



The Commonwealth of Massachusetts
Executive Office of Health and Human Services
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October 31, 2022

Michael J. Rodrigues, Chair
Senate Committee on Ways and Means
State House; Room 212
Boston, MA 02133

Aaron Michlewitz, Chair
House Committee on Ways and Means
State House; Room 243
Boston, MA 02133

John Velis, Chair
Joint Committee on Veterans and
Federal Affairs
State House; Room 519
Boston, MA 02133

Paul McMurtry, Chair
Joint Committee on Veterans and
Federal Affairs
State House; Room 238
Boston, MA 02133

Dear Chairs:

The Executive Office of Health and Human Services (EOHHS) and Executive Office for Administration and Finance hereby submit this high level plan outlining the efficient transfer of the Department of Veterans' Services from the Executive Office of Health and Human Services to a department operating under the Secretary of Veterans' Services.

Section 83 of Chapter 144 of the Acts of 2022. The secretary of health and human services and the secretary of administration and finance shall prepare a plan for the efficient transfer of the department of veterans' services, including the Soldiers' Home in Massachusetts and the Soldiers' Home in Holyoke, from the executive office of health and human services to a department operating under the secretary of veterans' services, as provided in section 82. The plan shall be filed not later than October 31, 2022 with the joint committee on veterans and federal affairs and the house and senate committees on ways and means.

The guiding principles of this plan development are threefold: compliance with the enabling statute, state and federal regulations, and other applicable laws; create a fully operational, free-standing organization; and strengthen program and veteran services delivery.



Organizational Structure

As Department of Veterans' Services (DVS) transitions from an agency into the Executive Office of Veterans' Services (EOVS), it must create a fully operational, free-standing secretariat with additional key leadership and management positions, administrative and support staff to increase organizational capacity and further professionalize agency operations to implement the new requirements of the statute. Currently EOHHS provides significant support for fiscal (capital and operations), facilities, legislative, communications and legal operations and all support for information technology, labor relations, and human resources. Augmenting existing senior leadership, management and administrative staff is critical to both build in-house capacity to continue current agency operations and to drive the change envisioned in Chapter 144 of the Acts of 2022. Moreover, the new structure must comply with the new statutory requirements, which mandates the following positions:

- Deputy Secretary of Veterans' Services
- Executive Director of Veterans' Homes and Housing
- 1 ombudsman for Holyoke
- 1 ombudsman for Chelsea

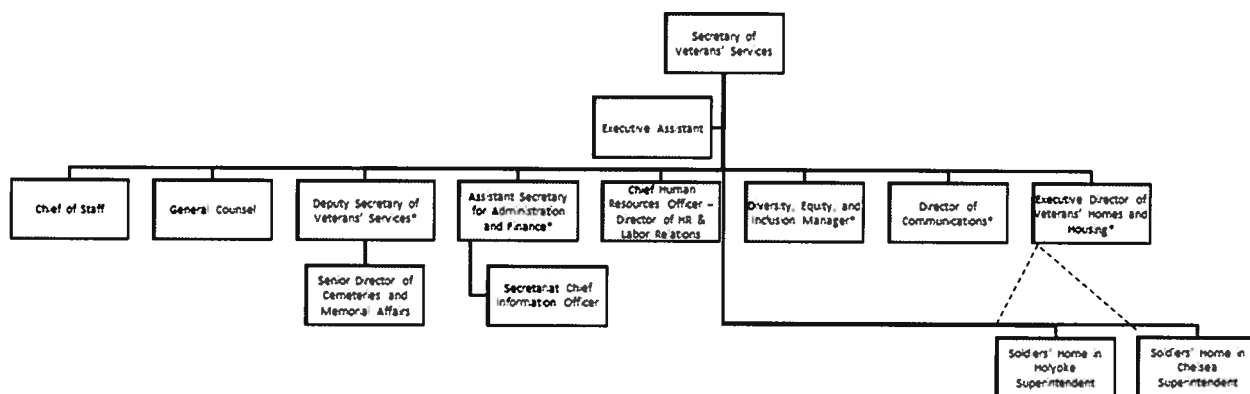


Figure 1. Structure of the EOVS executive leadership team and direct reports of the Secretary of Veterans' Services

