



The Task Force to Strengthen the Health and Promote the Environment of South Carolina

2100 Bull Street
Columbia, SC 29201

Wednesday, Nov. 3, 2021

Dear Fellow South Carolinians,

It has been an honor to serve the people of South Carolina as members of the Task Force to Strengthen the Health and Promote the Environment of South Carolina (**SHaPE SC or task force**). Together, as a task force, we worked over the past five months to conduct an in-depth review of South Carolina's health and environmental protection services provided by state government with the greater good in mind.

As the General Assembly is evaluating proposed legislation that could result in the restructuring of health and environmental services in South Carolina, the task force included these proposals as part, but not all, of its overarching review of state services. Such proposed legislation also provides for the potential separation of health and environmental functions overseen by the South Carolina Department of Health and Environmental Control (DHEC). This includes combining DHEC's Public Health and Healthcare Quality divisions with the current departments of Mental Health and Alcohol and Other Drug Abuse Services, and also includes combining water quality aspects of the Department of Natural Resources within the newly formed environmental agency.

The task force's work occurred independently from the legislative process. The task force focused on all possible options for improving the delivery of health and environmental services in South Carolina. While it considered changes in alignment of agencies as one potential means to improve services, the task force also considered changes to existing services, as well as changes to the function or structure of existing agencies as they are currently aligned. This included a focus on the improvement of services currently provided by DHEC, as well as other state agencies.

Evaluating Our Services to Build a Brighter Tomorrow

The task force review included receiving and considering broad-based internal and external input (including public comments) on all available options for potential improvements.

The task force organization included three subcommittees:

(1.) Behavioral Health, (2.) Environmental Protection, and (3.) Public Health. These subcommittees included more than 50 members, with hundreds of collective years of experience in their relevant fields, representing a diverse range of perspectives. **It was truly an honor to serve with such a distinguished group of people.**

*Helping to **SHAPE** a better future of health and environmental services for all South Carolinians*

Our ultimate goal was to provide consensus-driven recommendations for improving the lives of all people residing within the Palmetto State by ensuring the delivery of quality health and environmental services in South Carolina in the most accessible, efficient, and effective manner. During the summer and early fall of 2021, SHaPE SC and its subcommittees identified challenges and made consensus recommendations on how the state can best serve its people. We believe this sort of community-minded work is important because it impacts every South Carolinian and the environment in which we live, work, and thrive.

During its review, SHaPE SC was unable to fully evaluate the possible impacts (short- and long-term) that might result from separating and/or combining of DHEC, and related agencies like the South Carolina departments of Mental Health, Alcohol and Other Drug Abuse Services, Agriculture and Natural Resources. For example, we did not have a current cost evaluation for realigning these agencies. Evaluating these potential costs and possible impacts on services would require making many assumptions and an analysis that would require additional time and resources. Further data such as up-to-date cost estimates for the restructuring of core service areas and an analysis of the complexities and scale of support service separation and incorporation would be required. Although, based on rough estimates provided for previous legislative proposals, the cost estimate is anticipated to be considerable, and would require consideration of logistics and staffing.

As a whole, there was a general sentiment within the task force that favored thorough consideration of such effects prior to any change that might have an adverse impact on the focus of DHEC, particularly as the agency is serving a critical function in the fight against COVID-19. While the task force subcommittees did not reach an overall consensus and made no recommendation to change the alignment among the existing agencies providing relevant services, these subcommittees were able to identify key areas for improvements to services and accessibility. These recommendations are not dependent upon changing the alignment of any agencies.

Identifying Core Cross-Cutting Challenges and Areas for Improvement

The task force identified a number of critical challenges along with consensus recommendations for improved delivery of services. An **overview of key cross-cutting recommendations** aimed at these challenges include:

- Providing **significant increases in funding and resources** for health and environmental services, including flexible funding sources that can be used to address priority needs.
- Addressing the **serious lack of competitive salaries** for hiring and retaining qualified employees, particularly in a competitive environment where there is a limited available applicant pool.
- Providing **more clearly defined yearly mission-critical objectives** based upon direct input from core-program areas delivering services, and then **aligning support** services around accomplishing those objectives to best leverage the availability of current limited resources, increase staff and stakeholder buy-in, and ensure DHEC meets its core mission.
- **Strengthening lines of communication among DHEC subject-matter experts**, the Governor's Office, and the General Assembly.

- Providing **more partnering and co-location opportunities** between agencies offering cross-functional services.
- Removing **information-sharing roadblocks** between agencies providing overlapping services.
- Reviewing the **structure and centralization of internal support services** at DHEC to provide for a more efficient and effective support of mission-critical services.
- Ensuring that **regional offices are adequately supported and represented** in DHEC decision-making processes.
- Streamlining **internal processes**.
- Addressing **frequent turnover** of agency leadership at DHEC.

Understanding Why These Recommendations Matter

When agencies providing critical behavioral and public health, environmental protection, and healthcare services are insufficiently funded, staffed, and/or not operating at full efficiency, the people of our state and the communities in which they live, work, and play suffer. This includes the failure to adequately maintain mission-critical services. Such risks in unmet services could have a substantial impact on behavioral health, the environment, and public health in South Carolina. Examples include:

- Illnesses and diseases going undiagnosed and untreated
- Potential under-monitoring or inadequate capacity to address environmental needs
- Increases in mortality
- Decreases or delays in medical care and diagnosis
- Increases in medical costs
- Decreased oversight
- Inability to respond to a public health or environmental disaster

Additionally, South Carolina has enjoyed the benefits of economic growth through attracting new businesses. Part of this success is dependent upon the ability of DHEC to issue timely environmental permits and to employ subject-matter experts capable of addressing complex regulatory issues and making reasonable and substantively-sound decisions. When DHEC resources are inadequate and internal processes are not efficiently aligned, this can delay timely permit decisions, prevent DHEC from hiring and retaining experienced subject-matter experts, and threaten the state's ability to attract new economic opportunities.

Ensuring state agencies providing core services are operating at full efficiency also requires an ongoing assessment of internal organizational processes to best serve the needs of South Carolina

residents. This requires clear, timely, and consistent communications with stakeholders; streamlining of processes and procedures; and removing preexisting barriers to access such as legal roadblocks to permit federal mental health and SUD funding.

Several of the recommendations for improvement by the task force and its subcommittee are focused on items where immediate actions can begin to take place at the agency-level.

Presenting Our Key Findings and Recommendations for Enhanced Services

An evaluation of this scale and its resulting recommendations can have decades-long implications to individuals, families, communities, and the Palmetto State. The recommendations submitted in this report seek to address these and other core challenges facing our state. Some recommendations will need legislative approval, while others can be implemented immediately.

We are grateful to the members of SHaPE SC for their willingness to volunteer their time to take part in this critical review of our state's health and environmental services. This summary report cannot fully capture the scope of all the recommendations provided by each subcommittee. For that reason, the full subcommittee presentations are attached with this task force summary report. These full subcommittee documents should be given careful consideration.

We are appreciative of the Governor, General Assembly, South Carolina Board of Health and Environmental Control, and South Carolina Mental Health Commission for the opportunity to submit our findings and recommendations to you, and we are happy to answer any additional questions you may have.

Sincerely,



Larry Martin, SHaPE SC Chair



Bernie Hawkins, SHaPE SC Facilitator

The Task Force to Strengthen the Health and Promote the Environment of South Carolina

2021 REPORT AND RECOMMENDATIONS

*Helping SHaPE a better future of health and
environmental services for all South Carolinians*





Table of Contents

EXECUTIVE SUMMARY4

Cross-Cutting Recommendations4

Service-Specific Recommendations6

 Behavioral Health 6

 Environmental Protection7

 Public Health7

Why This Matters.....8

ACKNOWLEDGMENTS9

SHAPE SC TASK FORCE REPORT11

Introduction: The Task Force to Strengthen the Health and Promote the Environment of South Carolina 12

Key Findings and Discussion..... 14

 What is Currently Working That We Want to Preserve?.....15

 What are Our Key Challenges?.....16

 What are Our Consensus Recommendations for a Better Tomorrow?29

Conclusion 44

EXECUTIVE SUMMARY

This report presents the findings and recommendations of the **Task Force to Strengthen the Health and Promote the Environment of South Carolina (SHaPE SC or task force)**. The South Carolina Department of Health and Environmental Control (DHEC) Director Edward Simmer, MD, MPH, DFAPA, established SHaPE SC with the approval of the agency's Board. The task force began its work on June 3, 2021. **Its charge:** to improve the lives of all people living within the state by evaluating and making recommendations on the organizational framework and responsibilities related to the provision of health and environmental protection services by state government in South Carolina.

The results of the task force's evaluation include **two key types of recommendations: (1.) cross-cutting and (2.) service-specific.**

Cross-cutting recommendations are those aimed at improving the delivery of health and/or environmental services that found consensus across each of the relevant task force subcommittees: **(1.) Behavioral Health, (2.) Environmental Protection, and (3.) Public Health.**

Meanwhile, some challenges and resulting recommendations were specific to a particular subcommittee and the service area it reviewed. These important service-specific recommendations are also identified in this report.

As part of its findings, SHaPE SC identified **nine major cross-cutting and 19 service-specific recommendations** for actions to address existing critical challenges to the provision of health and environmental services provided by state government in South Carolina.

While the task force subcommittees did not reach an overall consensus and made no recommendation to change the alignment among the existing agencies providing relevant services, these subcommittees were able to identify key areas for improvements to services and accessibility. These recommendations are not dependent upon changing the alignment of any agencies. A summary overview of those core findings and recommendations is listed below.

For further detail, please read the entire task force report.

Cross-Cutting Recommendations

1. ***Behavioral, environmental protection, and public health services must be better funded.***
There is currently a severe lack of sustainable funding (including flexible funding that can be allocated beyond restricted uses to where support may be more urgently needed) and resources to continue providing critical services, particularly with the increasing number of unfunded federal mandates and emerging issues of concern at the state and national levels.

2. ***DHEC should examine and implement the budget review and request processes to provide for greater equity between its three core deputy areas - Environmental Affairs, Healthcare Quality, and Public Health.*** With respect to funding requests, the Environmental Protection and Public Health subcommittees found a need for DHEC to provide equitable consideration of budget requests from each of its three core deputy areas. The task force believes that doing so would help avoid internal elimination of reasonable budget requests prior to submission to the Legislature.
3. ***Sufficient and sustainable funding of competitive salaries for critical positions is needed to ensure South Carolina can continue to have the capacity and expertise required to deliver high-quality behavioral, environmental protection, and public health services.*** Sufficient funding must be provided to offer competitive salaries to attract and retain the skilled employees necessary to provide critical services.
4. ***State agencies providing behavioral health, environmental protection, and public health services should continue to enhance public and private partnerships to strengthen access to services.*** Enhanced partnerships with other sister agencies, as well as community stakeholder groups, will be required to further optimize accessibility, effectiveness, and efficiency of health and environmental services.
5. ***Based on input from its three core deputy program areas, DHEC must clearly and concisely define its mission-critical service objectives, including legislative priorities, on a yearly basis.*** With limited resource availability, a process requiring substantial input from front-line employees and subject-matter experts tasked with delivering services is required to ensure mission-critical objectives continue to be met.
6. ***Review and appropriate alignment of support services at DHEC are needed to maximize the provision of services within the substantive core program areas.*** Administrative support services (i.e., finance, information technology, communications, human resources, etc.) must be aligned with, and to some degree located within, the substantive program areas they serve within the agency so that internal support functions are provided in the most effective and efficient manner.
7. ***DHEC should provide better communication with the Governor's Office and the General Assembly.*** DHEC frequently communicates with the Governor's Office and General Assembly through the Office of Legislative Affairs. Involving the DHEC subject-matter experts, most familiar with the subject area, will provide elected officials a more comprehensive view of the issues as well as the expertise available within DHEC.

