
DEPARTMENT OF ADMINISTRATIVE SERVICES

State agency efficiency review

- Requires designees from the Department of Administrative Services (DAS) and the Office of Budget and Management (OBM) jointly to review functions and programs of state agencies with the purpose of identifying areas for consolidation.
- Not later than January 1, 2020, requires the designees to identify agency functions and programs to be consolidated.
- Allows the DAS Director to transfer employees, equipment, and assets of a consolidated program.
- Allows the OBM Director to cancel and re-establish encumbrances and make other necessary budget changes to reflect the consolidated programs.

Prescription drug advisory council

- Establishes within DAS the Prescription Drug Transparency and Affordability Advisory Council.
- Requires the Council to submit a written report to the Governor, the General Assembly, and the chairperson of the Joint Medicaid Oversight Committee not later than six months after initial appointments are made.
- Requires the Council to meet at least quarterly after submitting the report to provide assistance and guidance relating to the report's recommendations.
- Requires state agencies, boards, and commissions to cooperate with the Council as necessary for it to carry out its duties.

State workforce diversity surveys

- Requires the DAS Director annually to conduct a survey on diversity within each state agency's workforce and report the results to the Governor and the General Assembly not later than December 31, beginning in 2020.

Office of Information Technology funds

- Creates the Enterprise Applications Fund within the state treasury.
- Adds certain fees and rates charged by DAS to the list of operating appropriation items for which the Information Technology Chief Information Officer must compute the amount of revenue attributable to amortization.
- Allows the OBM Director, on request from the DAS Director, to transfer cash from the MARCS Administration Fund, the Enterprise Applications Fund, or the Professions Licensing System Fund to the Major Information Technology Purchases Fund.

Coordinated vendor debarment

- Requires state agencies to exclude from participation in state contracts, any vendors who have been debarred under any Revised Code provisions.
- Provides for a general prohibition against vendor participation in any state contract for the duration of the debarment.
- Defines “participate,” “state contract,” and “state agency” for purposes of the general provision.
- Specifies that eligibility for participation in state contracts is restored only when the vendor is not otherwise debarred from state contracts.

Surplus property

- Codifies a law that allows DAS to use the Investment Recovery Fund to pay the operating expenses of the Federal Surplus Property Program in addition to the State Surplus Property Program.

Death Benefit Fund recipient participation in state health plan

- Requires a Death Benefit Fund recipient who elects to participate in a health benefit offered to state employees to file an election form with the Ohio Police and Fire Pension Fund Board of Trustees, rather than DAS as under former law.
- Requires the Board to forward the election form to DAS after approving the recipient’s application for death benefits.
- Requires DAS to notify the Board of the amount of the cost of a recipient’s health benefits that the Board must withhold from the recipient’s death benefit payments and forward to DAS.
- Requires the Board to pay DAS the remaining costs of the benefits, including any administrative costs, from appropriations made for that purpose.
- Specifies that receiving a health benefit does not make the recipient a state employee, and that a recipient who is a state employee is not eligible for a health benefit through the fund.
- Requires the DAS Director to provide the Board with election forms and notify the Board when a recipient enrolls, disenrolls, or re-enrolls in benefits or when DAS terminates a recipient’s health benefits.

Vision benefits for state employees

- Specifically includes vision benefits in the types of benefits DAS contracts for or otherwise provides to state employees.

Invoices for state purchases

- Removes alternate options for inclusion in a state purchasing invoice; requires, instead that all items listed be on the invoice.

State employee leave for disaster relief services

- Authorizes an appointing authority to approve leave with pay for a state employee, who is a verified Team Rubicon volunteer, to participate in disaster relief services with Team Rubicon.

Public safety answering point staffing

- Specifies that a public safety answering point may be deemed compliant with minimum staffing standard rules adopted by the Statewide Emergency Services Internet Protocol Network Steering Committee if it complies with all other operational standard rules.

State agency efficiency review

(Section 701.10)

The act requires designees from the Department of Administrative Services (DAS) and the Office of Budget and Management (OBM) to jointly review functions and programs of state agencies to determine if any overlap or duplicative functions exist. The designees must collaborate with affected agencies in the course of their review and must determine the cost-effectiveness of the programming in terms of administrative and operational costs, including facilities, personnel, technology, supplies, contracts, and services.

