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Photo by Becca Wilusz

## Connecticut DPH: 'Nevermind' State Agency Issues 'Clarification'

### Will Continue to License Funeral Homes, Directors & Embalmers

**HARTFORD** – Less than a week after the Connecticut Department of Public Health (DPH) created a profession-wide furor with a press release announcing that it planned to cease licensing funeral homes, directors and embalmers, the agency issued a “clarification” saying that would not be the case and reaffirmed that licensing and inspections would continue.

Last Friday (Aug. 5), a number of Connecticut Funeral Directors Association board members including President Nicole Granados, Vice President Pasquale Folino, and Executive Director John Cascio along with Dan Jowdy, chairman of the state Board of Embalmers and Funeral Directors, met at the Legislative Office Building to discuss the DPH licensing issue. Also in attendance were several state legislators including Sen. Terry Gerrata and Rep. Elizabeth Ritter, co-chairs of the Public Health Committee. Commissioner Dr. Jewel Mullen was not in attendance, but two DPH representatives did attend.

Following the meeting DPH issued a revised statement: “While DPH is streamlining processes and reallocating resources in response to budget cuts, it has no plans to stop licensing and inspecting funeral homes, funeral directors, or embalmers.”

Shortly after DPH issued this release, Granados informed

association membership of the clarification. She said:

- “We were successful today in obtaining a retraction statement from DPH regarding their initial statement made on August 1, 2011.

- “Before DPH moves forward with any proposal in this area related to licensing, DPH has assured our association that they would meet with CFDA if they decide to go forward.

- “We will continue to work with DPH to try to create greater efficiencies regarding funeral service issues.”

Granados said the meeting provided CFDA with an open forum to share its concerns about the Aug. 1 announcement by DPH. “We expressed our concerns and they were not fully able to answer all of our questions,” she said. “We believe that meeting might have had influence, but later in the day we received a fax where the DPH had clarified their statement made on Aug. 1 and they stated they have no plans to stop licensing and inspecting funeral homes, directors or embalmers. Needless to say we are very pleased with that clarification.”

She added that CFDA would continue to work with DPH to try to create greater efficiencies regarding funeral service issues. “They have also given us an assurance that they will meet with CFDA if they do decide to go forward with any changes as part of the budget reduction plan,” Granados said. “We still are

seeking to meet with Commissioner Dr. Jewel Mullen. She was away last week so we still do plan to sit down with her.”

Granados said she was happy with the tenor of the meeting. “They were just as concerned as we were and are as funeral directors,” she said. “They were very supportive that this is not something that should be looked into as part of the budget reduction plan.”

While many in funeral service expressed skepticism whether the DPH’s retraction was more of a reversal than a clarification, Granados said, “Well, they call it a clarification so I will use that language, it satisfies me. Clarification or retraction, whatever term is used to define it, the important part is that licensing is still ongoing and we are very pleased with that.”

Cascio said it was the collective efforts of legislators, association membership, CFDA board members and consumers to question how DPH could come out “with such an arbitrary statement. I am hopeful that we have learned from this and that there will be better communication moving forward.”

At the meeting, Cascio said DPH was questioned how the elimination of licensing could save the department money. “They did not have an answer,” he said. “They said this was just an option. Candidly, legislators in the room indicated that because this is a financial impact, be thankful that funeral directors were mentioned in the press release, because the legislators had not seen it. Other licenses are being considered.”

### **Never Intended**

According to William Gerrish, a spokesman for the DPH, “it was never the DPH’s intention to eliminate the licensing of funeral homes, directors and embalmers. That announcement was related to the proposed elimination of a position that currently conducts funeral home inspections and related activities. We will continue to regulate funeral homes, funeral directors and embalmers.”

According to Cascio, when the question was asked about the fate of the state funeral home inspector position, he was told that by law funeral homes and crematories have to be inspected and that the DPH is well aware of the legal obligation and that inspections will be forthcoming. “We asked if the same individual would still be doing it,” Cascio said. “We were told that individual was still part of the DPH, but he is not going to be in that capacity. That position had been eliminated and the inspector was going to be reassigned to another location.”