8. **Financial reports must allow core-areas to better predict funds available for carrying out yearly critical tasks.** As a result of restricted funding and the complexity of overall funding mechanisms for DHEC, funding systems are so intricate that it is difficult for core-program area managers to readily determine resources available to carry out critical services (including new hiring, training, mission development, etc.). Systems to improve this situation should be considered. Assuring financial resources are located directly within the core service areas should help.
9. **Review and streamline various internal processes.** Various internal agency processes, such as those related to hiring and purchasing, need to be examined and streamlined. Current DHEC employees indicated that it frequently takes too long to evaluate candidates and then obtain approval to hire candidates once they are approved. Through the evaluation and continuous improvement of legacy internal business processes, South Carolina's health and environmental programs will be better equipped to address needs resulting from limited staffing capacity and resources, streamline processes, and ultimately enhance service delivery and customer satisfaction.

Service-Specific Recommendations

Service-specific consensus recommendations from the subcommittees, included:

Behavioral Health

1. **Addressing the stigma associated with behavioral health services** through partnering and co-locating with local, county-based public health departments.
2. **Continuing to pursue opportunities to integrate primary and behavioral healthcare services** to improve the quality and effectiveness of patient care.
3. **Pursuing opportunities to collaborate and coordinate in the use of South Carolina Department of Mental Health federal mental health funding and South Carolina Department of Alcohol and Other Drug Abuse Services federal substance use disorder (SUD) funding** to improve co-occurring behavioral health services.
4. **Expanding behavioral health services in jails and prisons** across the state.
5. **Investing in workforce development** for behavioral health and substance use disorder professionals.
6. **Increasing availability of diversionary courts**, such as mental health and drug courts.

7. ***Eliminating roadblocks to information sharing*** by allowing easier sharing of patient information among treating professionals.
8. ***Evaluating the use of paraprofessionals*** and new, innovative ways to staff behavioral health services.
9. ***Continuing active participation and engagement with the Behavioral Health Coalition.***

Environmental Protection

1. ***Addressing the cost of increasing unfunded federal mandates***, while maintaining the critical environmental protection services needed to keep pace with current and anticipated economic development and population growth.
2. ***Conducting a cross-analysis of agency salaries*** for mission-critical positions.
3. ***Dedicating state resources to fund the addition of an environmental toxicologist*** to address regulatory risk-assessment and communication.
4. ***Providing greater opportunity for advancement and fair compensation*** for non-management scientists.

Public Health

1. ***Hiring and appointing capable leadership and staff*** with appropriate public health and environmental experience, and then supplementing through active public and private partnerships.
2. ***Addressing communication gaps between DHEC Central Office and Regions***, particularly with respect to agency-level directives.
3. ***Continuing to strengthen relationships with counties and local governments*** to assure consistent resources across the state.
4. ***Providing greater interagency coordination*** in key areas to eliminate gaps in services.
5. ***Maintaining the existing mission-driven synergy*** between public health and environment.
6. ***Preserving efficiencies created during the COVID-19 response***, such as use of telehealth, internal rapid hiring processes, and use of Community Health Workers.

Why This Matters

When public agencies providing critical behavioral and public health, environmental protection, and healthcare services are insufficiently funded, and/or staffed, and/or not operating at full efficiency, the people of our state and the communities in which they live, work, and play suffer. This includes the failure to adequately maintain mission-critical services. Such risks in unmet services could have a significant impact on behavioral health, the environment, and public health in South Carolina. Examples include illnesses and diseases going undiagnosed and untreated; under monitoring or inadequate capacity to address environmental concerns or needs; increases in deaths; increases in medical costs; decreased oversight; inability to respond to a public health or environmental disaster; etc.

Additionally, South Carolina has enjoyed the benefits of economic growth through attracting new businesses. Part of this success is dependent upon the ability of DHEC to issue timely environmental permits and to employ subject-matter experts capable of addressing complex regulatory issues and making reasonable and substantively-sound decisions. When DHEC resources are inadequate, this can delay timely permit decisions, prevent DHEC from hiring and retaining experienced substantive experts, and threaten the state's ability to attract new economic opportunities.

Ensuring state agencies providing core services are operating at full efficiency also requires an ongoing assessment of internal organizational processes to best serve the needs of South Carolina residents. This requires clear, timely, and consistent communications with stakeholders; streamlining of processes and procedures; and removing preexisting barriers to access.

Several of the recommendations for improvement by the task force and its subcommittees are focused on items where immediate actions can begin to take place at the agency-level.

ACKNOWLEDGMENTS

The task force would like to acknowledge the many individuals who assisted in the development of this report and enclosed recommendations for the improvement of health and environmental services in South Carolina. **A complete list of task force members is included below.**

OVERARCHING MEMBERS

MEMBERS	TITLE	ORGANIZATION
Former Senator Larry Martin	Chair	SHaPE SC
Bernie Hawkins	Facilitator	SHaPE SC
Seema Shrivastava-Patel	Board Member	SC Board of Health and Environmental Control
Greg Pearce, Jr.	Commission Chair	SC Mental Health Commission
Edward Simmer, MD, MPH, DFAPA	Director	SC Department of Health and Environmental Control

BEHAVIORAL HEALTH SUBCOMMITTEE

MEMBERS	TITLE	ORGANIZATION
Laura Aldinger	Executive Director	Behavioral Health Services Association of SC
Gayle Aycock	President & CEO	LRADAC
Mark Binkley (Chair)	Senior Executive Assistant to the State Director	SC Department of Mental Health
Jarrod M. Bruder	Executive Director	South Carolina Sheriffs' Association
Anna Maria Conner	Attorney / Team Leader	Disability Rights South Carolina
Lee Dutton	Chief of Staff	SC Department of Alcohol and Other Drug Abuse Services
Beth Franco	Executive Director	Disability Rights South Carolina
Major General William Grimsley	Secretary	SC Department of Veterans' Affairs
Sara Goldsby	Director	SC Department of Alcohol and Other Drug Abuse Services
Elizabeth Harmon	Executive Director	SC Behavioral Health Coalition
Bill Lindsey	Executive Director	National Alliance for Mental Illness (SC Chapter)
Judge Amy McCulloch	Probate Judge for Richland County	Probate Judges Association
Joseph McLamb	Chief of Staff	SC Department of Veterans' Affairs
Kenneth Rogers, MD	State Director	SC Department of Mental Health
Kacey Schmitt, MSW, LISW-CP/S	Director of Social Work	SC Department of Health and Environmental Control
Anne Summer	Co-Chair, Policy, Legislative & Regulatory Committee	SC Behavioral Health Coalition
Gerald Wilson, MD	Chair	SC Behavioral Health Coalition

ENVIRONMENTAL PROTECTION SUBCOMMITTEE

MEMBERS	TITLE	ORGANIZATION
Jeffery Allen, PhD	Executive Director	SC Water Resources Center at Clemson University
Art Braswell	President	Braswell Consulting, LLC
Emily Cedzo	Land, Water & Wildlife Senior Program Director	Coastal Conservation League
Susan Cohen	President & CEO	SC Restaurant and Lodging Association
John Durst	Former President & CEO	SC Restaurant and Lodging Association
Michael Fields	Executive Director	SC Convenience & Petroleum Marketers Association
Todd Glover	Executive Director	SC Municipal Association
Rebecca Haynes	Deputy Director	Conservation Voters of SC
Sara Hazzard	President & CEO	SC Manufacturers Alliance

MEMBERS	TITLE	ORGANIZATION
Erika Hollis	Clean Water Director	Upstate Forever
Tommy Lavender (Chair)	Environmental Technical Committee Chair	SC Chamber of Commerce
Clint Leach	Assistant Commissioner	SC Department of Agriculture
Jill Miller	Executive Director	SC Rural Water Association
Harold Mitchell Jr.	Executive Director	ReGenesis Community Development Corporation
Mark Nix	Executive Director	Home Builders Association
Myra Reece	Director of Environmental Affairs	SC Department of Health and Environmental Control
Ken Rentiers	Deputy Director for Land, Water and Conservation	SC Department of Natural Resources
Gary Spires	Government Relations Division Director	SC Farm Bureau
Bill Stangler	Riverkeeper	Congaree Riverkeeper

PUBLIC HEALTH SUBCOMMITTEE

MEMBERS	TITLE	ORGANIZATION
Graham Adams, PhD	Chief Executive Officer	SC Office of Rural Health
Thaddeus Bell, MD	Founder & CEO	Closing the Gap in Health Care, Inc.
Eric Bellamy	Chief Partner Engagement Officer	Children's Trust of SC
Samuel L. Green, Sr.	Bishop	7th District AME Church
Alan Hughes	Administrator/ President	Abbeville Nursing Home, Inc.
Thornton Kirby	President & CEO	SC Hospital Association
Jeffrey Korte, PhD	Professor and Division Director	MUSC School of Public Health Sciences
Lill Mood, RN, MPH	Retired Public Health Nurse	Appointed by the SC Public Health Association
Patricia Moore-Pastides, MPH	Healthcare Advocate	
Connie Munn	Director	SC Department on Aging
Brenda Murphy, MSN, RN	President	SC State Conference NAACP
Lee Pearson, MS, DrPH (Chair)	Associate Dean for Operations and Accreditation	UofSC Arnold School of Public Health
Juana Slade, CDM, CCF	Chair	Alliance for a Healthier SC
Richele Taylor	Chief Executive Officer & Chief Legal Officer	SC Medical Association
Gwen Thompson	Healthcare Quality Director	SC Department of Health and Environmental Control
Brannon Traxler, MD, MPH	Public Health Director	SC Department of Health and Environmental Control
Kim Wilkerson, RN	Director of Clinical and Quality Services	SC Health Care Association
Lathran Woodard	Chief Executive Officer	SC Primary Health Care Association

In addition to task force members, we would like to extend a sincere appreciation to the agency support staff who worked behind the scenes to make SHaPE SC possible. In particular, we would like to thank the subcommittee clerks, Lawra Boyce, Saad Howard, Jessica Cornish, and Les Shelton. Other critical support staff from multiple agencies included Ron Aiken, Warren Bolton, Johdania Brown, Leigh Ann Chmura, Anthony Doyle, JT Gary, Charlie Garrett, Jorge Gomez, Sazid Khan, Joshua Laney, Camillia Leacock, Andrew (AJ) Leonard, Darbi MacPhail, Cristi Moore, Jade Reynolds, Rachel Skipper, and Daniel Walker, among others.

We also thank the State Department of Archives and History and DHEC Assistant General Counsel Bennett Smith for assisting us in our research of historical documents, and the members of the public who provided critical input throughout the process, including the **over 400 individuals and stakeholder groups who submitted feedback.**

In addition, we would like to thank Cassandra Harris, Director of Strategy and Engagement for DHEC, without whose overall coordination of task force events, gathering of information, and involvement in drafting key documents utilized in the SHaPE SC process, this undertaking would have been impossible to complete.

Finally, we would like to thank the countless other current and former DHEC employees who provided input and support for the work of the task force. We further recognize and thank the employees of each of the departments of participating agencies for their tireless service to the state, particularly during this difficult period.

**The Task Force to Strengthen the Health and Promote the
Environment of South Carolina**

SHAPE SC TASK FORCE REPORT 2021

This report was completed at the request of the South Carolina Department of Health and Environmental Control Director Edward Simmer, MD, MPH, DFAPA; and with the approval of the South Carolina Board of Health and Environmental Control.

Copies of the report and reference materials are available at shapesouthcarolina.gov.

Introduction: The Task Force to Strengthen the Health and Promote the Environment of South Carolina

On April 8, 2021, the director of the South Carolina Department of Health and Environmental Control (DHEC) created the independent **Task Force to Strengthen the Health and Promote the Environment of South Carolina** (SHaPE SC).

Authority

Approved by the South Carolina Board of Health and Environmental Control (Board), SHaPE SC was established by DHEC Director Edward Simmer, MD, MPH, DFAPA, to ensure health and environmental protection services are delivered to all South Carolinians in the most accessible, effective, efficient, and meaningful way.