By January 1, 2020, the DAS and OBM Directors jointly must determine, in consultation with the affected agencies, the functions that may be consolidated within and across state departments. The act places a specific emphasis on facilities utilization, laboratory testing facility consolidation, and field or regional office operation consolidation, but the determination also may include other functions, programs, and services that would reduce costs and improve services and would be suitable for operation within OBM's Shared Services Center.

If the consolidation of functions results in consolidation within the Shared Services Center or otherwise impacts an employee not subject to Ohio's Public Employees' Collective Bargaining Law,¹ the DAS Director may assign, reassign, classify, reclassify, transfer, reduce, promote, or demote any transferred employee. Employment records and actions, including personnel actions, disciplinary actions, performance improvement plans, and performance evaluations transfer with the employee. The employees are subject to the policies, procedures, and work rules of the agency to which they are transferred. The act also gives the DAS Director authority to transfer equipment and assets relating to a program or function that is being

¹ R.C. Chapter 4117.

consolidated to the department that is newly responsible for the functions after a consolidation.

Finally, after a consolidation occurs the OBM Director may make necessary budget changes, including cancelling and reestablishing encumbrances.

Prescription drug advisory council

(R.C. 125.95)

Membership

The act establishes within DAS the Prescription Drug Transparency and Affordability Advisory Council. The Advisory Council has 14 members, including:

- The Director of Administrative Services;
- The Director of Health;
- The Medicaid Director;
- The Director of Mental Health and Addiction Services; and
- The Administrator of Workers' Compensation.

Additionally, the Governor, the Senate President, and the Speaker of the House must each appoint three members, each of whom is working to address prescription drug availability and affordability in any of the following areas:

- Insurance;
- Local, state, and federal government service;
- Private industry;
- Organizations of faith;
- Health care providers;
- Consumer organizations;
- Prescription drug manufacturers;
- Prescription drug wholesale distributors;
- Pharmacists;
- Business organizations;
- Individuals concerned about mental health or substance abuse matters; and
- Advocates for individuals struggling to afford prescription drugs.

Support

DAS must provide administrative support as necessary for the Council to carry out its duties. Additionally, state agencies, boards, commissions, and similar entities must cooperate with and assist the Council as necessary for it to carry out its duties.

Appointments

Initial appointments to the Council must be made by December 16, 2019, and vacancies are to be filled in the same manner as initial appointments. Members serve without compensation.

Report

The Council must submit a report to the Governor, the General Assembly, and the chairperson of the Joint Medicaid Oversight Committee. The report must be submitted within six months after the initial appointments are made and must include the following information:

- How Ohio can best achieve prescription drug price transparency;
- New payment models or other avenues that can be used to create the most affordable environment for purchasing prescription drugs;
- How to leverage Ohio's purchasing power across all state agencies, boards, commissions, and similar entities;
- How to create efficiencies across different health care systems, such as hospitals, the criminal justice system, treatment and recovery support programs, and employer-sponsored health insurance, to (1) reduce duplicative service delivery across these systems, (2) ensure that patients receive high quality and affordable prescription drugs, and (3) support quality care and outcomes;
- Which critical outcomes can be measured and used to improve Ohio's system of purchasing affordable prescribed drugs;
- How federal, state, and local resources are being used to optimize these outcomes and identify where the resources can be better coordinated or redirected to meet the needs of Ohio consumers.

Meetings after report

After submitting its report, the Advisory Council must meet at least quarterly to provide assistance and guidance relating to the report recommendations.

State workforce diversity surveys

(R.C. 124.91)

The act requires the DAS Director to annually conduct a survey on diversity within each state agency's workforce at the time of the survey. Under continuing law, "state agency" means

every organized body, office, or agency established by Ohio law for the exercise of any function of state government but does not include JobsOhio.²

Beginning December 31, 2020, and not later than December 31 of each year thereafter, the DAS Director must file a report about the results of the surveys with the Governor and the General Assembly.

