Minutes of the Joint Legislative Oversight Committee  
February 28, 2006  
West Conference Room, JR Williams Office Building  
Boise, Idaho

Co-chair Senator Shawn Keough called the meeting to order at 4:08 p.m. Attending the meeting were Senator Kate Kelly, and Representatives Margaret Henbest, Debbie Field, and Donna Boe. Representative Maxine Bell arrived shortly after the meeting started. Also present were staff members Rakesh Mohan, Director, and Margaret Campbell, Administrative Coordinator, and all other OPE staff.

Co-chair Keough welcomed those in attendance, including:

Senators: Dick Compton, Joyce Broadsword  
Representatives: Carlos Bilbao, Sharon Block, Kathie Garrett, Tom Loertscher, Elmer Martinez, Russ Matthews, Janice McGeachin, Pete Nielson, John Rusche, Kathy Skippen  
Division of Financial Management: Brad Foltman, Sara Nye  
Legislative Services Office: Cathy Holland-Smith  
Board of Health and Welfare: Quane Kenyon, President  
Department of Health and Welfare: Karl Kurtz, Director  
Department of Administration: Pam Ahrens, Director

MINUTES

Representative Field moved to approve the minutes of the January 12, 2006, meeting. Senator Kelly seconded the motion and it passed unanimously by voice vote.

REPORT RELEASE: MANAGEMENT IN THE DEPARTMENT OF HEALTH AND WELFARE

Representative Boe moved to receive the report on management in the Department of Health and Welfare. Senator Kelly seconded the motion and it passed unanimously by voice vote.

Mr. Mohan said the committee approved the scope for this evaluation in October. Although the timeframe to complete the evaluation was short, he said the report was not short on quality or content, and compared it to a 9-month evaluation. It provided useful information for the committee and other lawmakers in making policy and budget decisions, and provided the department with an opportunity to strategically look at internal operations.

Mr. Mohan introduced the report consultants in attendance: Dr. Ross Burkhart, Greg Hill, Dr. Tedd McDonald, Dr. Mary Pritchard, and Bob Thomas. Ned Parrish, Principle Performance Evaluator, Rachel Johnstone, Performance Evaluator, Dr. McDonald, and Mr. Thomas presented a summary of the report findings and recommendations.

Regarding staff communication with legislators and others outside their program or unit, Representative Henbest asked whether staff answered questions about openness of
communication and retaliation from their perception or their experience. Ms. Johnstone said whether staff only felt they were not allowed to speak openly, or were in fact not allowed to speak openly with outsiders or upper management, the effect was the same and management needed to address the concern.

The committee discussed the facility management chapter of the report and said it was an issue throughout the state. Mr. Thomas indicated that government need for building space frequently changed over the years and pointed to the OPE report on the Idaho School for the Deaf and the Blind where only a part of the campus was currently in use. Representative Bell recommended leaving responsibility of planning and addressing facility management problems with the facility management team in the Department of Administration.

Co-chair Keough called on Brad Foltman, Administrator of the Division of Financial Management, to respond to the report. Mr. Foltman said the report identified findings, but did not put those findings in context with external factors of holdbacks and reductions, which could significantly impact the administration of programs. He suggested comparing the department’s turnover to turnover trends throughout the Treasure Valley; he commended the Legislature and the Governor for already addressing a major finding of the report—pay increases.

Representative Henbest asked if the department employed tools to make informed holdback decisions. Mr. Foltman said timing was an issue—agencies did not receive enough advanced warning of holdbacks. In response to Representative Field’s question of the Governor’s position on the role of the Board of Health and Welfare, Mr. Foltman said the board’s role should be strengthened in oversight activities.

Co-chair Keough called on Karl Kurtz, Director of the Department of Health and Welfare, to address the committee. Mr. Kurtz thanked OPE for the survey and said he was pleased with the high response rate. He said the survey pointed to issues already known to the department—issues of morale, pay, and the stress of workloads. He thanked the Legislature for passing a three percent raise and additional funds for certain positions, which would make recruitment and retention of employees easier. Mr. Kurtz said the department accepted the recommendations and outlined steps the department was taking to implement them.

Representative Henbest said she hoped the department would look at issues behind programs that had low morale ratings. Mr. Kurtz said he thought those particular programs (especially the Benefits program in the Division of Welfare) were a result of stress from increased workloads.

Representative Henbest asked about the culture of silence—a perception that staff could not talk to legislators. Mr. Kurtz said the department had tried to address the concern by encouraging regional directors and program managers to visit with legislators.

Senator Kelly asked about the department’s interaction with the board. Mr. Kurtz said the board and department discussed additional roles, but after considering the scope and breadth of the programs, the board decided to govern within the guidelines of statutory requirement. In response to Representative Field’s question, he said the department would support statutory changes to empower the board with greater oversight.
Representative Boe observed that there was no requirement for the board to report to anyone, and suggested they may not feel empowered to provide oversight and vision. Mr. Kurtz said the board had a direct responsibility to report annually to the Governor. He said the board’s main role was considering appeals and rules relating to public health issues; however, this rule approval process was a duplicated effort since the Senate and House Health and Welfare committees also heard these rules. He questioned the need for committee consideration of rules the board had already approved.

Co-chair Keough called on Quane Kenyon, Chair of the Board of Health and Welfare, to address the committee. Mr. Kenyon said he recommended more communication from the department to the board, especially on reforms. Regarding additional oversight, he said the board had no desire to micro-manage the department.

Representative Field moved to develop legislation that expands the Board of Health and Welfare’s oversight of the department. Senator Kelly seconded the motion and it passed unanimously by voice vote.

Representative Henbest moved to review the department’s progress toward implementation of report recommendations in six months. Representative Boe seconded the motion and it passed unanimously by voice vote.

OFFICE BUSINESS

Mr. Mohan introduced two new evaluators, Amy Lorenzo and TJ Thomson. The committee welcomed them, and thanked the staff and consultants for completing a large evaluation in a short time frame.

Representative Henbest recapped a motion in JFAC that recommended OPE oversight of a contract to look at public health funds and whether the state could spend the dollars better.

Representative Field moved to accept the recommendation and add the committee’s support to members of JFAC. Representative Boe seconded the motion and it passed unanimously by voice vote.

The committee adjourned at 6:20 p.m.