Mission

The first meeting of SHaPE SC was held on June 3, 2021. During this inaugural meeting, participating members were tasked with two primary goals:

1. Evaluating the state of South Carolina's current organizational framework and responsibilities related to the provision of health and environmental protection services.
2. Making recommendations to the Board, South Carolina Mental Health Commission, General Assembly, and governor about how to best maximize state resources **to improve the quality of life for all South Carolinians by protecting and promoting the health of the public and the environment.**

Roles and Responsibilities

The task force was led by Chair, former South Carolina state senator, Larry Martin and was facilitated by Bernie Hawkins, a partner in the Columbia office of the Nelson Mullins law firm, having 31 years of experience in the environmental, health, and safety practice. In addition, task force members included a cross-section of more than 50 diverse stakeholders from across the state, with hundreds of years of collective experience in behavioral and public health and environmental fields. They were brought together to review and provide strategic guidance on the future of health and environmental services provided by state government.

Through a consensus-driven process, SHaPE SC conducted a multi-month evaluation of the means and methods used for providing the state's health and environmental protection services. To assist with this important evaluation process, SHaPE SC was comprised of three subcommittees. Each subcommittee focused on a primary role related to health and environmental protection services: **(1.) Behavioral Health, (2.) Environmental Protection, and (3.) Public Health.**

The subcommittees were tasked with considering the integration and interaction of the three-primary service-area roles. Together, SHaPE SC and its subcommittees held **17 public meetings**, resulting in over **approximately 30 hours of discussion within these meetings**. In addition, the Chair and the facilitator collectively spent more than 100 hours of time speaking with current and former DHEC employees and interested stakeholders, as well as reviewing public comments and anonymous survey responses, studies concerning the function of other agencies, information concerning the historical structure of DHEC, and various aspects of the financial operation of DHEC.

Scope and Overview

As part of its evaluation process, the task force was requested to identify recommendations to improve services and accessibility by addressing the following objectives:

- a. improving those within the current organizational framework,
- b. modifying the current organizational function or structure, and/or
- c. creating a new organizational alignment among agencies delivering services.

Due to the COVID-19 pandemic, the task force met via a mix of in-person, virtual, and hybrid settings. Recordings of these meetings can be found [here](#). Notices of meeting were provided to all persons, organizations, and news media who requested notification, as required by section 30-4-80(e) of the South Carolina Code of Laws.

All possibilities for improving services were considered, and decisions were data-driven to the extent possible and based on the best available information. In addition, consideration was given to the viewpoints of organizations and individuals that interact with the agency in a variety of capacities and how they would be affected by any changes to the provision of those services.

Public Input

Additionally, the task force invited members of the public to submit comments. Individuals and other stakeholder groups could submit their comments through email or by an anonymous,

online survey. South Carolinians interested in providing feedback were to provide constructive input on three questions:

1. How is our state doing now when it comes to delivering health and environmental services?
2. What are our state's greatest challenges to delivering effective, efficient, and accessible health and environmental services in the future?
3. If you could improve one to three things about our state's health and environmental services, what would they be and how do you recommend they be implemented to best serve our residents?

More than 400 comments were received. Comments submitted by the public are available [here](#). These include comments from the general public; agency staff, including [regional public health directors](#); a letter from [former DHEC Commissioner Doug Bryant](#); and others. Comments were also submitted by several task force members and are included later in the report.

Report and Recommendations

This report reflects the work, research, findings, and discussions of the task force.

Recommendations are based on consensus from the subcommittees and with review and input from the full task force. These recommendations are overarching in nature and were selected as critical areas the task force believes must be addressed to best serve all the residents of our state.

The task force notes that these critical issues deserve ongoing discussion and examination. One review, no matter how thorough, is not sufficient. We hope that this is the start of sustained dialogue concerning quality improvement efforts related to health and environmental services.

Key Findings and Discussion

To assist the task force in its evaluation of the provision of current health and environmental services provided by state government in South Carolina, SHaPE SC subcommittees received an [input document](#). This document served as a resource guide for subcommittees to use during their discussions, review of core findings, and development of recommendations. Specifically, it requested that subcommittee members consider three questions related to the delivery and alignment of services:

1. What is currently working that we want to preserve?
2. What are our key challenges?
3. What are our consensus recommendations for a better tomorrow?

The results of the task force's evaluation include **two key types of recommendations: (1.) cross-cutting** and **(2.) service-specific**. Cross-cutting recommendations are those recommendations to improve delivery of health and/or environmental services that found consensus across each of the task force subcommittees.

Meanwhile, some challenges and resulting recommendations were specific to a particular subcommittee and the service area it reviewed. These important service-specific recommendations are also identified in this report.

An overarching summary of the collective findings of SHaPE SC and its subcommittees is provided below. The format of the findings section of this report follows the questions posed within the task force's input document. To view the individual subcommittee input documents and final findings and recommendations, [click here](#).

What is Currently Working That We Want to Preserve?

Cross-Cutting Recommendations

The subcommittees agreed that collaboration across agencies, community organizations, and other stakeholders is essential to minimize silos and improve services and should continue. Specifically, COVID-19 and ongoing environmental outreach at the community level were found as key catalysts for continuing efforts aimed at improving multi-stakeholder collaborations. **This included a greater focus on strengthening partnerships and resources to better reach our state's rural and historically underserved communities.**

Collaboration that is currently occurring between public agencies in the state that provide overlapping services should also continue. In addition, the subcommittees recognized the benefits of receiving stakeholder input on service issues and maintaining open and constructive lines of communication between regulators and regulated entities, in the spirit of partnership.

Service-Specific Recommendations

The **Behavioral Health Subcommittee** recommended to continue leveraging partnerships and available resources that offer employment and housing for individuals receiving behavioral health services.

Similarly, the **Environmental Protection Subcommittee** noted the benefit of DHEC's improved communications with external partners, and enhanced coordination of customer service through efforts like ePermitting. Another identified strength by the subcommittee was the leveraging of limited resources by the agency's Environmental Affairs leadership to enhance environmental protection. Additionally, it was identified that there is currently a strong existing process for focusing on building stakeholder input surrounding environmental issues within the state.

The **Public Health Subcommittee** pointed to a mission-driven synergy they believe exists between the public health and environmental areas of DHEC. This shared mission was stated as the protection of human health. The subcommittee found that the range of the agency's current environmental programs reflect protection against illness or diseases that could result from contaminants being spread through the air, water, waste, food, and other means.

This subcommittee also found that the county-level presence of the agency throughout the state supports access to care and closer recognition of needs, but there are still significant concerns in areas of limited access. As part of this observation, they noted that DHEC's Public Health leadership across the regions is both experienced and dedicated and has been critical to the agency's ability to build and maintain strong community partnerships. This finding resulted from ongoing discussions related to improving health equity at the local levels across the state, with a focus on increasing access to services and educational outreach to rural and historically underserved communities. One pragmatic example that was provided was the leveraging of partnerships with local healthcare providers such as Community Health Centers.

Additionally, the subcommittee found that the regional capacity drives much of the work of the agency, with public health staff in the regions composing **41 percent of all DHEC staff** and **69 percent of all public health staff**. In addition, the subcommittee found that the pandemic created innovative approaches in the use of telehealth and through the support of community health workers, which are housed within DHEC's regional public health departments. Community health workers are staff who have "lived experiences," often with similar racial and ethnic background as those who live in the communities in which they work, and who are familiar with a particular community and can relate deeply to the challenges of local resident populations and their communities at large.

What are Our Key Challenges?

Cross-Cutting Subcommittee Findings

The following were identified by two or more of the task force's subcommittees as key challenges to the current provision of health and environmental services in South Carolina.

Lack of Sufficient Funding

The amount of funding for behavioral health, environmental protection, and public health services must be increased significantly for the state to continue to provide accessible and effective services into the future.

For example, concerning funding for health services, South Carolina ranks **34th in per capita public health funding based on pre-pandemic data** (\$28 per person in 2020). Meanwhile, a recent **Trust for America's Health (TFAH) report** shows a comparison by state of the federal

Centers for Disease Control and Prevention (CDC) funding. According to the report, South Carolina ranked **27th in total state public health funding per capita** provided from the CDC and **41st in pandemic response funding during the 2019-2020 Fiscal Year (FY)**.

A recent study demonstrated that [South Carolina spends less per capita in funding its public substance use treatment authority compared with other states in the South Atlantic region and nationally](#): \$2.81 per capita, compared to an average of \$8.75 in all states and an average of \$8.89 per capita in other states of the South Atlantic region.

Compared with national and South Atlantic region average budgets, the South Carolina Department of Alcohol and Other Drug Abuse Services (DAODAS) is far **more reliant on short-term federal funding to support public substance use disorder treatment services**. Compared with other states, DAODAS has fewer funds available for critical services, including residential treatment, crisis management, and wrap-around support services that have been shown to prevent relapse and provide strong support for lasting recovery.

In addition to state general funds, [Medicaid reimbursement of mental health and substance use disorder \(SUD\) services plays an enormous role in the funding of every public behavioral health system](#). Therefore, states that have expanded Medicaid and states whose Medicaid programs pay for mental health and SUD services at higher rates are better positioned to have a greater impact on the level of services than state appropriations alone.

Further, a review of funding for environmental services, shows South Carolina [ranks 37th in spending per capita nationwide](#), and third to last in funding per capita when compared to other U. S. Environmental Protection Agency (EPA) Region 4 states (ranked in order: MS, FL, NC, TN, KY SC, AL, GA). It is important to note that compared with other EPA Region 4 states, South Carolina's environmental services fees are less of a contributor to funding for environmental services as other states. Based on the information provided by a nonprofit, nonpartisan association of state and territorial environmental agencies, the Environmental Council of the States, it appears that South Carolina has a greater reliance on the general fund for environmental funding than most states. This observation is further supported by the [detailed fee report provided to the Environmental Protection Subcommittee](#), which indicates lengthy times between fee increases or no increases over decades.

Environmental fees in South Carolina are presently limited by statute (see. S.C. Code. Ann. § 48-2-10, et. seq). According to state law (S.C. Code. Ann. § 48-2-80), specified environmental fees “do not supplant or reduce in any way the general fund appropriation to the department from the state or federal program; and the total amount of fees authorized by this article collected in any fiscal year, may not exceed thirty-three and one-third percent of the ‘Total Funds’ appropriated to the Office of Environmental Quality Control in the annual appropriations act.” Thus, when DHEC receives inadequate federal grant and/or general funding, it also impacts the agency's ability

to seek additional fees—which can amount to only a given percentage of the total funds DHEC receives from the federal funding and the state general fund.

In reviewing national comparisons, the task force recognizes that services provided by health and environmental agencies across the country differ and therefore national overviews do not always provide an apples-to-apples comparison.

Historic Impacts from the Great Recession

At the same time, the Great Recession resulted in a loss of over **\$62M in state funding** for DHEC. This equated to a **43 percent reduction from FY08 to FY11 appropriations**. As the state’s economy has improved, the total DHEC budget has been gradually increasing. Since 2012, the agency’s state general fund appropriation has had an **average annual increase of 2.25 percent**. Despite increases in state appropriations, DHEC continues to struggle with funding for competitive salaries to reduce attrition and for funding to support critical program areas. Such needs continue to be reflected in the agency’s annual state budget requests and are discussed in further detail in this report.