**Indicates a new position*

EOVS must add the following functions/capacity to ensure it can function as an independent Secretariat:

- **Legal:** Augment to provide procurement, employment, litigation, and administrative law support, which is currently provided by EOHHS.
- **Information Technology (IT):** New function within the new Secretariat. EOVS will need managers and staff to implement and oversee IT. Like other Secretariats, EOVS will be responsible for hiring internal IT staff for IT leadership roles (e.g., SCIO and CISO) as well as for business application and database development and support (e.g., benefits delivery system and electronic medical record (EMR) system). DVS is actively working with EOTSS for the transition of core services (voice/network/equipment/desktop support) from EOHHS to EOTSS on or before March 1, 2023.
- **Human Resources and Labor Relations:** New function within the new Secretariat. EOVS will need to stand up a human resources office, with a Director and key staff such as a Diversity, Equity, and Inclusion Manager, to support hiring, personnel transactions, payroll, learning and development, etc. EOVS must build a Labor Relations team within the Human Resources office to provide onsite support to Soldiers' Homes, and existing DVS programs and services.
- **Administration and Finance:** EOVS will need to add an experienced executive level leader over the finance, administration, and IT functions of the new Secretariat. Currently, DVS has limited finance staff who do not support the financial operations of either Home. DVS and the two homes rely on EHS finance for guidance and support, as well as developing budgets. EOVS will need to add several manager positions to oversee budget development, capital projects, facilities, and contracts/procurement staff as the secretariat will need to directly purchase services and goods.
- **Office of Veterans' Homes and Housing:** Led by the Executive Director of Veterans' Homes and Housing, the Office is tasked with oversight of the two Soldiers Homes and the Holyoke and Chelsea Ombudsman. In addition to hiring the two statutorily required ombudsmen, EOVS will need to add core staff including those with clinical and regulatory expertise, project management expertise and administrative support.

Therefore, we anticipate the new Secretariat will require an additional 50-75 FTEs over three phases. New positions are sequenced to ensure the most foundational needs are met first.

- The **first phase of hiring** is currently underway and focuses on positions critical to the establishment of EOVS infrastructure. This includes **approximately 15-25 positions**, including key human resources, information technology, finance, and the Office of Veterans' Homes & Housing support and oversight personnel. **Estimated timing for these hires is December - January 2023.**
- The **second phase of hiring** includes positions necessary to build out agency functions. This will include **approximately 25-35 positions** including additional human resources and labor relations, legal, and finance personnel. **Estimated timing for these hires is during February 2023.**
- The **third phase of hiring** will round out the immediate buildout hiring efforts. This includes **approximately 10-15 positions**, including additional administrative support personnel and programmatic staff who are important to the work but not as critical to the establishment of infrastructure. **Estimated timing for these hires is by May - July 2023.**

Funding

The current Department of Veterans' Services has eleven appropriation accounts funded at \$98M covering benefits, cemetery operations, outreach and provider contacts, women veterans' outreach, and agency administration functions. The existing administrative appropriation provides for only the day-to-day operations of the agency and does not include certain costs incurred on behalf of the Department by EOHHS.

The Soldiers' Homes are funded separately from Veterans' Services. In FY23, Holyoke is funded at \$29,734,881. Chelsea is funded at \$49,295,995, with the increase providing for the opening of the new Community Living Center (CLC).

On August 31, 2022, Governor Baker filed H.5260 which provided \$10,000,000 for costs associated with implementing Chapter 144 of the Acts of 2022 and to provide interim funding for this transition to the new secretariat. These funds, upon enactment, will be used to cover the initial implementation and operational costs, such as hiring of staff needed to establish the secretariat and meet the new statutory requirements, operating and equipment costs, facility needs, and other critical startup costs. These funds will also support the establishment of the Office of the Veteran Advocate.

