January 25, 2005   Hearing Room 357

1:00 PM   Tapes 4 - 6

MEMBERS PRESENT: Rep. John Dallum, Chair

Rep. Jerry Krummel, Vice-Chair

Rep. Kelley Wirth, Vice-Chair

Rep. Chuck Burley

Rep. Arnie Roblan

STAFF PRESENT: Dallas Weyand, Committee Administrator

Louann Rahmig, Committee Assistant

MEASURES/ISSUES HEARD AND WITNESSES:

Informational Meeting

Department of Human Services Information Technology issues

Gary Weeks, Department of Human Services (DHS)

Bill Crowell, DHS

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments

TAPE 4, A

004	Chair Dallum	Calls the meeting to order at 1:00 p.m. and opens the informational meeting.

INFORMATIONAL MEETING

006	Gary Weeks	Director, Department of Human Services. Provides information on the recruitment process for the Chief Information Officer, the department's services, the number of positions and current budget.
080	Weeks	Continues by explaining the history of the department.
110	Weeks	Explains the "shared services" model of the department.
128	Weeks	Describes the 2001 reorganization which further consolidated the agency by eliminating divisions and creating three clusters of services: children and families, health and seniors and people with disabilities.
159	Weeks	Discusses the need for information technology (IT). States that requests for proposals were issued for the vital Medical Management Information System (MMIS).
173	Rep. Krummel	Asks if the MMIS program will be an off-the-shelf product that will be adapted, or one that is self-developed and self-implemented.
188	Bill Crowell	Chief Information Officer, DHS. Responds that four proposals have been received to design, develop, implement and maintain the MMIS system. Indicates the intent is to take an existing system from another state and implement it with minimal modifications.
204	Weeks	Reports that the current MMIS system is "off-the-shelf" that has been modified over the years.
211	Chair Dallum	Asks how long the new IT system has been "in the mill."

217	Weeks	Responds that it has been a couple of years as legislative authority was needed to begin the project. Indicates that matching federal funding had to be obtained.
224	Weeks	Advises that the State Automated Child Welfare Information System (SACWIS) is also in the Governor's budget for updating. Emphasizes that security must be paramount due to the nature of the information in the system.
289	Chair Dallum	Asks for the implementation date.
294	Crowell	Responds, September or October 2007.
299	Chair Dallum	Asks about arrangements made with state associations for a 2007 implementation.
303	Weeks	Replies that there has been work with represented employees to assure them there will be no displacement of people. Explains the need to contract out for the development of the MMIS program.
324	Chair Dallum	Asks for clarification that work with the state associations has resulted in agreement there will be no loss of full time equivalencies. Asks about the training timeline.
333	Weeks	Replies that the department is working with union representatives to assure employment, but the union does not agree with the strategy.
344	Crowell	Advises that a transition plan has been implemented and communicated to all employees and the union, explaining the outsourcing and maintenance of the MMIS. Explains the step-by-step process for determining skill levels and needs for affected employees.
403	Crowell	Explains the department's relationship with the union.
413	Weeks	Refers to closure of Fairview and success in re-employing staff due to the partnership with the union.
439	Rep. Krummel	Asks why programmers would not want to keep up with programming languages even though they may not be necessary for their current jobs.

TAPE 5, A

048	Crowell	Responds that some have kept their skill sets up to date, but others have become "comfortable."
073	Weeks	Comments that in preparing for Y2K, found that everything was written in COBOL. States that people with that background were not available, so had to train programmers.
090	Rep. Krummel	Asks if the people who were trained and hired for the Y2K issue were temporary or full time.
110	Weeks	Responds that these people were permanent employees so remained permanent, some being placed in other departments.
128	Rep. Roblan	Asks if the reason for moving to the new plan is so the state is not responsible for keeping current, but the contractor.
137	Crowell	Responds that MMIS is the largest single application in the state, and it would be high risk to have it implemented and then try to train staff to maintain it. States that the contractor selected will be responsible for maintenance.
180	Crowell	Describes personal background.
197	Crowell	Begins DHS Office of Information Business Plan presentation **(EXHIBIT A)**.
212	Crowell	Explains the department's six-year plan taken from the 2005-07 agency budget request.
270	Crowell	Describes the Office of Information Services organizational structure.
345	Crowell	Explains the department's budget breakdown for the current biennium and the Governor's recommended budget for the 2005-07 biennium.
405	Crowell	Explains "burning platforms."

