



June 18, 2018

The Honorable Jane Nelson, Co-Chair
Transition Legislative Oversight Committee
State Capitol Building, Room 1E.5
Austin, Texas 78701

The Honorable Four Price, Co-Chair
Transition Legislative Oversight Committee
State Capitol Extension, Room E2.902
Austin, Texas 78701

Dear Chair Nelson and Chair Price:

This letter serves as notice to the Transition Legislative Oversight Committee (TLOC) of the attached changes made to the organizational structure for the Texas Health and Human Services Commission, in accordance with Texas Government Code section 531.02041. These changes allow a more streamlined executive decision making process and provide greater accountability and oversight. The agency's core functions, Medical and Social Services and State Operated Facilities Divisions, are elevated to reflect their authority and responsibility within the agency.

The most significant change clarifies the Chief Deputy Executive Commissioner, second in command within the agency, has a broader responsibility for the entire system.

Additionally, the revised structure establishes the Chief Program and Services Officer (formerly the Deputy Executive Commissioner of Medical and Social Services) to oversee the health and social services program areas of the agency - the Medical and Social Services and Facilities Divisions. Medical and Social Services Associate Commissioners are elevated to Deputy Executive Commissioners.

Finally, the revised structure streamlines the Chief Operating Officer divisions to allow a focus on critical operational areas – Procurement and Contracting Services, Information Technology, and System Support Services.

Accordingly, the following changes are made:

- The Deputy Executive Commissioner of Financial Services and the Financial Services Division are elevated to report to the Chief Deputy Executive

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Commissioner (rather than the Chief Operating Officer) as these responsibilities cross every division of the agency and should be overseen by an executive with responsibility over all of those areas.

- Cross system functions are brought under the oversight of the Chief Deputy Executive Commissioner; the Chief Ethics Officer, Directors of Communications, Government & Stakeholder Relations, and Ombudsman.
- The Associate Commissioner of Compliance and Quality Control for PCS is established, reporting directly to the Chief Operating Officer, in order to maintain an independent level of quality monitoring over procurement and contracting practices.
- The Regulatory Services Division is moved to report to the Chief Policy Officer in an effort to ensure the ongoing independence of the Regulatory Division while allowing the function of the Chief Operating Officer to focus on the critical areas outlined above.
- The State Operated Facilities Division is renamed to Health & Specialty Care System and moved under the Chief Program and Services Officer (formerly under the Chief Deputy Executive Commissioner).

Respectfully submitted,

A handwritten signature in black ink that reads "Cecile Erwin Young". The signature is written in a cursive style with a long, sweeping tail on the "Young" part.

Acting Executive Commissioner