the answer
14 to that. I can tell you that within our
15 realm, OESS adult services, the answer is no.
16 We don't generally see the men, however. By
17 the time folks get to us --

18 COUNCILMAN NUTTER: I understand.
19 At that point, you actually don't want to see
20 them.

21 MR. HESS: That's right. We're
22 hoping not to see them.

23 MS. TRACY: If I could add to that,
24 I think earlier the Department of Human
25 Services was talking about they're working

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2 more with some of the fatherhood initiative
3 programs and Men United for a Better
4 Philadelphia, and I very much would like to
5 pull them into this discussion. I think
6 there's probably a role for the faith-based
7 community in dealing with the needs of men,
8 making sure that they're held accountable for
9 their behavior, but providing some
10 intervention to help them stop.

11 COUNCILMAN NUTTER: It is
12 unacceptable, and it's more than just a
13 saying. There is no excuse. Sometimes you
14 just need to walk away.

15 Thank you very much.

16 Thank you, Madam Chair.

17 COUNCIL PRESIDENT VERNA: Any other
18 questions?

19 The Chair recognizes Councilwoman
20 Brown.

21 COUNCILWOMAN BROWN: Thank you,
22 Madam President.

23 I read with interest, Mr. Hess, your
24 new housing first initiatives on Page 3 of
25 your testimony. Please share with us the

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2 obstacles that homeless men, women, and
3 children face in finding permanent housing
4 solutions to their homelessness. Because we
5 know that clearly income is an issue. But for
6 those who ultimately develop a stream of
7 income, are you finding that there's still a
8 lack of affordable housing for them?

9 MR. HESS: Councilwoman, thank you
10 for that question. The short answer is yes.
11 Our housing first programs, and I've asked Dr.
12 McGuire, our Director of chronic homeless
13 initiatives to join me at the table. Our
14 housing first initiatives target two groups.
15 These are both new federal streams that we're
16 excited to have been awarded. In fact, we
17 were 1 of 11 cities out of 100 applicants that
18 were fortunate enough to receive this funding.

19 COUNCILWOMAN BROWN: That's huge.

20 MR. HESS: It is, and we're very
21 proud of that. Thank you.

22 And it targets two groups. The
23 first group is there is a group that Penn has
24 done research on that 10 percent of the people
25 that are the homeless system at any time are

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2 what they call chronically homeless. That is
3 to say, they've been homeless for year or more
4 or had four occasions of homelessness in the
5 last two years. That group that's chronically
6 homeless occupies about 50 percent of our
7 resources because they're constantly in and
8 out systems. So we try to target that group
9 to get them out of our system once and for all
10 and living in stable housing in the community
11 with the appropriate support of services to
12 free up dollars to be able to have better
13 services for other populations. And so one of
14 our housing first programs does that by
15 identifying our long-term shelter stayers,
16 which we now kind of have that wanted list,
17 you know, this group has to go, and providing
18 them that service by being able to move them
19 into housing at a rate of five per month with
20 intensive, what we call, act team supportive
21 services.

22 There is second group. I mentioned
23 earlier that we've been, I think, ever so
24 fortunate in this City to be able to reduce
25 the number of people living on our streets

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2 from a high of 824 do 133 in Center City last
3 week based on police count. I don't
4 personally believe, after talking to many of
5 these folds on the streets and the outreach
6 teams regularly as I do, that our current
7 intervention strategies will work for this
8 last hard core group.

9 COUNCILWOMAN BROWN: Did you say
10 that they will or will not?

11 MR. HESS: They will not work. We
12 have engaged these folks day in and day out;
13 week in, month in, year in and year out. We
14 need different tools, we need strategies. And
15 so the housing first strategy that targets
16 folks living on our streets is designed to do
17 that. We have that wanted list, and we're
18 moving under Dr. McGuire's leadership with
19 great community partners, five chronically
20 homeless individuals a month off of our City
21 streets into permanent housing with intensive
22 supportive service and with good results so
23 far, and we're very proud of that.

24 COUNCILWOMAN BROWN: I certain
25 commend you for that and also for, again,

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2 looking for alternative funding to take care
3 of a need that the City's becoming
4 increasingly difficult to -- though we have
5 the responsibility, it's becoming increasingly
6 difficult to manage and fund. So to reach to
7 other funding sources makes all good sense.

8 MR. HESS: Thank you, Councilwoman.

9 COUNCILWOMAN BROWN: My final
10 statement is to say thank you for the support
11 you offer to our holiday program that we do
12 for children in the shelters.

13 MR. HESS: Thank you.

14 COUNCILWOMAN BROWN: It does bring
15 probably one of the few moments during the
16 year that reminds me of why I do this work
17 that I do. And we thank you for your
18 partnership in important children's
19 initiative.

20 MR. HESS: We certainly appreciate
21 your good work in this area, Councilwoman, and
22 would certainly welcome any additional
23 initiatives that you may wish to undertake in
24 this area.

25 COUNCILWOMAN BROWN: I have plenty.

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2 You may be sorry. I'm just going to put a pin
3 in it and say thank you.

4 MR. HESS: Thank you.

5 COUNCILWOMAN BROWN: Thank you,
6 Madam Chair.

7 COUNCIL PRESIDENT Verna: Thank you.

8 Are there any other questions or
9 comments from Members of the Committee?

10 (No response.)

11 COUNCIL PRESIDENT Verna: Seeing
12 none, I thank you. Thank you very much.

13 Public Property is next.

14 Good afternoon and welcome. We do
15 have your written testimony, a copy of which
16 has been given to the stenographer. She will
17 transcribe it and in whole. I would simply
18 ask you to abbreviate your testimony.