Job descriptions are being created to initiate the posting and recruitment of new personnel, and as candidates are identified and onboarded, we will be requesting funding transfers as authorized in H.5260. The hiring for the second and third phases of staff will continue through FY23 and likely continue into FY24.

We believe there will be a need to create several new appropriations for the secretariat to separate the new functions (Administration, IT, HR and Labor Relations, and the Office for Homes and Veterans' Housing) from the existing operating activities at the Department of Veterans' Services and the Soldiers' Homes (Chelsea and Holyoke).

This transition plan will be incorporated in the FY24 budget request for the new secretariat.

Estimated Timeline

Immediately upon passage of the enabling statute, DVS began working with its counterparts in state government to develop plans for the creation of EOVS. While work began immediately, a project of this size and scope requires time to thoughtfully prepare, implement, and complete.

The majority of the key hires are targeted for onboarding by late fall 2022/winter 2023 and will help drive the additional hiring and completion of the significant work.

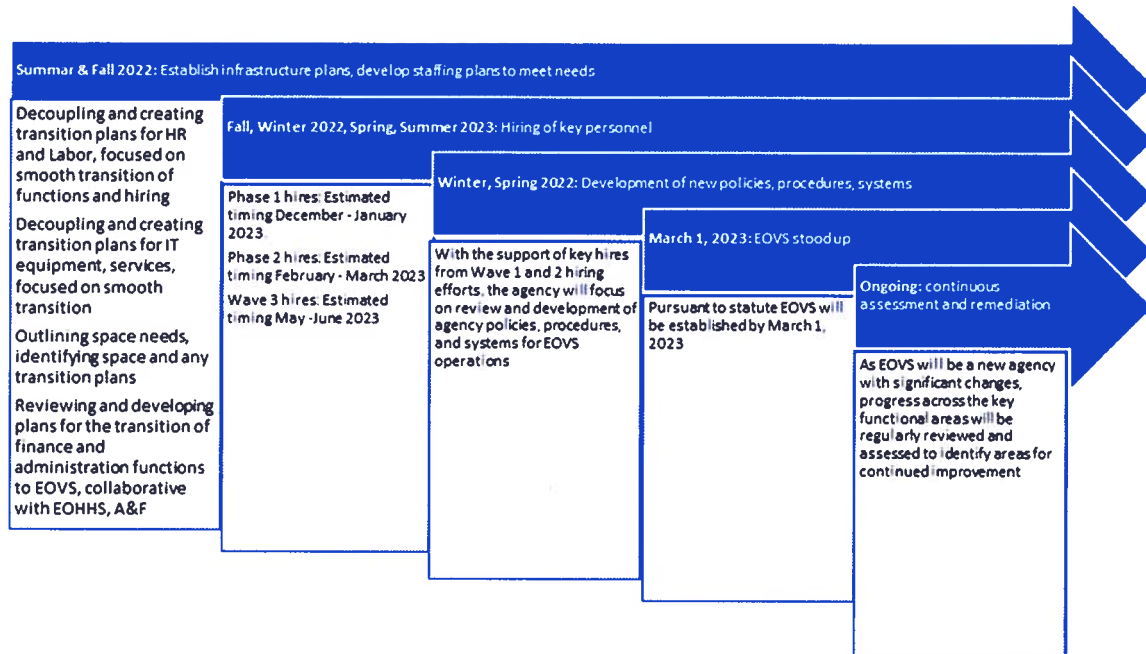


Figure 2. Phased work plan for EOVS establishment

Conclusion

We continue to work closely with partners in state government to implement this change and look forward to the establishment of the new independent Executive Office of Veterans' Services by the target date of March 1, 2023.

Sincerely,

Marylou Sudders

Marylou Sudders

Michael J. Heffernan

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Cc: Senate President Karen Spilka
Speaker of the House Ronald Mariano
Cheryl Lussier Poppe, Secretary of Veterans' Services