The Management of Multiple Funding Sources

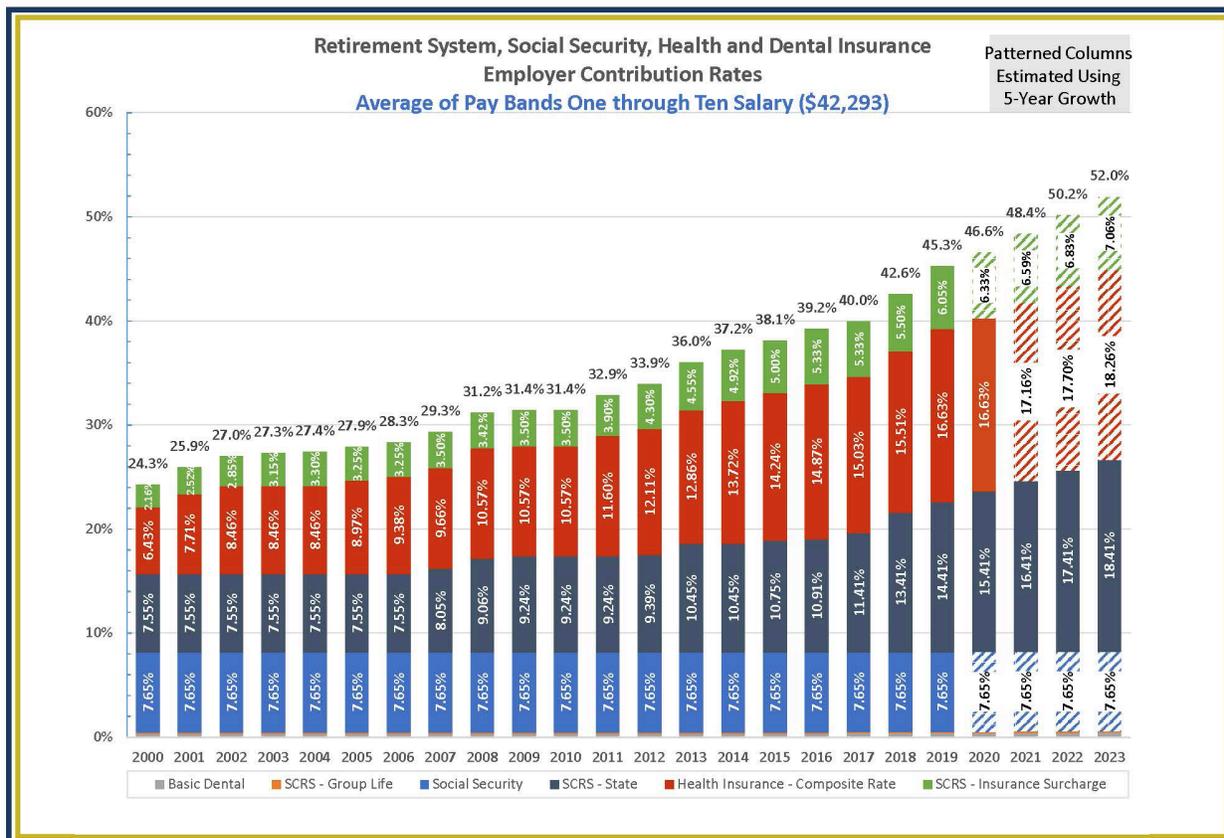
Today, **state allocation to DHEC represents 23 percent of the agency budget**, requiring broader dependence on fee revenue, federal allocations, and competitive grant funding. The agency receives another **45 percent from federal funding**. This includes over **500 different funding streams** as of October 2021. These streams are comprised of approximately **370 federal sources**. Many of the federal grants are multi-year funding and each year must be accounted for separately. DHEC has approximately **258 distinct federal grants**, but in any given year, it must manage **370 federal funding streams**. Federal grants support almost all program areas from the Women, Infant, and Children program (WIC), family planning, air, water quality, healthcare facility inspections, etc. In addition, another **32 percent of the agency’s funding comes from other sources**, such as program fees and patient revenue.

Over time, funding has become less flexible. As a comparison, in FY08, approximately 30 percent of expenditures were from state funds, 33 percent from other funds, and 38 percent from federal funds (most restrictive).

	FY08	FY20
Federal	38%	45%
Other	33%	32%
State	29%	23%

While state funding has slowly rebounded to nearly the same level as it was prior to the recession, most of these increases have been for very direct purposes and not flexible resources to direct for current priorities.

Increases in Fringe Benefits for State Employees



This lack of sufficient funding and limited resources is further exacerbated by continuing rising costs to operate service programs and ever-increasing fringe costs. For example, for all state agencies, employer contribution rates (fringe) as a percentage of salary have steadily increased from FY20 (see chart above). These increases are driven by employer contribution rates for the retirement system as well as for health care costs. Fringe as a percentage of salary costs about doubled in that time frame. Fringe costs include insurance, Social Security taxes, retirement contributions, etc. For DHEC, the average fringe cost in FY20 was approximately 44 percent of a full-time employee (FTE) salary.

Through the years, state employees have received several cost-of-living adjustments as passed by the General Assembly. For state funded FTEs (approximately 34 percent of DHEC FTEs), these salary increases as well as the fringe cost increases have been funded by the General Assembly. However, for federal and other FTEs, these costs must be covered by the agency out of existing funds.

Availability of Competitive Salaries and Sufficiently Qualified Employees

All three subcommittees as well as task force leadership research identified that the most critical challenge to continuing to provide both effective and efficient behavioral health,

environmental protection, and public health services in the state is the lack of competitive salaries, along with a dwindling pool of available qualified applicants. In all three areas, there is a shortage of qualified applicants willing to apply for the available jobs at the posted salary ranges.

To compete for scarce and qualified employees, the state must provide more competitive salaries. In FY21, the General Assembly provided DHEC and the South Carolina Department of Mental Health (DMH) approximately **\$2.7 million** and **\$4.36 million** (respectively) in additional state funding to support the recruitment and retention of critical positions. While this essential funding will greatly support this overall effort, additional funding is needed to ensure the state is able to meet the needs of a modern workforce and maintain critical services. An understanding of workforce trends and staffing turnover is also needed.

DHEC, like DMH and many government agencies, is facing an upcoming wave of employee retirements as **more than a third of the agency's workforce is eligible to retire within the next three to five years.** Meanwhile, **42 percent of employees** have been with the agency **less than five years.** Succession planning, knowledge transfer, recruiting, and employee retention are critical success factors for the agency moving forward.

For example, both public health and behavioral health services require adequate numbers of Registered Nurses (RNs) to provide the necessary care and services in both areas. At the same time, DHEC and DMH currently have a critical number of nurse vacancies.

Nurses are vital to every function of the DMH Division of Inpatient Services. The clinical staffing level sets the limits for the quality and the quantity of care provided to the citizens of South Carolina. Currently, battered by COVID-related hardships and an average age swiftly nearing retirement thresholds, the rapid rate of staff turnover is no longer sustainable. Even with space in its facilities, the department's failure to retain personnel, to replace departing employees, and to recruit new workers because of an inability to offer competitive wages cripples services while slashing the number of people for whom the agency can adequately provide care. From April through June of 2020, the COVID-19 pandemic steered much of the workforce into telehealth nursing, with many of these individuals not returning to the traditional workforce. This adds to the strain on available resources and continues to drive the number of available and open positions higher.

Within DHEC roughly 40 percent of available nursing positions are unfilled. This is intensified by the agency's inability to compete with growing salary rates in a competitive marketplace. For example, external organizations in the Upstate region of South Carolina currently offer bachelors prepared nurses on average a starting salary of \$72,347, with one local hospital starting new nursing graduates at \$60,320. In contrast, DHEC's starting salary for a bachelors prepared nurse with one year of experience is \$50,833. Meanwhile, five out of five and a half family planning/STD nurse positions in the DHEC Upstate region were vacant at some

point this last year. One of these positions is still vacant and has been vacant for seven months. These vacancies represent 9,100 “lost” appointments due to total overall staffing shortages.

There has been a shortage of RNs both nationally and in South Carolina for many years, but the shortage in South Carolina is the worst in the nation.

Understanding South Carolina’s Nursing Shortage

South Carolina has the lowest number of nurses per capita of all the states.

	Total Nurses (2018)	State Population (2019)	Nurses per 1,000 Population
USA	3,956,080	328,055,000	12.06
South Carolina	40,600	5,149,000	7.89

With the COVID-19 pandemic, the nation-wide shortage of nurses is now even greater.

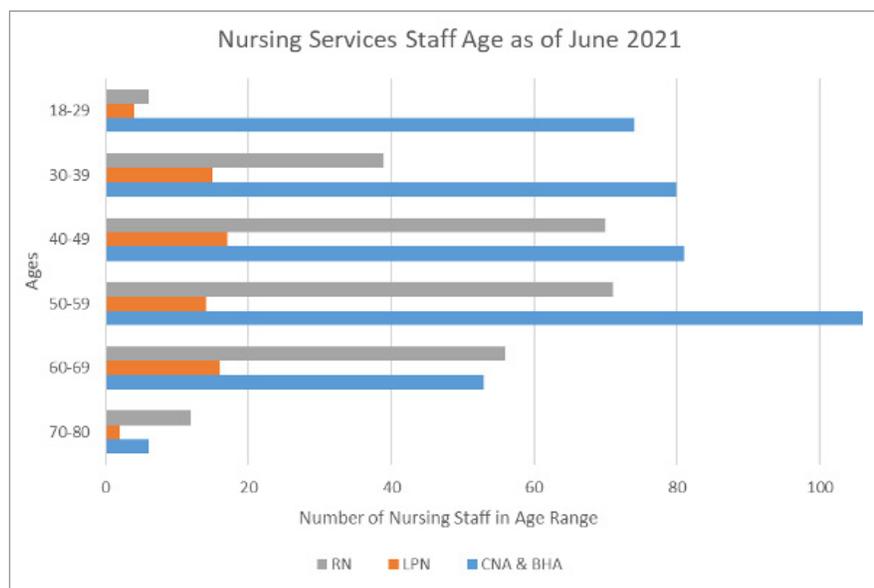
- **South Carolina currently has the highest nursing workforce shortage in the nation.**
The top two reasons are *retirement* and local nurses turning to *travel nursing*, for which the demand and compensation has greatly increased. A traveling nurse can now make as much as **\$6,900 per week**. There is a major need for nurses in South Carolina.
- According to data obtained by the South Carolina Department of Employment and Workforce, there are currently more than **8,000 job postings** for RNs in South Carolina, making it the profession with the most openings in the state.
- According to a **2018 National Sample Survey of RNs** conducted by the Health Resources and Services Administration, the **average age for an RN is 50 years old**, which may signal a large wave of retirements over the next 15 years.
- In the DMH Division of Inpatient Services, over 146 nurses and nursing assistants qualify for retirement. This is over **20 percent of current staff**.
- The Southeast region of the United States struggles with the highest turnover rates for nursing.
- Every four years, the average national hospital turns over all nursing assistants.
- First-year turnover of nursing positions makes up about 83.3 percent of a hospital’s total turnover within in one year of service.

The COVID-19 pandemic dramatically affected the state of nursing at DMH. Vacancy rates remained high, and the volume of called-in absences and non-productive time increased significantly. This required an increased focus on alternative staffing strategies such as float pool, supplemental agency use, overtime strategies, and creative scheduling. Separations are up and new hires are down because of the limited supply of nursing staff in the Columbia and Anderson markets. This reduced the overall amount of relief, requiring the use of overtime to meet

regulatory requirements. The facilities are mandated minimum staffing requirements per DHEC, U.S. Centers for Medicare and Medicaid Services, The Joint Commission, and Commission on Accreditation of Rehabilitation Facilities. These requirements also led to the closure of units because of staffing limitations and the response demanded by adjusting to COVID-19 protocols, resulting in increased wait times for patients needing inpatient mental health care and nursing care services.