19 (Testimony attached.)

20 COMMISSIONER SCHLOTTERBECK: Joan
21 Schlotterbeck, acting Public Property
22 Commissioner for the Department of Public
23 Property. With me on my left is Deputy
24 Commissioner Joseph James, Deputy for
25 Communications. Also joining me are John

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2 Hezins to his left, he's Deputy Commissioner
3 for Real Estate and Administration.

4 Actually, given the late hour today,
5 I'd be just as willing to forego the entire
6 testimony briefing and just go straight to
7 questions, if you don't have any problems with
8 that.

9 COUNCIL PRESIDENT Verna: That would
10 be fine with me. Everybody has a copy of the
11 Commissioner's testimony. Just a few brief
12 questions.

13 In FY '04 you were budgeted for 236
14 positions. And if in FY '05 you are budgeted
15 for 193 positions, that's a reduction of over
16 18 percent. Could you explain why you're
17 being reduced by 43 positions?

18 COMMISSIONER SCHLOTTERBECK:
19 Actually, the number is more like 23. The
20 other positions are the 311 call center.

21 COUNCIL PRESIDENT Verna: I'm sorry?

22 COMMISSIONER SCHLOTTERBECK: It's
23 actually a total of 23, and the other
24 positions are the 311 call center. That will
25 be an administrative transfer into our budget.

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2 COUNCIL PRESIDENT Verna: What are
3 23 positions? What are the titles of those
4 positions mostly?

5 COMMISSIONER SCHLOTTERBECK: At this
6 point, it's a combination of a couple of very
7 top level positions in the Department that we
8 chose not to fill with DROP as well as trades.
9 I can get the details. I don't have them with
10 me.

11 COUNCIL PRESIDENT Verna: So you
12 feel that you will have no operational impact
13 on your department?

14 COMMISSIONER SCHLOTTERBECK:
15 Actually, we do anticipate some problems. But
16 we also anticipate having those specifically
17 with the trades dealt with by the
18 consolidation that we're analyzing for
19 city-wide consolidation of maintenance.

20 COUNCIL PRESIDENT Verna: In FY '05,
21 you are requesting to transfer the SEPTA
22 operating subsidy to your budget. May I ask
23 why?

24 COMMISSIONER SCHLOTTERBECK:
25 Actually, I probably would like Rob Dubow to

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2 answer that question.

3 COUNCIL PRESIDENT Verna: I think he
4 just left the room.

5 COMMISSIONER SCHLOTTERBECK: I
6 frankly don't know the answer at this point.

7 COUNCIL PRESIDENT Verna: You are
8 requesting approximately \$94,000 for transit
9 lobbyist. Would you explain why these
10 services are needed and who is the lobbyist.

11 COMMISSIONER SCHLOTTERBECK: I
12 forget the exact name of the company. That is
13 normally transit subsidy. However, because
14 that was taken out of our budget in '04 we
15 were paying for that directly out of operating
16 funds. It's a federal lobbyist for
17 transportation for the City.

18 COUNCIL PRESIDENT Verna: On Page 35
19 of your detail, you're requesting \$643,000 for
20 centralized custodial services. Would you
21 please explain what these funds are for and
22 how these services are currently being
23 provided?

24 COMMISSIONER SCHLOTTERBECK: That's
25 an initiative that would entail transferring

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2 and consolidating custodial services into the
3 Department of Public Property. And
4 departments affected would be Health
5 Department, Recreation, Streets Department.

6 COUNCIL PRESIDENT Verna: Most of
7 all of the maintenance then would come under
8 Public Property?

9 COMMISSIONER SCHLOTTERBECK:
10 Custodial maintenance.

11 COUNCIL PRESIDENT Verna: They're
12 going to be consolidated?

13 COMMISSIONER SCHLOTTERBECK: Into
14 Public Property. That's what we're analyzing
15 we're analyzing at this point. We're not
16 there for transfer. We don't dates set. But
17 that's the intent, to analyze it and then
18 begin the transfer.

19 MR. DUBOW: Council President, you
20 had a question for me when I was out of the
21 room about the SEPTA subsidy and why it was
22 moved back into Public Property?

23 COUNCIL PRESIDENT Verna: Yes.

24 MR. DUBOW: We moved it out of
25 Public Property last year because there were

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2 specific concerns about the cuts that SEPTA
3 had proposed last year, and then since they've
4 have taken those cuts off the table, so we
5 thought it was appropriate to move it back to
6 Public Property where it had always been.

7 COUNCIL PRESIDENT VERNA: Okay. On
8 Page 50 of the detail, it reflects a reduction
9 \$1.6 million in your electrical accounts. How
10 are you able to do this in a time of rising
11 energy costs?

12 COMMISSIONER SCHLOTTERBECK: It's an
13 initiative that we've taken -- basically,
14 we're working with the Municipal Energy
15 Office, Managing Director's Office, and our
16 intent is to produce a report which is a bench
17 line that will identify facilities,
18 particularly the largest facilities that are
19 the biggest energy users. The intent is to
20 continue to establish a baseline. "This is
21 your energy use for the last two years. This
22 is where we would like you to be. We would
23 like you to reduce the overall cost by 5
24 percent," and we're going to give them basic
25 common sense approaches. And the larger

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2 buildings we're analyze the operations of
3 their building automation systems.

4 COUNCIL PRESIDENT VERNA: When do
5 you think that report will be completed?

6 COMMISSIONER SCHLOTTERBECK: We are
7 working on it, and the idea would be to have
8 it in Commissioner's hands so they can begin
9 this initiative effective July 1. We're
10 working with Kent Miller from the Municipal
11 Energy Office.

