

Minutes of the Joint Legislative Oversight Committee*

November 22, 2002

Senate Majority Caucus Room

Boise, Idaho

Co-chair Senator Betsy Dunklin called the meeting to order at 12:40 p.m. Committee members Senators Grant Ipsen and Bert Marley, and Representatives Maxine Bell, Margaret Henbest, and Donna Boe attended. Representative Debbie Field was excused and Senator Stan Hawkins was absent. Staff members Jim Henderson, Acting Director, and Margaret Campbell, Administrative Assistant, also were present, as were other OPE staff intermittently throughout the meeting.

The committee previously had approved minutes of the June 12, 2002 meeting.

Co-chair Dunklin thanked Mr. Henderson for his work as acting director and introduced the committee to Rakesh Mohan, the newly appointed director of OPE.

REPORT RELEASE: *MANAGEMENT OF STATE AGENCY PASSENGER VEHICLES: A FOLLOW-UP REVIEW*

Mr. Henderson reviewed the evaluation request. **Senator Ipsen moved to receive the report and Representative Bell seconded. The motion passed unanimously by voice vote.** The report was publicly distributed.

Ms. A.J. Burns, Senior Performance Evaluator, presented a summary of the report findings and recommendations. In response to questions, Burns said fleet management was regulated in a variety of ways in other states, including establishing requirements in policy or statute.

Co-chair Dunklin called on Mr. Brad Foltman, Bureau Chief, Division of Financial Management to address the committee. Foltman said agencies had made progress since the release of the first vehicle management report in 1998 and acknowledged more progress was needed. He said recent budgetary holdbacks made it difficult to replace older vehicles, and cutbacks affected front-line employees charged with tracking maintenance operations. Hopefully, Foltman said, budget constraints will cause agencies to re-evaluate their fleets, changing fleet management for the better.

Representative Henbest noted that the budget was not in crisis when the Executive Order was issued and asked why it had taken over two years for agencies to designate a point of contact and develop written policies. Committee members discussed the need of uniform policies and how to effectively proceed to ensure compliance.

Representative Bell moved to request written response from each agency to be given to JLOC and the respective germane committees by the tentative planned January JLOC meeting. Representative Henbest seconded the motion and it passed unanimously by voice vote.

* As approved by the majority of the Joint Legislative Oversight Committee (see attached signatures).

The committee said they would use the agency information in determining how to proceed with fleet management issues at the next JLOC meeting in January.

REPORT RELEASE: *A REVIEW OF THE IDAHO CHILD CARE PROGRAM*

Mr. Henderson reviewed the evaluation request. **Representative Henbest moved to receive the report and Senator Marley seconded. The motion passed unanimously by voice vote.** The report was publicly distributed.

Mr. Chris Shoop and Ms. Lewissa Swanson, Performance Evaluators, presented a summary of the report findings and recommendations. Co-chair Dunklin said long-term studies showed a child's future life was affected by child care quality and encouraged the Department of Health and Welfare to set higher quality standards.

The committee discussed eligibility levels and the effect of raising co-payments for childcare. Co-chair Dunklin called on Mr. Phil Gordon, Chief, Bureau of Benefit Operations, Department of Health and Welfare, to respond to the report. He said the department planned to postpone increasing the federal poverty level until July 1, 2003, because of holdbacks. In response to questions, Gordon said the department was trying to balance the number of eligible families with the cost of improving quality care and would continue searching for additional federal dollars.

Representative Boe moved to forward the report to the germane committees and requested a follow-up in six months. Senator Marley seconded the motion and it passed unanimously by voice vote.

AGENCY STATUS REPORTS ON IMPLEMENTATION OF PREVIOUS REPORT RECOMMENDATIONS

Idaho's Medicaid Program: The Department of Health and Welfare Has Many Opportunities for Cost Savings

Mr. Henderson reviewed efforts to implement recommendations from the report. Co-chair Dunklin called on Mr. Karl Kurtz, Director, Department of Health and Welfare, to respond to questions from the committee. Kurtz said Healthy Connections enrollment was expanding and the department was actively working to increase provider access. He thanked Senators Dunklin and Ipsen for their support, friendship, and professional courtesy through their years of service in the legislature.

Representative Henbest said she was satisfied with the department's efforts to implement recommendations, recognizing it was prudent not to implement some. She wanted to monitor Recommendation #1, expanding Healthy Connections, and Recommendation #10, designing a strong utilization management plan. She also wanted to follow Recommendation #7, the pharmaceutical program.