An Aging Workforce

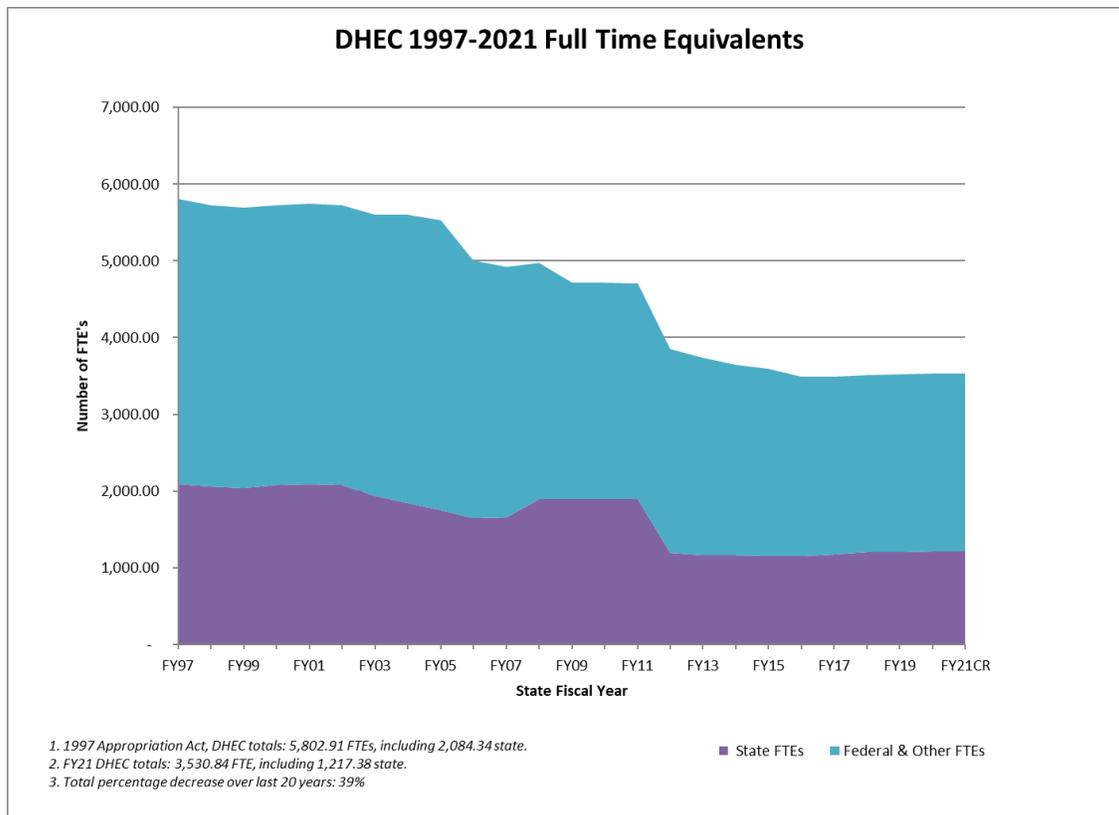
The average age of staff continues to increase. In nursing, this is critical, especially comparing the percentage of new nurses entering DMH to retirement-eligible nursing staff. The DMH average age for **RNs** is **51**, for licensed practical nurse (**LPNs**) is **49**, and for certified nursing assistants (**CNAs**) and behavior health associates (**BHAs**) is **44**.



With the worst nursing shortage in the nation, and a corresponding critical need for nurses in the state's community hospitals, nursing homes, medical clinics, schools, and numerous other private sector organizations, salaries for nurses in South Carolina have been steadily increasing, with many organizations also offering sizable sign-on bonuses. Consequently, both DHEC and DMH find themselves at a tremendous disadvantage in their efforts to recruit and retain needed nursing staff.

Current Challenges Facing Our Environmental Protection and Public Health Workforce

DHEC has lost one-third of its capacity provided by FTEs over the past decade and the challenges of recruitment and retention of qualified staff are made greater by non-competitive salaries and a hiring process that is described as ineffective and cumbersome.



In addition to the serious shortage of RNs described above, nurse practitioners, registered dietitians, and nutritionists remain difficult to recruit and retain. Today, the average South Carolina state salary for a Nurse Practitioner I (APRN) is \$85,995 with the opportunity for bonuses or raises based on performance while APRNs hired at DHEC begin at \$76,500 with little potential for incentives. In the DHEC Lowcountry region, each APRN vacancy results in approximately 60 missed potential appointments weekly. In the DHEC Pee Dee region, recruitment and retention of nutrition positions is challenging due to the rural nature of many Pee Dee counties and the base salaries for these classifications. Several postings of these nutrition positions resulted in no qualified applicants and/or no applicants at all. The current starting salaries for these positions are as follows: Registered Dietitians-\$53,069, Nutritionist II's-\$33,874, and LPN's-\$34,331.

DHEC's Healthcare Quality's drug inspectors are licensed pharmacists and graduates of South Carolina's Criminal Justice Academy's law enforcement officer program. As the private sector salaries have continually increased, the agency's salaries have remained constant. Retail pharmacies, such as CVS and Walgreens, offer an annual salary in South Carolina to pharmacists ranging from \$125,000 to \$148,000. Additionally, there is often an opportunity for bonus and incentive pay over their base salary. For example, the Medical University of South Carolina has hospital pharmacist positions posted from \$133,000 to \$145,000. The average range for a DHEC drug inspector (pharmacist) is \$94,085 to \$102,010.

The same can be seen in the environmental field for many positions. DHEC continues to have difficulty recruiting and retaining positions requiring technical expertise such as engineers, geologists, and staff specialized in environmental sciences in the agency's environmental health manager job classifications. Much of the work conducted by scientists in DHEC's Environmental Affairs program areas is very specialized and requires many years of on-the-job and specialized training to become proficient. This training and experience make these staff extremely valuable to private industry and other government agencies. In these other settings these individuals are making significantly more money than they can at DHEC. Hiring qualified team members is only part of the solution; retaining those staff members is critical to continue the day-to-day functions of the agency without delays in operations and permitting timelines. Retaining experienced employees is even more difficult because salaries outside the agency can vary widely depending on their educational background, professional certifications, additional skills, and years spent in the profession. For example, a Geologist/Hydrologist I with an average DHEC starting salary of \$39,452 can gain two years' experience with DHEC and be recruited by consulting firms and private industry at salaries 15 to 25 percent higher than what they make after two years with the agency.

Likewise, DHEC's environmental health manager job classification has an average DHEC starting salary of \$36,462, which is almost five percent lower than the state average starting salary of \$38,266. That same staff member with a bachelor's or master's degree in the earth or physical sciences can be hired at an average starting salary of \$49,549 in private industry, an increase of almost 35 percent. Many of DHEC's regional inspectors in Environmental Affairs are part of the environmental health manager job classification with years of on-the-job and specialized training. The agency consistently loses staff members to the private industries they inspect due to non-competitive salaries and the inability to retain them with prescribed retention schedules for pay increases and promotions.

Meanwhile, DHEC is competing not only against private industry and consulting firms, but **other state agencies and counties and/or municipalities**. For example, the average starting salary for an Engineering Associate I at DHEC is \$47,170, which is five percent lower than the starting salary for other state agencies and 25 to 40 percent lower than starting salaries at consulting firms and private industry that range from \$58,000 to \$68,000. In South Carolina, where many county governments have benefit packages like state government, engineers working in the public works sector are hired at starting salaries between \$55,500 to \$74,000 depending on the size and population of the county.

In some instances when competing with other state agencies offering higher salaries, fewer responsibilities may also be a consideration. DHEC's pharmacist inspectors are state law enforcement officers but are often left out of consideration for additional legislative budget compensation for other state law enforcement officers, such as South Carolina Law Enforcement

Division, the South Department of Probation, Parole, and Pardon; and the South Carolina Department of Public Safety. In addition, for facility inspectors within DHEC's Healthcare Quality, who now have an average starting salary of \$35,500, DHEC must also compete with other state agencies (e.g., South Carolina's Department of Labor, Licensing and Regulation, Emergency Management Division) that offer comparable or higher salaries, but also offer more work schedule flexibility and do not require extensive travel.

While subject-matter experts in their field remain important to DHEC's ability to meet its mission, administrative staff are also an essential part of all services that the agency provides. In the Upstate Regional Public Health Department, seven out of nine positions in family planning/STD are presently vacant. The agency's current pay rate is \$23,190 or \$11.14/hour. As a comparison, in Greenville, multiple retailers such as Burger King, Target, Aldi, and Ross Dress for Less are advertising positions for \$13-17/hour, many with health benefits, 401K, and tuition assistance.

The agency's strain to provide competitive salaries is further compounded by increases in employer benefit contribution rates. While state funding has slowly rebounded to nearly the same level as it was prior to the recession, **required employer contribution rates (e.g., Social Security, health insurance and retirement) have increased by approximately 55 percent. This means that each FTE costs the agency more today than it did in 2008.**

Current Challenges Facing Our Behavioral Health Workforce

Similarly, the DMH and DAODAS behavioral health workforces are diverse and multidisciplinary, consisting of addiction counselors, psychiatrists, physicians, nurse practitioners, nurses, social workers, master's prepared therapists of different types, peer specialists, and others. Challenges related to recruitment and retention of needed treatment professionals in the behavioral health field have accelerated rapidly in 2021, leaving hundreds of vacancies in mental health centers and county SUD authorities. According to a 2017 study by Mercer, a [10 percent increase in demand for mental health workers by 2026 is projected.](#)

Despite recent important efforts to increase wages, DMH continues to struggle with workforce shortages that are the worst in memory. Healthcare providers in South Carolina and other states feel the same strain from the shrinking workforce and are also closing units and reducing beds. Staffing vacancies are increasingly undermining the DMH's ability to provide timely mental health services in its community mental health centers. DMH has experienced much higher than average staff resignations as other healthcare providers, both in state and out-of-state, aggressively seek to fill their vacant positions. For clinical staff, the job market has become increasingly national, and the expansion of telehealth has accelerated the trend of out-of-state providers recruiting licensed behavioral health workers in South Carolina.

Direct care staff shortages in DMH hospitals and nursing homes have worsened as other industries began increasing wages to compete for the same shrinking pool of workers. Most of the DMH's direct care employees have a high school education, and there are increasing instances in which those staff are leaving DMH not for jobs with other healthcare providers, but for higher-paying jobs in manufacturing, transportation, or retail.

Even with recent pay increases implemented for its employees, because of the current extreme imbalance between the supply and demand, private employers are offering wages substantially higher than the DMH. **In short, staffing vacancies are adversely affecting the ability of DMH to provide all the mental health services needed by the state's residents.**

Staffing Turnover

As requested by the task force, DHEC developed a [cross-agency staff turnover analysis and salary comparison](#) within the agency. This report reflected all DHEC classifications and provides the most recent turnover rates for FY21 and a three-year average turnover rate. It also provides a comparison of average salaries per classification at DHEC compared to the average salaries for the same classification within other South Carolina state government agencies.

It is important to note that the FY22 State Budget Appropriation included approximately \$2.7 million for salary increases in critical service positions with higher turnover. This funding allows DHEC to take the first step towards addressing salary concerns.

A few key data points from this analysis include:

- 76 percent of DHEC employees are in classifications where the salary average is less than other state agencies in South Carolina,
- 31 percent of classifications used by DHEC have a three-year average turnover rate greater than 15 percent, and
- 23 percent of classifications used by DHEC have a three-year average turnover rate greater than 20 percent.

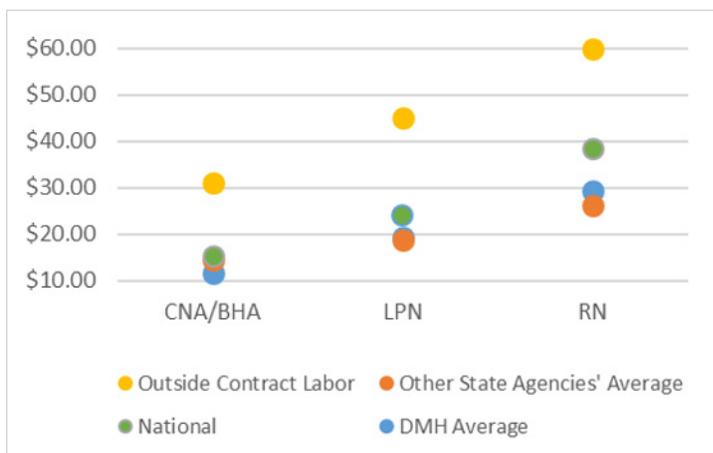
On average over the last three years, approximately 475 FTEs (approximately 13 percent of the FTE workforce) leaves DHEC each year.