12 COUNCIL PRESIDENT VERNA: Very well.
13 Thank you.

14 The Chair recognizes Councilwoman
15 Brown.

16 COUNCILWOMAN BROWN: Madam
17 President, I have been struggling trying to
18 find my couple of questions for the
19 Commissioner, and I have not found them, so
20 let me just say congratulations on your new
21 post and we wish you well.

22 COMMISSIONER SCHLOTTERBECK: Thank
23 you.

24 COUNCIL PRESIDENT VERNA: And well
25 deserved.

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2 COMMISSIONER SCHLOTTERBECK: Thank
3 you.

4 The Chair recognizes Councilman
5 Rizzo.

6 COUNCILMAN RIZZO: Thanks, Madam
7 Chair.

8 Is Public Property responsible for
9 actually paying the energy bills?

10 COMMISSIONER SCHLOTTERBECK: Yes.

11 COUNCILMAN RIZZO: This is not a
12 trick question. Do we pay our bills on time,
13 gas, electric, PGW, et cetera? Tell us a
14 little bit about how well we pay our bills.
15 I'm hearing that sometimes it takes a long
16 time to get paid.

17 COMMISSIONER SCHLOTTERBECK: I would
18 say that that's incorrect. We do pay them on
19 time.

20 COUNCILMAN RIZZO: Tell me how we do
21 that when we get the bill.

22 COMMISSIONER SCHLOTTERBECK: Well,
23 it depends on which utility.

24 COUNCILMAN RIZZO: Let's start with
25 electric. Talk about cell phones. Talk about

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2 PGW.

3 COMMISSIONER SCHLOTTERBECK: I'll
4 talk about PGW. PGW, PECO, we get the
5 invoices in the middle of the month to the end
6 of the month. We do some analysis. The
7 Mayor's Municipal Energy Office also does
8 analysis and then we process the payment. I
9 would say they get them within the normal 15
10 days after that point.

11 COUNCILMAN RIZZO: We pay our bills
12 within 15 days?

13 COMMISSIONER SCHLOTTERBECK: About
14 15 days.

15 COUNCILMAN RIZZO: Well, I'll get
16 back to the person that was critical of the
17 way we pay our utility bills, and I'll get
18 back to you if they don't agree with that.

19 COMMISSIONER SCHLOTTERBECK: That's
20 fine.

21 COUNCILMAN RIZZO: How about cell
22 phones?

23 COMMISSIONER SCHLOTTERBECK: I will
24 ask Joe James to talk about that. I'm not
25 necessarily versed in that.

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2 MR. JAMES: Good afternoon,
3 Councilman. Joseph James, Deputy
4 Commissioner, Department of Public Property.

5 The process by which we process our
6 cell phone bill, it takes us about 30 days.
7 The process is because when we get the bill
8 in, we get the bill in two forms. We get in
9 both a CD format and we also get a paper bill.
10 And we take the CD format and upload it into
11 our call accounting system that we use to
12 generate bills back to the departments. We
13 also then go through the bill to make sure all
14 the credits have been applied and we make sure
15 that all charges that need redacted are
16 redacted. And it takes about 30 days for us
17 to go through that process and generate a
18 payment.

19 COUNCILMAN RIZZO: That's a fair
20 amount of time. But with us putting the heat
21 on the utility companies about their
22 collection process, I have gotten some
23 information where we don't do the best. And
24 now I'm go back and tell them that that is not
25 accurate, that we pay our bills as promptly as

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2 required. Thank you very much. I appreciate
3 that.

4 Thanks, Madam Chair.

5 COUNCIL PRESIDENT Verna: You're
6 welcome.

7 The Chair recognizes Councilman
8 Nutter.

9 COUNCILMAN NUTTER: Thank you, Madam
10 Chair.

11 Just very quickly. Is it my
12 understanding based on recent very positive
13 developments with regard to Memorial Hall and
14 the Please Touch Museum proposal, is Public
15 Property going to be responsible for the
16 relocation of the Fairmount Park Commission?

17 COMMISSIONER SCHLOTTERBECK: Yes.

18 COUNCILMAN NUTTER: How is that
19 proceeding along?

20 COMMISSIONER SCHLOTTERBECK: We're
21 making great progress. We're moving them into
22 One Parkway Building.

23 COUNCILMAN NUTTER: So it's just a
24 straight move to One Parkway?

25 When will that happen?

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2 COMMISSIONER SCHLOTTERBECK: It's
3 October we're projecting to have them moved
4 in.

5 COUNCILMAN NUTTER: October of this
6 year?

7 COMMISSIONER SCHLOTTERBECK: Yes.

8 COUNCILMAN NUTTER: And what about
9 the Accident Investigation Division of the
10 Police Department?

11 COMMISSIONER SCHLOTTERBECK: They
12 are going to be relocated to 26th and Master
13 Street, which is where traffic police vacated
14 to go 501 Building.

15 COUNCILMAN NUTTER: What's the 501
16 Building?

17 COMMISSIONER SCHLOTTERBECK: The
18 navy yard.

19 COUNCILMAN NUTTER: So this is kind
20 of a musical office situation here.

21 So you're going to park out by
22 October, that's what you expect. And does
23 that also fit in with the Please Touch
24 timetable in terms of when they need to do
25 what they need to do?

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2 MS. SCHLOTTERBECK: Joan to the best
3 of my knowledge, yes. We've been planning
4 this for a long time so that we didn't have
5 any delays on our end.

6 COUNCILMAN NUTTER: I'm glad to here
7 that because not too long ago it seemed like
8 the park people were desperately in search of
9 a location and they were looking to go
10 possibly with the new school out in West
11 Philly, then one of the stables somewhere
12 else, then they were going here, they were
13 going there, so I never had a good sense that
14 they had really kind of found a secure home.