Office of Information Technology funds

(R.C. 125.18)

The act creates the Enterprise Applications Fund within the state treasury. Additionally, the act adds the following to the list of operating appropriation items for which the Information Technology Chief Information Officer must compute the amount of revenue attributable to amortization:

--MARCS administration, including the user fees charged by DAS and deposited into the Marcs Administration Fund;

--Enterprise applications, including the rates charged by DAS to benefiting agencies for the operation and management of information technology applications and deposited in the Enterprise Applications Fund;

--Professions licensing system, including the rates charged by DAS for the cost of ongoing maintenance of the professions licensing system and deposited into the Professions Licensing System Fund.

Under continuing law, the Chief Information Officer also must compute the amount of revenue attributable to the amortization of all equipment purchases and capitalized systems from information technology service delivery and major technology purchases operating appropriation items and major computer purchases capital appropriation items that are recovered as part of the information technology service rates charged by DAS and deposited into the Information Technology Fund.

Additionally, the act allows the OBM Director, on the DAS Director's request, to transfer cash from the MARCS Administration Fund, the Enterprise Applications Fund, or the Professions Licensing System Fund to the Major Information Technology Purchases Fund.

Coordinated vendor debarment

(R.C. 9.242, 125.25, 153.02, 5513.06, and 5525.03)

Specific sections of continuing state law authorize the DAS Director, the Executive Director of the Ohio Facilities Construction Commission, and the Director of Transportation to debar vendors who have engaged in specified wrongdoing in the state contracting process. When each of those directors reasonably believes that grounds exist for debarment, they provide the vendor notice and an opportunity for a hearing, determine the length of

² R.C. 1.60, not in the act.

debarment, and maintain a list of currently debarred vendors. When the debarment ends, under each specific list, the vendor must be eligible to be awarded contracts by state agencies. The act provides, in each section, that the vendor may be eligible if the vendor is not otherwise debarred under any list that applies to state contracts.

The act also provides for a general provision in state law that prohibits any vendor who has been debarred on any list of debarred vendors from participating in state contracts including those specific sections and any other section of the Revised Code. The act defines “participate,” “state contract,” and “state agency” for purposes of the general provision. “Participate” means to respond to any solicitation or procurement issued by a state agency or be the recipient of an award of a state contract, or to provide any goods or services to any state agency. “State contract” means any contract for goods, services, or construction that is paid for in whole or in part with state funds. “State agency” means “every organized body, office, or agency established by the laws of [Ohio] for the exercise of any function of state government” but does not include JobsOhio.

Surplus property

(R.C. 125.14)

The act codifies (makes permanent) a provision of law that allows DAS to use the Investment Recovery Fund to pay the operating expenses of the Federal Surplus Property Program in addition to the State Surplus Property Program. Previously, DAS was permitted to do so under a provision of the main operating budget act that expired June 30, 2019.³

Under the continuing Federal Surplus Property Program, DAS assists other state agencies, political subdivisions, and certain private entities in acquiring surplus property from the federal government. DAS deposits the fees it charges for that service in the Investment Recovery Fund.⁴

Death Benefit Fund recipient participation in state health plan

(R.C. 124.824; Section 361.10)

The Ohio Public Safety Officers Death Benefit Fund pays benefits to the surviving spouse, children, or, in limited cases, surviving parent, of a law enforcement officer or firefighter killed in the line of duty.⁵ Under continuing law, a spouse or child receiving benefits from the fund may elect to participate in any medical, dental, or vision benefit (a “health benefit”) that DAS contracts for or otherwise provides to state employees. The act specifies that a Death Benefit Fund recipient receiving a health benefit through the fund is not a state employee. It also specifies that a recipient cannot receive health benefits through the fund if the recipient is eligible to receive them as a state employee. Additionally, continuing law

³ Sections 207.40 and 809.10 of H.B. 49 of the 132nd General Assembly, not in the act.

⁴ R.C. 125.84 and 125.87, not in the act.

⁵ R.C. 742.63, not in the act.

excludes a recipient who is eligible to enroll in the federal Medicare program from receiving benefits through the fund.