Likewise, the South Carolina Legislative Oversight Committee released a [2020 study illustrating the historical challenges of staffing turnover](#) at DMH. DMH internal data shows **FY21's turnover rate, 33.29 percent**, is consistent with the percentages reported by the committee. These turnovers led to substantial nursing vacancies in DMH facilities.

Vacancies as of 6/30/21

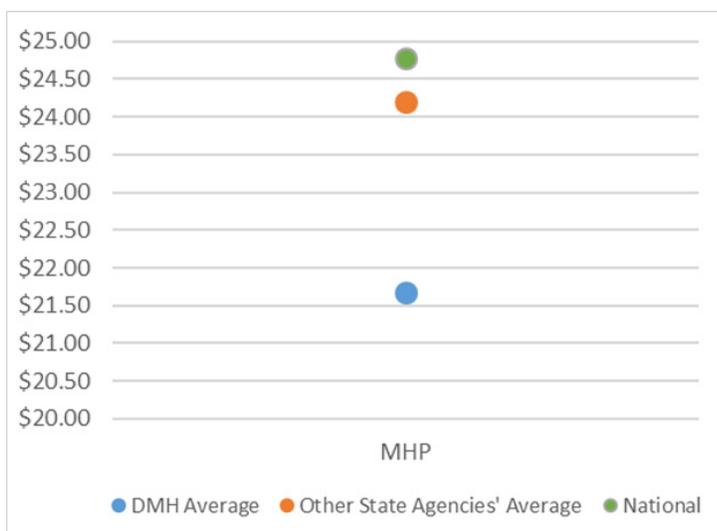
	RN Vacancies	LPN Vacancies	CNA & BHA Vacancies
Morris Village	42%	88%	32%
WSHPI	62%	—	58%
Harris	26%	55%	40%
Stone	61%	38%	63%
Roddey	29%	61%	54%
BPH	59%	69%	40%
DIS Float Pool	75%	100%	43%
Totals	46%	65%	33%

The Salary Gap



A similar pay gap exists for the master’s prepared therapists – mental health professional or MHPs – who provide the vast majority of the mental health services provided by DMH community mental health service centers.

Pay Gap Market Impact



Mission-critical vacancies have sent caseload sizes well above the agency's guidelines. DMH Community Mental Health Services now has less than half of the clinicians needed for adult cases and under two thirds of the staff needed for providing outpatient mental health services to children.

Centralization of Internal Agency Support Services at DHEC

In examining the [organizational charts for DHEC from 1973 to date](#), it is apparent that since at least the late 1990's, and moving forward into present times, there has been a continued movement to centralize support services within DHEC. This issue was identified by a number of the subcommittees, either in their reports or in discussions with task force leadership. The overarching concern shared by members was an unintentional impact on the ability to focus on mission-critical services in the most efficient and effective manner.

Service-Specific Findings

Many of the challenges identified by the subcommittees were specific to the service provided: behavioral health, environmental services, and/or public health. As a result, these items are more appropriately viewed as subcommittee consensus versus task force consensus, reaching across the subcommittees. We are presenting these service-specific findings in this section of the report and will do likewise with other findings and recommendations as identified below.

The **Behavioral Health Subcommittee** identified the stigma associated with receiving behavioral health services as a primary challenge to providing quality care in this area. Insufficient integration of behavioral health and general health services was also identified as a major challenge, especially as it is a recognized means of improving both the effectiveness and efficiency of healthcare services, as well as improving population health outcomes. In addition, the subcommittee also identified that legal issues and separate funding streams with different requirements between the public mental health providers and publicly funded SUD agencies make it difficult to coordinate care for people with more than one medical condition.

The **Environmental Protection Subcommittee** reviewed the increasing number of federal environmental mandates, many of which are demanded of state programs without any accompanying federal funding. Meanwhile, the subcommittee found that the level of federal funding of state programs like those within DHEC have not increased in decades. This has resulted in state level programs struggling to maintain federal delegation of environmental programs from the EPA. It has also made it difficult to achieve a level of funding to support critical environmental protection services needed to keep pace with current and anticipated economic development and population growth in the state. This subcommittee also provided examples of challenges that are driving the demand to hire and retain qualified employees. For instance, with emerging contaminants of concern, such as ethylene oxide, per- and polyfluoroalkyl substances

(also known as PFAS), etc. DHEC will be required to have built-in capacity and expertise to understand and effectively communicate with the community concerning the potential health risks associated with emerging issues of environmental concern.

Additionally, the **Public Health Subcommittee** noted that DHEC further has been challenged by frequent turnover in leadership in key senior positions. Notable positions discussed by the subcommittee included those of the agency director and public health director. From 2015 to 2021, four different permanent agency directors have been confirmed to lead the agency. During this same period, the agency had four different permanent public health directors that oversaw more than 1,900 of the agency's employees statewide. The subcommittee believes that this high turnover in senior leadership positions at DHEC has resulted in a prior void of clear, consistent messaging and priorities from agency leadership to staff and the public.

What are Our Consensus Recommendations for a Better Tomorrow?

Three categories of proposed recommendations aimed at improving the future of health and environmental services in South Carolina were considered by the findings of the task force and its subcommittees. These categories include: **(1.)** service changes, **(2.)** structural recommendations, and **(3.)** the realignment of agencies providing relevant services.

Service Changes

Cross-Cutting Recommendations

All three subcommittees identified lack of adequate funding as a serious critical need that demands immediate attention. The state **must address the lack of sufficient funding for behavioral health, environmental protection, and public health services.** To support the state in addressing such needs, the subcommittees also recommended that the **full budgetary needs of DHEC be adequately identified, documented for sufficient investment on the part of the state, and then be funded at those levels.**

Specifically, the Environmental Protection and Public Health subcommittees focused on funding related to the preparation of presentation of budget requests to the Legislature. As a result of the subcommittees' discussions, it was recommended that there be an equitable consideration of budget requests from each of the three core deputy areas, promoting the different resource needs of the core deputy areas, and advocating for adequate funding to support the effective implementation of mission-critical program services. There was also a consensus that all reasonable budget requests originating from the core deputy areas should be presented to the

Legislature for funding. In this context, concerns were expressed about what was referred to as occurrence of a “double-haircut.” The subcommittees were informed that some budget requests were eliminated by the DHEC executive leadership team and/or prior DHEC directors before being presented to the Legislature. The Legislature frequently eliminated additional requests – thus the “double-cut.” This practice could well limit the likelihood of valid requests being funded at the Legislature and denies the Legislature the opportunity to consider a potential funding need for the state, which is ultimately within their purview. An overview of DHEC’s budget process is available [here](#). A summary of [budget requests considered](#) and [submitted](#), as well as [general fund base appropriations](#), can be found [here](#). A comparison of these documents demonstrates the reality of the concerns expressed above.

Either in their reports, or in discussions with task force leadership, input from all three subcommittee areas reflected on a desire for some type of **cross-analysis of salaries of mission-critical positions**. This would include:

- comparing salaries to those of the private sector and other state agencies,
- providing justifications for increasing, decreasing, or maintaining salaries to levels that promote mission-critical activities; and
- supporting the hiring, training, and retention of qualified employees.

Another cross-cutting recommendation included the need for a **review and streamlining of various DHEC procedures and processes**. For example, the time for making decisions on new hires was described as outdated and overly time consuming. Not only is DHEC working at a disadvantage in paying competitive salaries, but if it takes six months to reach and communicate a decision on the hire, the potential employee will no longer be available. For example, during the COVID-19 response, a rapid-hire approach was implemented for temporary hourly employees. While there are more state requirements for hiring FTE positions, DHEC could benefit by applying some of the same processes to hiring FTE positions where possible. Another example was the number of approvals required to make certain purchasing requests, that had to go through multiple approval steps.

In addition, similar to the overall comment in the previous section about centralization of support services, a concern was expressed about legislative priorities being set primarily by centralized support services and/or leadership, instead of **these legislative priorities coming out of the core-service delivery programs**, who are more directly aware of the challenges in directly delivering services. A general cross-cutting recommendation was to **strengthen lines of communication among DHEC subject-matter experts** and the Governor’s Office and General Assembly. This recommendation included communications on items such as development of legislative priorities, but also included communications concerning the substantive elements of

statutory and regulatory developments and proposed changes as well as discussions concerning requests for funding to support subject-matter programs.

For these types of communications, including subject-matter experts in discussions allows governmental officials to be better-informed about critical health and environmental issues directly from those involved in developing programs and delivering the services. The Office of Legislative Affairs should support and facilitate these communications, but not act as a substitute for allowing direct substantive core area input to the Governor's Office and General Assembly. This type of communication also provides for a better appreciation for the type of expertise that exists within DHEC, and a better understanding of what functions DHEC does and does not carry out.

Another frustration expressed by many current and former DHEC employees, as well as a number of the members of the public, was that DHEC's roles were not sufficiently understood. It was not always clear where to go for specific questions, concerns, or services. To address this challenge, the Environmental Protection and Public Health subcommittees recommended **enhanced public outreach and communications concerning the role of the agency, as well as how the agency coordinates with other state and local agencies offering cross-functional services.**

Each subcommittee discussed in its meetings a concern about how DHEC was funded. The three traditional sources of funding include: **(1.)** federal dollars; **(2.)** fees; and **(3.)** general (state) appropriations. Many of these funds are tied to a particular service and cannot be reallocated. A cross-cutting desire was expressed that there should be **more flexible funding that can be easily allocated to where the need is the greatest, especially in a crisis or urgent situation.**

In addition, because DHEC funding comes from so many different sources (over 500) and many of these funds are tied to a particular service, this results in a complex funding system. The complexity of this system can make it difficult for a substantive service area manager to know what her or his budget is for carrying out a given critical activity in a given year. Program staff may not always fully have ready access to the information concerning their budgets and funding available to hire new employees, conduct training, or carry out other activities critical for providing the priority service. **Further efforts should be made to assure that program areas have timely, transparent, and understandable information concerning their funding and financial reports.** This likely starts with providing more funding and more flexibility for that funding to be allocated to priorities identified from the core program areas as well as locating finance-support resources directly within the program areas.

Service-Specific Recommendations

The **Behavioral Health Subcommittee** identified the co-location of services as an important opportunity to improve health services. This subcommittee recommends that there be an **identification and leveraging of opportunities to co-locate behavioral health and general health services in communities across the state**. Co-location in this manner could do much to remedy the stigma challenges associated with receiving behavioral health care.

The Behavioral Health Subcommittee noted that co-location would also improve the opportunities for the integration of primary and behavioral healthcare, making it easier to treat patients with more than one condition. Integration of primary and behavioral healthcare has been shown to significantly improve the overall health outcomes of patients while reducing health care costs. *Charleston County*, for example, is currently constructing a new county building in which the DHEC public health department, the county SUD treatment provider (Charleston Center), and the DMH Charleston-Dorchester Community Mental Health Center will all have services available. The Behavioral Health Subcommittee recommended that **further opportunities to co-locate county-based public health, mental health, and publicly funded SUD providers should be explored and implemented** whenever possible.

This subcommittee also recommended that there is an opportunity to **expand behavioral health services in jails and prisons across the state**. Additional **investments in workforce development for behavioral health and SUD professionals** are critical needs. The subcommittee noted that legal issues and separate funding streams with different requirements between the public mental health providers and publicly funded SUD agencies makes it difficult to coordinate care for people with multiple conditions. Current efforts to better integrate services between the two systems, as well as work-around the prohibitions on sharing of SUD treatment information as a result of 42 CFR Part 2, should continue. Further, the subcommittee found that **investment in workforce development for behavioral health and SUD professionals remain critical needs**.