15 COMMISSIONER SCHLOTTERBECK: We did.

16 COUNCILMAN NUTTER: Great. Thank
17 you.

18 COUNCIL PRESIDENT VERNA: Is there
19 anyone else that would like to ask questions?

20 COUNCILWOMAN BLACKWELL: I would
21 like to thank you and all the City departments
22 who helped out so well and did such a great
23 job at our office after the fire. Thank you.

24 COMMISSIONER SCHLOTTERBECK: Oh,
25 you're welcome.

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2 COUNCIL PRESIDENT Verna: And
3 certainly in this beautiful room, with
4 exception of you-know-what.

5 Any other questions or comments?
6 (No response.)

7 COUNCIL PRESIDENT Verna: Thank you
8 all very much. Good luck to you, Joan.

9 Fleet Management is next.

10 COUNCIL PRESIDENT Verna: Good
11 afternoon. Please identify yourself for the
12 record.

13 MR. MULLER: James Muller, Fleet
14 Manager for the City of Philadelphia. And to
15 my left is Bob Fox our Administrative Services
16 Director.

17 COUNCIL PRESIDENT Verna: Fine. We
18 have a copy of your written testimony. It has
19 given to the stenographer. It will be
20 transcribed in the whole. If you want to give
21 us the summary, fine. If not, we can go right
22 into questions because everybody does have a
23 copy.

24 MR. MULLER: I'd like to go into
25 questioning, please

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2 COUNCIL PRESIDENT VERNA: That's
3 wonderful. Thank you. We appreciate it.

4 (Testimony attached.)

5 COUNCIL PRESIDENT VERNA: Let me
6 just say that you mentioned in your testimony
7 that have or will be implementing creative
8 strategies to significantly cut costs. Would
9 you tell us what these strategies are?

10 MR. MULLER: Madam Chair, the
11 forward thing is our fleet reduction
12 initiative will reduce the City's fleet size
13 by 400 vehicles or 7.3 percent of the fleet.
14 This will result in a cost avoidance of over
15 \$4.3 million, including 1.4 million for parts
16 and fuel, 2.2 million in acquisitions, 164,898
17 for parking cost, and 617,184 for labor fees.

18 One creative solution to help ease
19 the burden of the loss of City vehicles is
20 that the City awarded a contract to the Philly
21 Car Share. It's a non-profit company that
22 provides vehicles on an hourly basis. The
23 vehicles are parked in lots throughout the
24 City and employees can reserve them through
25 the internet or by telephone. Additionally,

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2 employees can utilize the personal auto
3 program for transportation needs. This
4 program provides a per mile reimbursement and
5 is currently being utilized by 258 City
6 employees with no increase to their insurance
7 cost.

8 COUNCIL PRESIDENT VERNA: Are all
9 employees aware of that? I guess they are.

10 You're requesting \$3,180,000 for
11 vehicle acquisitions. What vehicles will you
12 be purchasing?

13 MR. MULLER: Police cars,
14 compactors, fire pumpers, some ladder trucks,
15 sweepers, large dump trucks.

16 COUNCIL PRESIDENT VERNA: We had the
17 Fire Department in here the other day, and I
18 don't know where these fire trucks would go.

19 COUNCILMAN NUTTER: They said
20 they're taking that equipment out of first
21 line of service to bump it back to second line
22 of services, and the second line of service
23 equipment is going to be sold or retired. Why
24 would we be buying more equipment?

25 MR. MULLER: Councilman, what I

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2 believe is what we're going to do is the new
3 equipment is going to update the older
4 equipment and get it out of the fleet. We
5 have some older fire equipment in our fleet
6 presently. What usually happens is that
7 there's a first line service and then a 200
8 series. What we're doing is putting newer
9 equipment in our 100 series which is what's
10 used every day, and 200 series is a backup.

11 COUNCILMAN NUTTER: I understand
12 that and that makes lot a sense.

13 What the Fire Commissioner, I
14 thought, testified to, because we asked this
15 question the other day, the 11 pieces of
16 equipment that they're talking about taking
17 out of service, 7 engines, 4 ladders, or vice
18 versa, that that equipment is moving to what I
19 guess you call the 200 series and the present
20 equipment in the 200 is going to be sold. So
21 what new equipment are you buying and what is
22 it replacing since we've got 11 pieces that
23 are now apparently front line service
24 equipment that's moving to the second tier?

25 MR. MULLER: Well, as you know, fire

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2 equipment, a ladder is like \$600,000 for one
3 ladder and a pumper is \$350,000. So we're not
4 going to buy a lot of them. We'll probably
5 buy three or four.

6 COUNCIL PRESIDENT Verna: Of the
7 \$3 million, can you tell us how much is going
8 for the ladders and the engines, please, the
9 Fire Department? Can you give us a breakdown,
10 please?

11 MR. FOX: Our plans are to for the
12 first time after 28 years or so is to lease
13 vehicles. We're going to take our budget
14 which is \$6 million and we're going to
15 appropriate a certain amount of that, \$820,000
16 of it so that we can purchase large ticket
17 items, vehicles that cost over a hundred
18 thousand dollars and have a useful life of
19 over 10 years. That is going to allow us to
20 buy close to \$7 million worth of equipment.

21 COUNCIL PRESIDENT Verna: I'm just
22 being told that all the money is in Class 400.
23 How do you do that for leasing? If you're
24 leasing, Bob --

25 MR. FOX: We've moved 820,000 into

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2 Class 200.

3 COUNCIL PRESIDENT VERNA: We would
4 still like to have a breakdown for the Fire
5 Department, please, how many vehicles and what
6 the cost of each would be.