Representative Henbest moved to request a follow-up report in six months. Senator Ipsen seconded the motion and it passed unanimously by voice vote.

The State Board of Medicine: A Review of Complaint Investigation and Adjudication

Mr. Ned Parrish, Principal Performance Evaluator, reviewed efforts to implement recommendations from the report. In response to committee questions, Ms. Nancy Kerr, Executive Director of the Board of Medicine, said the board elected not to modify its liability release statement. Rather, the board would modify language used in the liability release statement on a case-by-case basis.

Representative Henbest discussed the role JLOC played in sponsoring legislation. She said individual committee members from the House had sponsored recommended legislation from JLOC on the Board of Medicine report. While it passed in the House, it did not make it out of the Senate committee. Henbest asked if JLOC should continue using individual members to carry legislation. There was no discussion.

Representative Bell moved to close the report. Senator Ipsen seconded the motion and it passed unanimously by voice vote.

A Review of the Public Works Contractor Licensing Function in Idaho

Mr. Parrish reviewed efforts to implement recommendations from the report. Co-chair Dunklin called on Dave Munroe, Administrator, Division of Building Safety, to respond to questions. Munroe said he would ask Senator Keough or Representative Gagner to sponsor legislation to clarify the board's role in the licensing and discipline processes. He said the division would modify its administrative rules to establish clear standards for judging applicant work experience. Munroe said budget constraints had not allowed him to begin educating local agencies of public works contractor licensing laws or to assess compliance with requirements, but noted that he planned to develop a packet about contractor licensing requirements for distribution to local agencies such as school districts.

Representative Henbest moved to request a follow-up report in six months. Representative Boe seconded the motion and it passed unanimously by voice vote.

REPORT RELEASE: *MANAGEMENT OF STATE AGENCY PASSENGER VEHICLES: A FOLLOW-UP REVIEW (CONTINUED)*

Co-chair Dunklin said JLOC would ask the Division of Financial Management to staff the effort to request and collect agency responses to the passenger vehicles report. JLOC would provide a cover letter containing the needed details to be reported.

ADMINISTRATIVE ISSUES

Mr. Henderson reviewed the current year budget and the proposed fiscal year 2004 maintenance budget.

REVIEW/APPROVAL OF EVALUATION SCHEDULE

Programs for Female Inmates and Their Children

Proposed scope revisions to the higher education evaluation

Mr. Henderson said the office began two evaluations after the JLOC meeting was postponed in September: Programs for Female Inmates and Their Children and Higher Education Residency Rates. Henderson said Representative Henbest had wanted to see if there was committee interest in expanding the scope of the higher education evaluation to include other issues. The intent of combining issues was to save research costs, however, there was little overlap between the residency project and other issues identified. Henderson estimated that expanding the scope would increase the budget for the project to 3,600 hours or approximately 8 months—one of the largest projects OPE had conducted.

Senator Ipsen said he would like the scope to include an evaluation of whether health insurance should be required in the student fees. Representative Boe said she would like the evaluation to consider whether the student applying for financial aid was a full- or part-time student and compare the ratio across campuses.

Representative Bell moved to prepare a revised scope for the higher education project for consideration in January. Representative Henbest seconded the motion and it passed by unanimous consent.

Bureau of Occupational Licenses, Board of Real Estate Appraisers

Mr. Henderson reviewed an evaluation request regarding the Board of Real Estate Appraisers' denial of a company request for course approval. In response to committee questions, Ms. Rayola Jacobsen, Bureau Chief, Bureau of Occupational Licenses, said general complaints received by the bureau about real estate appraisers were due, in part, to inappropriate initial instruction. The bureau sought to increase the quality of initial instruction through the adoption of Appraiser Qualification Board qualifications and criteria in statute. The board found the company did not have the required qualifications, therefore, denial was legally-based.

By unanimous consent, the committee moved to drop the evaluation request from the topic selection list.

In discussion about a specific concern of the Idaho State Lottery, Senator Ipsen said he was more concerned that a general performance audit be conducted to ensure the Lottery was complying with statute.

Representative Henbest moved to review a proposed scope of the Idaho State Lottery at the next meeting. Senator Marley seconded the motion and it passed unanimously by voice vote.

Senator Ipsen said there was an opportunity to use the information gathered in the compilation of state fees to assist the Governor's Blue Ribbon Committee. **Senator Ipsen moved to send the state fees report to the Blue Ribbon Committee. The motion passed by unanimous consent.**

The meeting adjourned at 4:20 p.m.