The Behavioral Health Subcommittee also recommended **increasing the availability of diversionary courts, such as mental health courts and drug courts**, to increase participation by defendants with behavioral health disorders in effective treatment and reduce criminal recidivism and court-and corrections-related costs. While drug courts reduce drug use relapse and criminal recidivism among individuals charged or convicted of low-level, non-violent crimes, there are still opportunities to implement programming consistently and throughout the state.

Other subcommittee recommendations aimed at improving services:

- **Expansion of access to behavioral healthcare through paraprofessionals and leveraging technology** to increase information sharing (to include DHEC).

- **Representation from Federally Qualified Health Centers (FQHCs)**, through the SC Primary Health Care Association, be included on the Behavioral Health Coalition on a permanent basis. FQHCs involvement on the coalition will serve to strengthen service delivery for patients who overlap public systems across the continuum of care.
- **Advocacy for Medicaid payment policy improvements** related to reimbursement rates for SUD and behavioral health treatment, including telehealth and telepsychiatry.
- **Implementation of current State Budget Proviso 117.177**, which directs the South Carolina departments of Health and Human Services, Mental Health, and Alcohol and Other Drug Abuse Services to identify ways to coordinate their efforts to ensure that the state's system for the delivery of behavioral health services is structured to "provide a range and supply of treatment options and settings that are appropriate to meet the varying needs of individual patients."
- **Continued pursuit of recommendations listed in the [Hope for Tomorrow: The Collective Approach for Transforming South Carolina's Behavioral Health System](#) report by the South Carolina Institute of Medicine & Public Health (IMPH)**, to include addressing increased school mental health services, development of statewide array of crisis stabilization services, discharge and reentry planning within the South Carolina Department of Corrections, integration of primary and behavioral healthcare, and collaborative care.
- **Development of an adequate behavioral workforce.**

Meanwhile, the **Environmental Protection Subcommittee** recommended addressing the **salary classifications for professional positions** such as engineers, geologists, biologists, chemists, etc. At present, there is insufficient basis to appropriately classify and compensate these individuals. The subcommittee found that current opportunities for career development in these professional positions are limited and must be improved.

Similarly, the **Public Health Subcommittee** recommended DHEC **hire executive leadership having expertise** in public health and environmental science, supplemented by continuing to **enhance and leverage active public and private partnerships to help address any existing gaps in service**. While the subcommittee indicated that the current DHEC director has these substantive qualifications, they noted that some prior directors had limited to no real experience in these areas.

Structural or Functional Changes

Cross-Cutting Recommendations

Either in their reports, or in communications with task force leadership, all three subcommittees identified some form of concern surrounding the **impact of the centralization of support services at DHEC**.

Previously, support staff (including finance, IT, communications, and human resources), were embedded within the three deputy level substantive support areas of DHEC, in many cases down to the bureau level or inter-divisional level within DHEC. The resources were directly involved with the services being provided by the substantive program area. These support providers were accountable to the deputy area leader. This organization appears to have streamlined and made the support efficient and effective. Because the support staff was more involved with the provision of core external services, they were better positioned to provide efficient and effective support to address critical needs. For example, an IT support provider embedded within a substantive program area, with direct experience with providing relevant services, would be better able to design a computer program related to the service in question. An example would be the development of electronic permitting programs. To address this identified area of concern, the Environmental Protection and Public Health subcommittees **recommended a review and appropriate alignment of support services at DHEC to maximize the provision of services within the substantive core program areas**.

As a result of restricted funding and limited resources, the task force also determined that **critical service priorities must be clearly defined annually, with a focus on carrying out the critical service**. The subcommittees found that the closer the relationship with the support staff and the actual service provider, the more efficient and effective the service seemed to be. Therefore, developing processes that require substantial input from front-line employees and subject-matter experts tasked with delivering services need to ensure mission-critical services are being met. For example, because each deputy area substantive program has a budget, and that limits how it can approach its critical services for given year, it needs to have accounting resources that are directly available to help track limited funding against the priorities identified in the substantive program area for delivering the service.

A recommendation from the subcommittees included **some form of consideration of whether and how to decentralize some level of support resources to within the three-substantive deputy areas**, Environmental Affairs, Healthcare Quality, and Public Health. It was recognized that there will **need to be some level of centralized support services for issues impacting all of DHEC** (e.g., communications that reflect statements for all of DHEC; IT support for servers that cover all of DHEC, strategic development across the entire agency). At the same time, current

and former DHEC employees felt strongly that the agency was more effective when the deputy level areas included support services.

Service-Specific Recommendations

The **Behavioral Health Subcommittee** recommended **identifying and leveraging opportunities to co-locate behavioral health and general health services in communities across the state**. They noted that co-location could do much to remedy the stigma challenges associated with receiving behavioral health care. They further explained that co-location would also improve the opportunities for the integration of primary and behavioral healthcare, making it easier to treat patients with multiple conditions. Integration of primary and behavioral healthcare has been shown to significantly improve the health outcomes of patients while reducing health care costs.

The subcommittee also recommended **exploring opportunities to co-locate county-based public, mental health, and publicly funded SUD providers**. Co-location presents the potential for soft savings associated with residents receiving services from both agencies in one visit (time savings, reduced transportation costs, increased satisfaction, etc.). It could also save on the overall cost of space and administrative services such as, for example, one combined check-in desk. This potential savings should be considered when developing future plans. The differences when planning for co-location in urban communities versus rural communities should also be considered. In addition, the subcommittee recommended that co-location of support services, non-profit organizations, other partner agencies, and primary care providers should be considered wherever possible to maximize access to care for residents, especially in rural areas. An ongoing current example of co-location is occurring in Charleston County, which is in the process of developing a facility that will be shared by, among others, the public health department, the Charleston Center (County A&D provider) and the DMH Charleston-Dorchester Mental Health Center.

The Behavioral Health Subcommittee further recommended that **information sharing roadblocks should be addressed to make it easier to communicate between service providers treating the same patient**, for example for behavioral health and SUD needs. Efforts should include exploring ways to improve the ability for all state operated or supported healthcare providers, and specifically DHEC, DMH and DAODAS, to share patient information electronically through a shared electronic health record (EHR) system. This would also include county authorities. At a minimum, secure direct messaging for care coordination, as needed, should be included when considering such a system. By implementing these recommendations, the subcommittee finds delivery of services across the state would be positively impacted by **(1.)** improving timeliness of care, **(2.)** improving quality of care, **(3.)** integrating primary care and behavioral health services, and **(4.)** improving health outcomes across the continuum of care.

The subcommittee also explained that increased information availability will also improve providers' overall ability to assess, diagnose, and appropriately prescribe treatment for patients. For improvements in information care, the subcommittee recommended that there be an evaluation of the appropriate platform for information sharing between DHEC and DMH, to include feasibility and usability. It is also important to note that while costs for a shared EHR system would not be cost-prohibitive, including all providers (private and public) would be more challenging.

In addition, current Proviso 117.75 (GP: Information Technology for Health Care), creates a Health Information Exchange Strategy Development Committee to make recommendations on the development of a statewide Health Information Exchange strategy that is intended to promote interoperability for purposes of improving patient safety, eliminating redundant or unnecessary testing, and increasing the efficiency of the healthcare system.

The subcommittee recommended support for **repeal or modification of the federal Medicaid Institutions for Mental Diseases (IMD) Exclusion** prohibiting payment/coverage for Medicaid recipients in need of inpatient behavioral health services. It encourages **advocacy for adequate reimbursement for behavioral health services provided in the private hospital setting** as such actions are likely to increase the availability and access for inpatient and residential behavioral health services, as needed. The subcommittee also recommends the **use of paraprofessionals and new, innovative ways to staff behavioral health services** (such as peer support specialists, community health workers, etc.) when appropriate.

With respect to collaboration, the subcommittee recommended **active participation and engagement in the Behavioral Health Coalition** to strengthen the relationship and collaboration with the state hospital association to maintain behavioral health services as a core priority. As background, and according to its website, the Behavioral Health Coalition "is a voluntary, multidisciplinary, long-term statewide partnership of both public and private organizations devoted to enhancing and improving access to a comprehensive system of behavioral health care." Its members include public and private agencies, organizations, and healthcare providers.

As it relates to proposed structural or functional changes to enhance environmental services, the **Environmental Protection Subcommittee** recommended **hiring an environmental toxicologist** for the Environmental Affairs core area. The risk evaluation and assessment considerations associated with environmental regulation are closely aligned with the environmental programs from which these concerns arise. This necessitates that a toxicologist with environmental specific training is essential for the support of the DHEC Environmental Affairs deputy area moving forward. Adding a dedicated environmental toxicologist would:

- enhance direct communication between DHEC environmental and public health staff,

- further promote the coordination and decision-making and communication on potential risk-based issues, and
- serve as a conduit of specific information and knowledge related to environmental programs.

This subcommittee also recommended **addressing the career advancement opportunities for non-management scientists**. DHEC's Environmental Affairs deputy area is organized with a limited number of employment position distinctions, particularly with respect to potential salary advancements. An environmental health manager could include an entry-level employee with a Bachelor of Science degree, all the way up to an employee with several master's degrees or a doctorate degree. Again, this creates limited opportunities for salary advancement absent being promoted to some management position. This needs to be addressed. The vast majority of DHEC employees in Environmental Affairs program areas are non-management scientists. More opportunities for advancement for these employees must exist to maintain the level of quality desired for critical operation of DHEC's environmental programs and services. This could include the creation of a "senior scientist" designation or something similar with a corresponding salary increase.

The **Public Health Subcommittee** found that the existing centralized structure of DHEC promotes statewide coverage and flexibility in addressing varying needs and priorities. At the same time, it is the local presence through the regional and county structure that encourages the establishment of essential trusting relationships and partnerships to enable healthy communities. The subcommittee recommended that DHEC be enabled to **enhance local and regional units** that are responsive to community needs and support greater public engagement. This includes:

- **Sustaining and strengthening the local (e.g., county-level) presence.**
- **Facilitating efficient contact** between the public and the appropriate DHEC staff member or unit to address an immediate issue.
- **Establishing strategies that place value on DHEC staff's community involvement** (e.g., community work teams).
- **Facilitating DHEC staff involvement in improving both internal and external work processes** (e.g., WIC tele-visits).
- **Improving communication channels** within the agency divisions and regions and with the public.

This subcommittee also recommended continuing to **enable and trust DHEC professional staff to use their expertise to do their jobs to protect the health of residents** in South Carolina and continuing to **create and maintain a collaborative work environment**. This includes an

environment that seeks and respects other perspectives and values as well as the contributions of others, which expands beyond internal employees and involves both outside experts and community representatives such as members of the public, community-based organizations, FQHCs, etc. in the planning and designing of initiatives, as well as resolving potential issues.

Alignment Changes

Pending State Legislation Concerning Restructuring

DHEC has been in existence for nearly 50 years and during this time the agency has changed, along with its services and the needs of the state. To ensure that South Carolina is serving the best interests of all our residents when it comes to health and environmental services, it is critical that we conduct a thorough review of the current structure and whether that structure continues to best serve the people of South Carolina.

As the General Assembly evaluates proposed legislation aimed at restructuring health and environmental services in South Carolina, it is important to understand that this process is being conducted independently of the SHaPE SC process. As part of its evaluation process, the task force was asked to review all options on the table, including current legislation and potential structural changes, as well as other areas of improvement deemed critical by the task force and its subcommittees.

Specifically, the 124th General Assembly has introduced two bills that propose restructuring the functions within DHEC and other state agencies and eliminating DHEC and its Board: [House Bill \(H. 3766\)](#) and [Senate Bill \(S. 2\)](#).

H. 3766 dissolves the Board and DHEC and creates two new cabinet agencies: **(1.)** the Department of Public Health and **(2.)** the Department of Environmental Control.