7 MR. FOX: Sure.

8 COUNCIL PRESIDENT VERNA: The Chair
9 recognizes Councilman Rizzo.

10 COUNCILMAN RIZZO: Thank you, Madam
11 Chair.

12 I have one comment that I want to
13 make is that you guys should be congratulated
14 on the fact that you have done something that
15 I've asked other utility companies and other
16 municipalities, even in our Newark suburban
17 area, that you've been able to lock into an
18 unleaded fuel deal for a dollar a gallon.
19 That's something that you apparently analyzed
20 that very carefully and locked in where other
21 people locked into a deal that the price
22 changed on a monthly basis. And you're paying
23 a dollar, where some other municipalities are
24 paying \$1.25, \$1.30 gallon for unleaded fuel.

25 Does that apply to diesel also?

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2 MR. MULLER: Yes.

3 COUNCILMAN RIZZO: Congratulations
4 on that. That was a real good move.

5 The other question I have is, what
6 can you do -- I'm getting letters lately about
7 our sanitation vehicles that pick up trash.
8 I've talked to the Streets Department, and
9 they gave me an answer that was, I think,
10 satisfactory from the Streets Department, but
11 I'd like to ask as it relates to Fleet
12 Management.

13 The truck comes down the street, it
14 gets full. At some point they compress, they
15 compact the truck. The next thing that
16 happens, all of a sudden all of this water,
17 sloppy, dirty, stinky water comes out of the
18 truck and truck pulls away making this trail
19 of water up the street. And apparently, it
20 stains the street, it smells bad.

21 The Streets Department came back and
22 said there's a seal or something that becomes
23 defective in the truck. And when the trucks
24 sits out in the weather or whatever, how the
25 water gets into truck, it really is starting

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2 to make our neighborhoods look kind of messy
3 when you see the trash being picked up with
4 this trail of water.

5 Is that accurate, what the Streets
6 Department said about these defects in the
7 vehicle?

8 MR. MULLER: Councilman Rizzo, there
9 is a seal, a tailgate seal in the back. When
10 the hopper closes there's a rubber seal that
11 sometimes gets torn or ripped from foreign
12 material when they empty the truck. And also,
13 in the hopper itself, in the bottom of the
14 hopper, there's a hopper plug.

15 What I'll do is have our guys check
16 and make sure. Sometimes we have to actually
17 weld the plug in because the guys take them
18 out.

19 COUNCILMAN RIZZO: How does all this
20 water get into the truck? Is it when it rains
21 the hopper fills up?

22 MR. MULLER: That and anything
23 that's in a container when they put it in, any
24 kind of liquids.

25 COUNCILMAN RIZZO: It's such a large

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2 amount of water. I followed one of the trails
3 where they compressed it for like two or three
4 blocks and it was all garbage in the water.
5 It was just not a nice situation to leave
6 behind.

7 Garbage is not nice, Councilwoman
8 Tasco said.

9 It's amazing just recently in the
10 last couple months I've gotten numerous calls
11 from people complaining about that. So if you
12 could put some kind of a bulletin out maybe to
13 keep an eye on that, that would be
14 appreciated.

15 Can't they empty these trucks from
16 the liquid that's in them before they start
17 their work?

18 MR. MULLER: Yes.

19 COUNCILMAN RIZZO: When they come
20 into your shop, if it's got 50, 60 gallons of
21 water in it, what do they do, just leave it
22 there?

23 MR. MULLER: No, they drain it.

24 COUNCILMAN RIZZO: Thanks. Great
25 job you guys do.

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2 MR. MULLER: Thank you very much.
3 Appreciate it.

4 COUNCIL PRESIDENT VERNA: Are there
5 any other questions or comments from members
6 of the Committee of the witnesses?

7 (No response.)

8 COUNCIL PRESIDENT VERNA: Thank you
9 for your patience and thank you for doing such
10 a great job.

11 COUNCILMAN NUTTER: Madam President.

12 COUNCIL PRESIDENT VERNA: Councilman
13 Nutter, did you have questions or comments of
14 Fleet Management?

15 COUNCILMAN NUTTER: No, I did not.
16 And I see that the historical commission is
17 next and I guess they're last?

18 COUNCIL PRESIDENT VERNA: Yes.

19 COUNCILMAN NUTTER: I have a
20 question but it's not related to Fleet or the
21 Historical Commission so I'll deal with it
22 when this is over.

23 COUNCIL PRESIDENT VERNA: Okay.

24 Historical Commission is next.

25 Good afternoon, I'm sure you heard

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2 me telling the previous witness that we have
3 copies of your written testimony. It will be
4 given to the stenographer and it will be
5 transcribed in whole. You have a choice to
6 either abbreviate or either sit there and
7 allow us to ask any questions we'd like.

8 MR. SCLEROFF: I will be very brief.
9 With me is John Farnham of the staff of the
10 Historic Commission. Dr. Tyler would normally
11 be here. He's home recuperating from surgery.

12 COUNCIL PRESIDENT VERNA: How is he
13 feeling?

14 MR. SCLEROFF: I think he's feeling
15 better, and we hope that he'll be back in a
16 couple of weeks.

17 MR. FARNHAM: He'll actually be back
18 on Monday.

19 COUNCIL PRESIDENT VERNA: Wonderful.
20 I didn't realize he was out sick again.

21 MR. SCLEROFF: That's especially
22 good news. This is an increase for the
23 Commission. As we see it, it's an increase in
24 -- I would ask our statement be corrected. It
25 looks like in increase of 60,000 not 90,000.