Gerrish reiterated the situation was caused by a miscommunication regarding the position of state inspector of funeral homes. He acknowledged that Edward Bergin, who has held the position for 10 years, was being reassigned within the DPH. The agency was discussing eliminating that position as part of planned budget cuts. “We are streamlining processes and reallocating resources within the agency in response to budget cuts, but we just want to reassure folks that we are not going to stop licensing or regulating funeral homes or those related professions or inspections,” Gerrish said. “We will continue to reassign resources within the department to continue those licensing activities.”

“Of note, the law requires inspections to take place but the position does not have to be filled,” Cascio added. “Who [will do the inspection] is unclear at the moment.”

### **The Legal Perspective**

Both sides acknowledged that legislative changes would be required if there were changes to be made in regard to licensing. “Should legislative changes need to be made we would be seeking the input of the legislature and related entities before we move forward,” Gerrish said.

However, the legislators had not heard any official word from the DPH concerning licensing. And since the legislators in attendance at the Aug. 5 meeting were unaware of the DPH plan, it was clear that no legislative changes were in the works.

“From the legislative perspective, I knew that there had been no statutory change so that the legal requirements of the agency never were changed,” said Rep. Ritter, co-chair of the Public Health Committee. “The fact that the agency might have intended to make very major changes couldn’t, in fact, legally happen without that statutory changes.”

Ritter said she had learned of the situation pretty much the way everyone else did when the press release and subsequent news stories went viral. “I was somewhat confused by it because (the release) wasn’t very clear. What was in the press release appeared drastic. But when I contacted the agency for clarification, the conversation was clearly in a differ-

ent place.”

How such a misstatement occurred is still unclear. “I cannot tell you where the confusion occurred,” Ritter said. “If, in other words, there was simply a complete reconsideration of the decision on the part of the agency or if the press release was somehow just so erroneous that nobody could come to the correct conclusion.”

Ritter said she realized that there had to be at least some lack of understanding somewhere along the line. “It doesn’t mean that I wasn’t still concerned about what the intentions were of the agency to go ahead to do that,” she said. “The law is the law and there were no such changes made in the law.”

She added that interested parties can speculate all day about how this situation developed and arrived at where it did. “But I don’t think that would be making the situation any better, and it probably would not be increasing the chances that there will be positive and productive conversations between the funeral directors and the agency about various improvements that could surely be made in the program and how it can be administered,” she said.

Above all, Ritter said the clarification was owed to the CFDA. It was CFDA, she added, that had called her on Aug. 3 to ask if a meeting could be set up. “It was initially planned so that CFDA would have a chance to talk to myself, my co-chair and other interested legislators about their concerns,” Ritter said. “We kind of turned it into a bigger opportunity and asked DPH if they could clarify what they meant. They agreed to do that.”

The representative described the mood of the room for the meeting as constructive and positive. “The contribution of the representatives from the DPH was enormous,” Ritter said. “They made it extremely clear that the language in the press release did not reflect the intention of the agency at this time because, among other things, there were statutory requirements that had not changed. Also, they wanted to make it very clear that in terms of public health needs surrounding appropriate behavior and inspection and certification of funeral homes were, by no means, intended to be ignored. I think they did a good job.”

Ritter also acknowledged the efforts of CFDA to get to the bottom of the situation. “The CFDA did a great job at the meeting of making sure that their points were understood, that there were a lot of ramifications of this and they brought specific examples to the discussion that clearly illustrated their points,” Ritter said. “CFDA is routinely very vigilant and does not hesitate to contact legislators and make sure that those relationships already exist so they have quick access to a resolution which, in this case, is a good example of how that can happen.”