Under continuing law, the DAS Director must develop forms for a recipient to enroll, disenroll, or re-enroll in health benefits. The act requires the DAS Director to provide these election forms to the Ohio Police and Fire Pension Fund Board of Trustees (which administers and serves as the trustees of the fund). It also requires the DAS Director to notify the Board when a recipient enrolls, disenrolls, or re-enrolls in health benefits, or when DAS terminates a recipient's benefits. The act requires a recipient to file the election form with the Board, rather than with DAS as under prior law, to receive health benefits through the fund. The Board must forward the election form to DAS after the Board has approved an application for death benefits.

The act requires DAS to notify the Board of the amount of the cost for a recipient's health benefits that the Board must withhold from the recipient's death benefit payments and forward to DAS, rather than requiring the recipient to pay the premium or cost directly to DAS as under former law. The amount withheld is the percentage of the cost that would be paid by a state employee for those benefits. Under the act, the Board must pay DAS the remaining cost of the benefits and any administrative costs from appropriations made for that purpose.

Beginning July 18, 2019 (the act's immediate effective date), the act appropriates additional funding for health benefits for Death Benefit Fund recipients. Because the appropriation language includes a similar provision regarding the administration of health benefits for Death Benefit Fund recipients, it appears that provision is also effective on that date. The appropriation language additionally specifies that, for the FY 2020-FY 2021 biennium, the administrative costs paid by the Board to DAS cannot exceed 2% of the total costs of the benefits.⁶

Under continuing law, the Board must provide DAS with any information DAS requires to provide the benefits. The act adds that the Board must provide that information to a designated third-party administrator or to both the third-party administrator and DAS.

Vision benefits for state employees

(R.C. 124.82)

The act specifically includes vision benefits in the types of benefits for which DAS may contract or otherwise provide. Under continuing law, DAS must contract for the issuance of a policy or contract of health, medical, hospital, dental, or surgical benefits, or any combination of those benefits, covering state employees. DAS also may choose to offer these benefits directly.

⁶ Section 812.23.

Invoices for state purchases

(R.C. 125.01)

The act changes the definition of “invoice” in the state purchasing law to require all of the items specified to be described in the itemized listing showing delivery of the supplies or service contracted for in the order: date of purchase or rendering of the service; an itemization of things done, material supplied, or labor furnished; and the sum due under the contract. The former definition of “invoice” provided for an option of including, in the itemized listing showing delivery of the supplies or performance of the service described in the order, either the date of purchasing or rendering of the service *or* an itemization of the things done, material supplied, or labor furnished, and the sum due under the contract. Among other things an “order” (contract) must include an authorization to pay for the contemplated expenditure, signed by the person instructed and authorized to pay upon receipt of a proper invoice. A proper invoice must include all of the items listed above.

State employee leave for disaster relief services

(R.C. 124.132)

The act authorizes an appointing authority to approve leave not to exceed 30 work days each year, for a state employee who is a verified Team Rubicon volunteer. The act requires the appointing authority to compensate the employee at the employee’s regular rate of pay for those regular work hours during which the employee is absent from work. The leave must be used to participate in disaster relief services upon the request of Team Rubicon. Continuing law authorizes similar leave for certified disaster service volunteers of the American Red Cross. The act extends the benefit to verified Team Rubicon volunteers. Team Rubicon is a volunteer nonprofit organization consisting mostly of military veterans providing disaster response services.⁷

Public safety answering point staffing

(R.C. 128.021)

The act specifies that a public safety answering point (PSAP) may be deemed compliant with rules for PSAP minimum staffing standards, if the PSAP can demonstrate its compliance with all other rules for operational standards.

Under law unchanged by the act, the Statewide Emergency Services Internet Protocol Network Steering Committee is responsible for adopting rules that establish the technical and operational standards for PSAPs. The Steering Committee also is responsible for advising the state regarding a statewide emergency services Internet protocol network and the dispatch of

⁷ <https://teamrubiconusa.org>.

emergency service providers.⁸ A PSAP is a facility to which 9-1-1 system calls for a specific territory are first routed for response. PSAP personnel respond to specific requests for emergency service by directly dispatching the appropriate emergency service provider or relaying a message or transferring the call to the appropriate provider.⁹

⁸ R.C. 128.02(C), not in the act.

⁹ R.C. 128.01(P), not in the act.