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2 We're very grateful to the Mayor and the
3 Managing Director. This will allow us to have
4 a new staff member. And with a new staff
5 member, we will be able to address the current
6 needs of the Commission, which are great. My
7 understanding is the Commission has not had an
8 increase in staff for over 10 years.

9 COUNCIL PRESIDENT VERNA: How many
10 years?

11 MR. SCLEROFF: Ten years, I'm told.
12 So this will allow us to meet our current
13 obligations.

14 We'd be happy to answer any
15 questions.

16 COUNCIL PRESIDENT VERNA: Does
17 anyone have any questions of our witness?

18 The Chair recognizes Councilwoman
19 Blackwell.

20 COUNCILWOMAN BLACKWELL: Thank you,
21 Madam President.

22 As many of you know, we've been in
23 the middle of some legislation and we've been
24 meeting to try to resolve various issues. We
25 do commend the Mayor also on giving them two

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2 new staff members. But for the Council's
3 information, we will be having a task force
4 meeting. We've created a task force to deal
5 with various issues that concern the
6 Commissions, and we'll have our first
7 breakfast meeting on May 24th, and then we
8 will get back to the Council later. We intend
9 on having a meeting in May, June and
10 September. Am I correct, Mr. Scleroff?

11 MR. SCHLEROFF: Whenever you want
12 them, we'll be there.

13 COUNCILWOMAN BLACKWELL: We're
14 trying to work it out so we can bring some
15 suggestions to the Council after we've worked
16 out so many of the fine points. So we do say
17 thank you to them for coming and that we look
18 forward to working closely with them.

19 MR. SCLEROFF: May I just respond
20 briefly?

21 COUNCIL PRESIDENT VERNA: Yes.

22 MR. SCLEROFF: We want everyone to
23 know that we are working closely with
24 Councilwoman Blackwell, her office, and two of
25 the members of the Commission will be part of

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2 the task force, so we're delighted.

3 COUNCIL PRESIDENT Verna: Who is on
4 the task force?

5 COUNCILWOMAN BLACKWELL: This is in
6 response to the legislation we introduced to
7 kind of change a lot of the legislation, the
8 laws regarding the setup of the Historic
9 Commission. So we have met and have decided
10 the best way to deal with its organization and
11 what we should do. There have been many
12 positive articles in the paper about me with
13 regard to this issue, and so we decided that
14 we would try to come up with three focussed
15 meetings and then come back to the Council
16 before we have a hearing. We've never had a
17 hearing, but we wanted to work so much -- you
18 know, the Historic Commission is all detail
19 and no main point, so we wanted to have three
20 task force meetings before we come back to the
21 Council with a requested action or suggested
22 action

23 COUNCIL PRESIDENT Verna: Very good.
24 Thank you.

25 Any other questions or comments?

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2 (No response.)

3 COUNCIL PRESIDENT Verna: Thank you
4 very much. Thank you. You've been very
5 patient.

6 Mr. Dubow, please don't leave.

7 Councilman Nutter, do you want Mr.
8 Dubow to remain? I have a feeling you have a
9 couple questions.

10 COUNCILMAN NUTTER: Yes, I do, Madam
11 President.

12 COUNCIL PRESIDENT Verna: Mr. Dubow.

13 COUNCILMAN NUTTER: Mr. Dubow, thank
14 you for making yourself available. I just
15 need to get some information regarding the
16 City's budget.

17 Now, what's the estimated deficit
18 for FY '05?

19 MR. DUBOW: You mean what the fund
20 balances at the end of the year or what the
21 operating deficit is during the year?

22 COUNCILMAN NUTTER: Both.

23 MR. DUBOW: Well, the plan projects
24 that it will end the year with a positive fund
25 balance, roughly 13.6 million --

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2 COUNCILMAN NUTTER: Positive fund
3 balance of 13.6 million?

4 MR. DUBOW: Yes. Since the plan was
5 submitted, however, we've loss 18 million from
6 PGW for '05, which means unless we took
7 corrective actions we'd have a negative fund
8 balance of over \$4 million.

9 The plan also projected that we
10 would end '04 with a \$14.6 million fund
11 balance, so our operating deficit would be
12 roughly a million dollars.

13 COUNCILMAN NUTTER: So you're
14 expecting to basically roll over from '04 to
15 '05 \$14 million?

16 MR. DUBOW: That's correct. And if
17 we lose the scoop that would be another --
18 depending of if it all went away that would be
19 another five million.

20 COUNCILMAN NUTTER: That's in '05?

21 MR. DUBOW: Yes. And then the
22 negative fund balance would be closer to 10
23 million.

24 COUNCILMAN NUTTER: All right. So
25 let's go back through this. For the current

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2 fiscal year, you anticipated ending the year
3 with a positive fund balance of \$14 million
4 which you were going to roll into FY '05?

5 MR. DUBOW: That's correct.

6 COUNCILMAN NUTTER: When you
7 submitted the FY '05 budget, you anticipated
8 having a positive fund balance of \$13.6
9 million?

10 MR. DUBOW: That's correct.

11 COUNCILMAN NUTTER: And based on the
12 decision made within the past two weeks by the
13 Mayor under certain circumstances, you agreed
14 to forego 18 million from PGW?

15 MR. DUBOW: That's correct.

16 COUNCILMAN NUTTER: Leaving you a
17 negative fund balance of \$4.6 million?

18 MR. DUBOW: 4.4.

19 COUNCILMAN NUTTER: 4.4. And then
20 another proposed action is to take the
21 \$125 million from the Water Department Debt
22 Reserve Fund for development, which means that
23 you forego the interest payments on those
24 funds often referred to as the scoop; is that
25 correct?

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2 MR. DUBOW: That's correct.