## Show of Support

In the days immediately following the Aug. 1 press release, which was widely reported in several Connecticut newspapers, Granados said CFDA received many calls, internationally and from various neighboring state associations, expressing concern and support for the association.

The National Funeral Directors Association said it “recognizes the importance of licensure as a means of maintaining professional standards and protecting consumers.”

Cascio added that he was getting calls from all Connecticut’s reciprocity states. “We’re all connected,” he said. “When you start removing that licensure issue and then we can’t go into New York, Rhode Island or Massachusetts with a licensed funeral director. The consumer was going to have to pay for another cost.”

John Fitch, senior vice president of advocacy for NFDA, is not convinced there wasn’t more to the DPH *mea culpa* than meets the eye. “I think the DPH may have used their ‘dire consequences’ press release to mobilize constituent groups, like CFDA, and consumer groups to both gauge their reaction and encourage them to use their political power to prevent this from happening,” he said. “In other words, (DPH) can go to the legislature to get more funding for these programs. How they can now say they will continue to license funeral directors and enforce their laws when two days ago they said they could no longer afford to perform those functions? They either have the money or they don’t. If other affected groups and programs are not as aggressive as CFDA, then DPH could use those savings to grease the squeaky wheel (CFDA).”

Last week, David Nixon, Nixon Consulting, wondered why Connecticut didn’t first consider raising the fees associated with funeral directors and funeral homes before unveiling their ideas to close the budget gap. He even suggested what was happening in Connecticut could also be nothing more than political posturing in a public relations war.

“I am still not convinced they [DPH] are not serious about [eliminating licensing],” he said this week.

“States are scrambling,” he said. “If they can throw up a barrage of test balloons to get people to react it showcases their efforts to reel in expenses but it also raises some red flags.”

Nixon still sounded a note of caution. He said, “I think in the economic situation we’re in right now, everything is on the table.”

The DPH press release discussion has served as an example for what many states face. “Connecticut is not unique to this, all states have some kind of budget crisis,” Granados said. “I think it is frightening to look at what may be on the chopping block so to speak to go with that budget reduction plan.”

She added that often times silence is believed to be a sign of acceptance. “I think without us voicing our concern for the importance of licensing certainly it could have been perceived that it was acceptable and it clearly is not.”

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## Compensation Strategies for Achieving Organizational Objectives

By William E. Ford

*President and CEO of SESCO Management Consultants*

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**BRISTOL, TENN.** – Organizations which use bonus incentive plans should conduct periodic reviews or audits to determine whether the plans are functioning as originally intended. If they are not, then action must be taken to either recapture management’s original objectives or to respond to revised objectives.

This auditing process is a self-examination by the company of the objectives and specific provisions of its incentive plan and, in many ways, is similar to the steps needed in formulating an effective plan. The following questions should be addressed in a bonus incentive audit:

### Company Objectives

Does the plan reflect one or more of the company’s strategic objectives, including:

1. Has the organization produced realistic objectives or quotas based on measurements such as production?
2. Does the plan increase potential profits by cutting controllable operation expenses?
3. Does the plan produce minimum measurements within a specified period of time?
4. Does the plan increase profits?
5. Does the plan provide motivation to improve products and services?
6. Does the plan provide incentives to reduce inventories?
7. Does the plan cultivate team efforts?
8. Does the plan tie in quality and production objectives and targets?
9. Does the plan include employee relations objectives such as recruitment and retention and the cost of purchased manpower, i.e., performance management?

### Compensation Levels

1. Are compensation levels equitable when considering similar positions within the organization and comparable positions in other companies in which the organization competes for talent?
2. Are compensation levels competitive with other companies selling similar products or class of products?
3. How often are individual-based salaries reviewed?
4. Are adjustments consistent with performance?

### Job Descriptions

1. Does the job description include duties and responsibilities other than those covered by the provisions of the plan?
2. Are there any job descriptions that either conflict with the plan or are not included?
3. Does the plan have provisions which apply to positions other than those intended to be covered?