S. 2, as amended by the Medical Affairs Subcommittee on March 30, 2021, dissolves the DHEC Board and DHEC, DMH, the Mental Health Board, and DAODAS. DHEC is divided into two new cabinet agencies: **(1.)** the Department of Environmental Services and **(2.)** the Department of Public and Behavioral Health.

Under S. 2, the Department of Environmental Services (to be led by DHEC's current Director of Environmental Affairs until an agency director could be appointed/confirmed) would include most of DHEC Environmental Affairs and the Water Resources Division of the Department of Natural Resources. DHEC Food Safety would move to the Department of Agriculture. The Department of Public and Behavioral Health (to be led by the current DHEC agency director until a new director could be appointed/confirmed) would have three divisions: **(1.)** Division of Public Health (existing

DHEC Public Health and Healthcare Quality), **(2.)** Division of Mental Health (existing DMH), and **(3.)** Division of Alcohol and Other Drug Abuse Services (existing DAODAS). DMH's authority/real property related to veterans' homes would move to the Department of Veterans Affairs.

These bills remain pending for consideration when the General Assembly reconvenes in 2022.

The following section of the task force's report discusses the history of the establishment of DHEC. The purpose of this is to provide further background and context concerning the agency's current organizational structure and alignment of services, as well as previous discussions on the alignment of core agency functions.

Overview of DHEC's Historic Alignment and Organizational Structure

DHEC was created on July 1, 1973, with the South Carolina Legislature's enactment of [State Reorganization Plan Number 10](#). Under that plan, the State Board of Health, the Executive Committee of the State Board of Health, the State Department of Health, and the State Pollution Control Authority were consolidated and merged into a single agency, DHEC.

The new agency would be led by a seven-person Board, drawing one member from each of South Carolina's six then-existing congressional districts and a seventh member from the state at large. The Board was appointed by South Carolina's governor with the advice and consent of the senate, and was charged with selecting DHEC's commissioner, who would serve a four-year term.

In **Governor John C. West's words**, passage of State Reorganization Plan Number 10 would:

"acknowledge the essential inter-relationship of pollution control and public health as functions of the total living environment in South Carolina." The Department's governance by a "broadly-based" Board would "[give] landmark recognition to a long-valid principle: [that] matters pertaining to the quality of public health and living environment in our state are best determined by citizens representing all the people of the state, and not those designed by a special group or for a special purpose."

In contrast with Governor West's remarks, the **State Board of Health and the State Pollution Control Authority offered different recommendations** prior to the 1973 merger, putting forth narrower approaches to reorganization.

The Board of Health believed that it could administer pollution control programs through existing public health districts. It viewed "the pollution problem [as] basically a health problem" and asked that it continue to function "primarily [as] a health agency." For its part, the

Pollution Control Authority recommended the establishment of a new department focused on environmental quality, which would oversee “all activities concerned with the protection of the environment.” It cited “recent trends in other states” towards greater reliance on environmental quality management programs, and it emphasized the role of specialists with science and engineering backgrounds in supporting such programs. Given the proposed merger under State Reorganization Plan Number 10, the Pollution Control Authority recommended that two commissioners oversee the new agency, one responsible for public health programs and one for environmental quality programs.

Ultimately, these recommendations were not acted upon. State Reorganization Plan Number 10 was presented to the Legislature with the favorable recommendation of Governor West. At present, the agency structure created by State Reorganization Plan Number 10 remains broadly intact. Today, the agency’s Board has eight members, following the establishment of South Carolina’s 7th congressional district in 2011.

In 1978, state lawmakers added hazardous waste management to DHEC’s responsibilities. DHEC’s governance structure was re-considered by the South Carolina Legislature during debate on the [1993 Restructuring Act](#). The governor now can remove the chairman of DHEC’s Board at his or her discretion. The at-large member of DHEC’s Board automatically serves as chairman, whereas the Board was once empowered to elect its own chairman. The remaining seven Board members, who serve four-year terms, can only be removed by the governor for cause. The Board retains power to select the DHEC director. However, the Board must consult with and gain the approval of the governor and then seek the advice and consent of the senate.

Today, DHEC remains one of three state agencies in the United States, along with Colorado and Kansas, that is responsible for both public health and the environment. This role for DHEC was studied by the South Carolina Commission on Government Restructuring [prior to the 1993 Restructuring Act](#). That commission recommended the creation of a new cabinet-level department that would continue to house both health and environmental programs. Noting “a strong connection between environmental hazards and health,” the Commission rejected suggestions that environmental quality and natural resources programs should be grouped together in their own department. During this time, state lawmakers also transferred three state agencies to DHEC: the South Carolina Coastal Council, Water Resources Commission, and part of the State Land Resources Conservation Commission. Then, in 1995, Coastal Council, Dams and Mining were made a part of DHEC. In addition, the Coastal Council was eliminated, and Dams and Mining were transferred from Department of Natural Resources.

A summary timeline and overview of historic agency organization charts is available [here](#).

In addition to reviewing DHEC’s historic organizational structure, the task force also reviewed a

previously published [report evaluating the health and environmental functions within the state of Kansas](#). This report addressed a consideration in 1999 concerning whether the public health and environmental aspects of the Kansas Department of Health and Environment should be separated.

Fiscal Impact of Agency Realignment

At the time of this report, no fiscal impact study had been conducted by DHEC concerning agency realignment of current pending legislation. While deputy-specific support functions may be divided among the specific service areas accordingly, many support functions are agency-wide functions with shared staffing and limited resources. This report, however, does recommend decentralization of some of these support services. In some cases, “dividing” the work will be difficult because teams are organized by function with minimal duplication. As a result, [it could require additional staffing to support both short- and long-term restructuring needs](#).

Examples of shared support services include:

- general counsel, including Freedom of Information, compliance, and internal audits,
- IT infrastructure and systems, including over 35 enterprise-level systems, agency network, security, document management, and end-user support,
- financial and operational infrastructure, including integrated financial reporting, costing, accounting, payables, receivables, fund oversight, procurement, facilities (15 shared locations), courier/mail and agency fleet, and
- human resources including employee relations, classification and compensation, personnel records, training, safety, recruiting, workforce development, and employee health

Thus, each support service would need to be examined to determine how best to separate them (and whether to do so) among the new entities to prevent degradation in services. The following are examples identified by DHEC of the significant activities and considerations that would need to occur in this process:

- duplicating or re-writing over 35 information technology enterprise-level systems,
- restructuring the SCEIS chart of accounts, including almost 300 cost centers,
- distributing over 400 grants, that require federal re-delegation or reassignment,
- reviewing and reissuing/duplicating over 2,500 purchase orders and 3,500 contractual agreements,
- determining location and maintenance of agency-level historical information and data (e.g., agency-wide contracts, more than one million personnel records, etc.),

- reassigning over 4,000 positions and providing new organizational structures and funding information in SCEIS,
- assessing and separating all agency assets (i.e., anything with an initial purchase price of more than \$2,500),
- establishing new branding for new agencies and rebranding applicable websites, forms, literature, etc.,
- installing separate network hardware to separate networks of new agencies in 15 shared facilities, and
- cross-training support staff who are currently experts in one function and must be trained to perform multiple functions with the new agencies

Given the complexities and scale of support service separation, a longer transition timeframe for the restructuring of support functions would appear to be needed (at least 12 months), with coordination and assistance from the South Carolina Department of Administration and other state agencies, as appropriate.

One alternative approach suggested to restructuring included keeping support functions, such as IT together as a “shared service” between the newly created agencies. The linked [summary estimate prepared](#) in May 2016 contains what it would take to restructure DHEC and is specific to S. 550. However, one of the cross-cutting recommendations from the present task force included decentralizing support services and embedding more of these services in the program areas.

Significant comments to the task force suggested DHEC functions most efficiently when support services are included within the program areas they serve. The proposal for a centralized support structure that even further removes those services from the two new agencies would seem to be a further step backwards to addressing the recommendation on decentralization. As a reminder, the cost estimates discussed above are preliminary. An updated analysis, including alternative restructuring considerations has not been conducted. The ultimate cost will depend on the specifics of any reorganization.

Ultimately, any restructuring on a large scale will have significant expense to the state and its taxpayers. Without further details, the task force as a whole found that it was unable to make specific recommendations pertaining to any pending legislation concerning agency realignment at this time.

Cross-Cutting Recommendations

The three subcommittees did not come to a clear consensus recommendation on any specific change to alignment for DHEC and other agencies providing health and environmental services. At the same time, there was a shared understanding among task force members that any potential realignment of state agencies would have both fiscal and functional costs. These costs should be more fully understood before any decisions regarding realignment are made.

Service-Specific Consensus Recommendations

The **Behavioral Health Subcommittee** recommended that **there continue to be a close collaboration across agencies providing health and behavioral services**. In this context, this subcommittee also recommended that **DMH and DAODAS remain autonomous from DHEC** while strengthening service delivery through joint trainings and continuing the routine meetings between the leadership of both agencies.

The **Environmental Protection Subcommittee** did not reach a formal recommendation on any changes in alignment. The diverse viewpoints amongst the subcommittee members were not only discussed during their subcommittee meetings, but also submitted in writing by several members. This includes a letter submitted by [Gary Spires with the South Carolina Farm Bureau](#) and a [memo submitted by Ken Rentiers, Deputy Director of the South Carolina Department of Natural Resources](#). However, regardless of alignment, the subcommittee recommended that a **priority be placed on adequate funding and support of the existing mission-critical environmental functions**.

The **Public Health Subcommittee** recommended that **public health and environmental protection** be retained as one agency. However, the subcommittee also recognized that some participating members of the subcommittee represent groups or organizations from which no recommendation could be provided. The subcommittee report found that the role of environmental programs within DHEC share the mission to protect people's health. The subcommittee noted that the range of environmental programs reflect protection against illness from diseases that are spread through the air, water, waste, food, and other vectors. In addition, and importantly, the subcommittee found that **no organizational restructuring should be undertaken without a full examination by the General Assembly of the fiscal and functional impacts of such action**.

Conclusion

South Carolinians benefit most when our state is best able to efficiently and effectively deliver critical services. SHaPE SC was established as an independent task force to identify challenges facing the state's delivery of health and environmental services, and to provide consensus recommendations for how to address those challenges. Regardless of how South Carolina agencies providing health and environmental services are structured or aligned in the future, there are critical issues facing these agencies that need to be immediately addressed.

While the task force subcommittees made no consensus recommendation for changes in alignment among the existing agencies, it is important to note that recommendations being made to improve services and accessibility are not dependent upon changing the alignment of any agencies. No subcommittee provided consensus recommendations for improving services that are contingent on realigning of agencies providing those services.

Specifically, the task force identified a number of critical areas demanding immediate attention: **(1.)** providing adequate resources to address historical limitations in funding; **(2.)** providing salaries that are within a realistic range of being competitive with private companies or other neighboring state agencies; **(3.)** enhancing collaboration between public and private partnerships to ensure service gaps are met; **(4.)** streamlining internal business processes to improve the quality of service; and **(5.)** ensuring core mission services continue to be addressed. In addition, the task force identified a number of other structural and functional improvements that would allow DHEC to better define its critical mission and effectively and efficiently support that mission.

The recommendations submitted in this report seek to address these and other core challenges facing our state. Some recommendations will need legislative approval, while others could be implemented immediately through agency action. By addressing the identified areas of quality improvement, the task force believes our state will be able to better serve those living here by improving the effectiveness of services, maximizing resources, streamlining efforts, and ultimately facilitating a better quality of life and healthy environment for all South Carolinians.

This type of objective approach to quality improvement is exactly what is needed at this time, and we encourage DHEC and others who participated in this effort to continue similar evaluation processes that include the input of community stakeholders on a regular basis.

As the task force prepares to sunset on Dec. 31, 2021, we look forward to presenting our findings to the South Carolina Board of Health and Environmental Control, South Carolina Mental Health Commission, governor, General Assembly, and public.