3 COUNCILMAN NUTTER: And that
4 decision cost the City how much money?

5 What's the value of the scoop?

6 MR. DUBOW: Roughly \$5 million.

7 COUNCILMAN NUTTER: So that's a
8 negative 5 added to negative 4.4?

9 MR. DUBOW: Yes.

10 COUNCILMAN NUTTER: Gets you to a
11 negative 9.4?

12 MR. DUBOW: Correct.

13 COUNCILMAN NUTTER: Two recent
14 decisions made by the City Administration; is
15 that correct?

16 MR. DUBOW: Correct.

17 COUNCILMAN NUTTER: Now, let me
18 understand with regard to our tax strategy. A
19 couple years ago the Mayor proposed to end the
20 incremental cuts in the wage tax; is that
21 correct?

22 MR. DUBOW: Yes.

23 COUNCILMAN NUTTER: And that was in
24 January of 2002, expecting to keep the
25 anticipating July 1, '03 cut that was already

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2 in the approved Five-Year Plan but actually
3 ending the cuts July 1, '04; is that correct?

4 MR. DUBOW: That's correct.

5 COUNCILMAN NUTTER: And so the first
6 impact of Bill 92 which established for the
7 first time a five-year guaranteed schedule of
8 the same incremental cuts that had always been
9 proposed in the Five-Year Plan but were not
10 guaranteed, the first impact of Bill 92 was in
11 July of '04; is that correct?

12 MR. DUBOW: Through Fiscal '05,
13 that's correct.

14 COUNCILMAN NUTTER: I'm sorry?

15 MR. DUBOW: For fiscal year 2005,
16 right?

17 COUNCILMAN NUTTER: No.

18 MR. DUBOW: Do you say July '04?

19 COUNCILMAN NUTTER: It was July 1,
20 2003 for FY '04.

21 MR. DUBOW: Right.

22 COUNCILMAN NUTTER: What's the cost
23 of the cut from July 1, 2003, into the present
24 fiscal year? It's the current fiscal year.

25 MR. DUBOW: I think roughly about

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2 \$30 million in 22 years. But part of that is
3 the impact of Bill 73.

4 COUNCILMAN NUTTER: Right. Now,
5 that was a different bill passed subsequent?

6 MR. DUBOW: Yes.

7 COUNCILMAN NUTTER: Was that bill
8 passed in '02 or was that bill passed in '03?

9 MR. DUBOW: That bill was passed in
10 '03.

11 COUNCILMAN NUTTER: And did the
12 Mayor approve that bill?

13 MR. DUBOW: The Mayor let that bill
14 become law without his signature.

15 COUNCILMAN NUTTER: Did the Mayor
16 sign Bill 92 in 2002?

17 MR. DUBOW: Yes.

18 COUNCILMAN NUTTER: And that bill
19 was approved by this City Council unanimously;
20 is that your recollection?

21 MR. DUBOW: I believe that's
22 correct.

23 COUNCILMAN NUTTER: And the Mayor
24 signed the bill on April 23, 2002?

25 MR. DUBOW: I don't know the date.

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2 COUNCILMAN NUTTER: But he signed
3 it?

4 MR. DUBOW: Yes.

5 COUNCILMAN NUTTER: There was
6 actually a big signing ceremony.

7 MR. DUBOW: I remember.

8 COUNCILMAN NUTTER: Have you been to
9 any other signing ceremonies for bills?

10 MR. DUBOW: I wasn't at that one.

11 COUNCILMAN NUTTER: Are you aware of
12 any other signing ceremonies?

13 MR. DUBOW: I don't remember.

14 COUNCILMAN NUTTER: So in the budget
15 that you've sent up for FY '05, is there a
16 wage tax bill in that budget?

17 MR. DUBOW: A wage tax bill?

18 COUNCILMAN NUTTER: Yes.

19 MR. DUBOW: No, because the wage tax
20 -- the wage bill that we had from last year
21 carried forward.

22 COUNCILMAN NUTTER: Well, it was
23 five years.

24 MR. DUBOW: Yes. I think. I don't
25 think it was.

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2 COUNCILMAN NUTTER: The FY '05
3 budget that you sent up to us is proposed to
4 shift the date --

5 MR. DUBOW: That's correct.

6 COUNCILMAN NUTTER: -- of the next
7 wage tax cut; is that right?

8 MR. DUBOW: That's correct.

9 COUNCILMAN NUTTER: But in previous
10 years, every budget would have a wage tax bill
11 because we would change the rates every year,
12 right?

13 MR. DUBOW: That's correct.

14 COUNCILMAN NUTTER: I read in the
15 Five-Year Plan that the Administration appears
16 to support wage tax reductions; is that right?

17 MR. DUBOW: That's correct.

18 COUNCILMAN NUTTER: And if the
19 Administration did not support continued wage
20 tax reductions, you would send us a bill that
21 would stop the reductions; is that right?

22 MR. DUBOW: That's correct.

23 COUNCILMAN NUTTER: So the fact that
24 you've not sent such a bill to City Council
25 would indicate that the Administration

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2 supports the continued wage tax cuts; is that
3 correct?

4 MR. DUBOW: That's what our
5 Five-Year Plan says, yes.

6 COUNCILMAN NUTTER: And does the
7 Five-Year Plan indicate what the impact is of
8 those cuts on wage tax revenues to the City?

9 MR. DUBOW: There's language in the
10 plan that indicates, I think, the combined
11 impact of both the wage tax and the business
12 privilege tax reductions.

13 COUNCILMAN NUTTER: No, we're just
14 talking about the wage tax. Council didn't
15 really attack the business privilege tax.

16 Why don't you go to Page 27 in the
17 Five-Year Plan?

18 MR. DUBOW: Okay, I'm there.

19 COUNCILMAN NUTTER: Is it true that
20 for every fiscal year in the plan FY '04, '05,
21 '06 '07, '08 and 09 that the wage tax
22 anticipated collections to City or revenues to
23 the City grow every year notwithstanding the
24 present schedule of proposed wage tax cuts?

25 MR. DUBOW: Yes. It grows -- each

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2 year it grows based on a combination of what
3 we anticipate will happen with wages and
4 earnings, what will happen with employment and
5 then what the impact of the cut would be. So
6 those are the three --

7 COUNCILMAN NUTTER: Since the wage
8 tax cuts have started under former Mayor
9 Rendell, have there been any years where the
10 wage tax revenues from one year to the next
11 have been less than the previous year?

12 MR. DUBOW: Haven't been years where
13 it's been less than year before. There are
14 been years where it was less than inflation
15 but not when it was less than the year before.

16 COUNCILMAN NUTTER: So the number
17 that we hear out in the general public, the
18 \$227 million deficit, what is that exactly?

19 MR. DUBOW: That is the couple
20 accumulated gap between our revenues and
21 expenditures over time.

22 COUNCILMAN NUTTER: Over what period
23 of time?

24 MR. DUBOW: The fund balance really
25 -- I mean, it's a rolling number. So it's not

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2 from any particular start date.

3 COUNCILMAN NUTTER: What amount of
4 the 227 is attributable wage tax cuts?

5 MR. DUBOW: Hold on one second. I
6 mean, it's a hard question to answer because
7 if the wage tax rates hadn't been cut since
8 '95, we would have been taxing people at the
9 higher rate, so that argument would say you
10 would have more revenue. On the other hand,
11 argument --

12 COUNCILMAN NUTTER: On the other
13 hand, we'd have fewer people to tax.

14 COUNCILMAN NUTTER: Exactly. That's
15 what I was going to say.

16 COUNCILMAN NUTTER: Not exactly a
17 winner

18 MR. DUBOW: No, but your question
19 what's the impact tax cuts on the deficit.
20 And you'd need an econometric model to answer
21 that question.

22 COUNCILMAN NUTTER: I guess what I'm
23 ultimately trying to understand is --

24 MR. DUBOW: What I'm saying is
25 there's some loss revenue from the cut in the

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2 rate, but we wouldn't be doing this if we
3 didn't think that there was some positive
4 impact on the economy, so there's a benefit in
5 that we have more jobs and more wages than we
6 would have without it.

7 COUNCILMAN NUTTER: Well, there have
8 been a number of proposals to either reduce
9 services, close facilities, reduce or
10 eliminate funding to groups and organizations
11 as a result of our difficult financial
12 situation in the City. As a budget director,
13 would you recommend that we end the
14 incremental reductions in the wage tax in
15 order to avoid the cuts in services or the
16 closure of facilities or the ceasing of grants
17 to groups and organizations or operating
18 budgets?

19 MR. DUBOW: No. That's why the
20 Five-Year Plan which includes those proposals
21 includes a continuance of their reduction in
22 those rates.

23 COUNCILMAN NUTTER: Well, let me ask
24 the question in a different way. Is it a
25 viable strategy for the City in an effort to

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2 prevent either closure of facilities,
3 restrictions in grants, elimination of funding
4 to groups and organizations and the like, is
5 it a viable strategy from your perspective as
6 a Budget Director to in the course of these
7 budget hearings to cease the wage tax cuts
8 that are already articulated or detailed in
9 the Philadelphia Code as a result of Bill 92?

10 MR. DUBOW: What we've said in the
11 Plan is that the wage tax reductions are
12 necessary to continue to kind of make
13 Philadelphia more competitive because our tax
14 rates are not competitive. And so we
15 recommend continuing those reductions even
16 though it means that there are in the short
17 term lower revenues which means that we have
18 to make painful choices which we've included
19 in this Plan.

20 COUNCILMAN NUTTER: So lastly, if
21 the Administration felt so strongly that
22 continuing the wage tax cuts was detrimental
23 to the City's ability to operate or function
24 or provide a certain high level of services,
25 the Administration would then send a bill up

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2 to stop the wage tax cuts?

3 MR. DUBOW: That's right. If we
4 thought that continuing the wage tax cuts
5 would jeopardize our service to such an extent
6 that it would hurt our competitiveness more
7 than lowering the wage tax rates, that's what
8 we would have recommended?

9 COUNCILMAN NUTTER: But so far, you
10 have not?

11 MR. DUBOW: That's correct.

12 COUNCILMAN NUTTER: Because you
13 believe that cutting the wage tax is important
14 to the future of this City?

15 MR. DUBOW: That's correct.

16 COUNCILMAN NUTTER: Thank you.

17 Thank you, Madam Chair.

18 COUNCIL PRESIDENT VERNA: You're
19 welcome.

20 Any other questions from members of
21 the Committee?

22 (No response.)

23 COUNCIL PRESIDENT VERNA: Mr. Dubow,
24 thank you very much.

25 MR. DUBOW: Sure.

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2 COUNCIL PRESIDENT Verna: The
3 Committee of the Whole will stand in recess
4 until Wednesday, April 28th at 9:30. Thank
5 you.

6 (Council adjourned at 5:25 p.m.)

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C E R T I F I C A T I O N

I HEREBY CERTIFY that the foregoing
proceedings of the Council of the City of
Philadelphia of Wednesday, April 21, 2004,
were reported fully and accurately by me, and
that this is a correct transcript of the same.

RE: COMMITTEE OF THE WHOLE

Lisa C. Bradley, RPR