TAPE 4, B

014	Crowell	Outlines strategies to address areas needing improvement.
020	Crowell	Discusses how applications are delivered to the business.
038	Crowell	Addresses the ten largest, most complex applications used.
082	Crowell	Explains that systems were inhibitors to business operations and service integration.
098	Crowell	States that current applications portfolios can be simplified.
125	Crowell	Discusses prototyping systems before deciding on modifications.
139	Crowell	Explains the eight major portfolios of applications in the department.
168	Rep. Roblan	Asks if all eight portfolios can be integrated with common architecture.
177	Crowell	Responds, exactly.
189	Rep. Roblan	Asks if client information can be shared across the board.
193	Crowell	Responds, that is a major goal.
202	Rep. Krummel	Asks if Enterprise Resource Planning will be "piggybacked" onto the state enterprise system rather than develop a new system for DHS.
211	Crowell	Replies, yes.
223	Rep. Krummel	Asks if this will be a mandatory application or program that all agencies must use as the data center consolidation occurs.
231	Crowell	Responds that there have been discussions with the Chief Information Officers Council about this topic, but a statewide strategy has not yet been developed.
239	Crowell	Discusses Commercial Off The Shelf (COTS) applications.

260	Rep. Krummel	Asks if rules will define roles for open access, rules-based service-oriented architecture.
275	Crowell	Replies, absolutely. Advises that the Emergency Board recently approved a DAS initiative for security, a significant portion of which will go to DHS to implement a rules-based security method for applications access.
313	Crowell	Cites percentages of desk top and non-standard data bases.
374	Crowell	Discusses participation in the consolidation of data centers.
398	Rep. Krummel	Asks for definition of CICS.
399	Crowell	Responds, Customer Information Control System.
401	Crowell	Continues with explanation of complexity of the current environment.

TAPE 5, B

023	Rep. Roblan	Asks if the reason for doing this is to eliminate duplicated pieces.
028	Crowell	Responds that there will be efficiencies as consolidation occurs.
039	Crowell	Points out that many clients come directly to the agency without going through a security perimeter.
073	Crowell	Advises that even though the agency is participating in Computing and Networking Infrastructure Consolidation (CNIC), there are things that need to be done in the short term.
079	Crowell	Points out the agency customer service and support staff ratios to people supported and cites percentages.
120	Crowell	States the problem of nonstandard software on desktops.

132	Rep. Roblan	Asks if there will be a big investment by 2007 in new computers.
137	Crowell	Responds, yes; however, we should be in the last year of replacement.
142	Crowell	Explains that the agency needs to be proactive in customer service strategies.
152	Crowell	Cites a lack of business process engineering expertise.
171	Crowell	Indicates that current skill sets do not match anticipated future needs.
191	Crowell	Describes security issues needing to be addressed.
203	Chair Dallum	Asks if the funds approved by the joint committee and the E-Board are being used to address the security issues.
208	Crowell	Responds, yes.
214	Chair Dallum	Asks when a reasonably secure system will be in place.
220	Crowell	Replies that DAS is leading this initiative and could better answer that question.
243	Crowell	Reviews defense-in-depth security posture.
289	Crowell	Describes the agency's customer business functions.
329	Crowell	Explains what will be included in developing tactical plans.
340	Rep. Burley	Asks if all the major projects (MMIS, SACWIS, etc.) are going to be on CNIC.
364	Crowell	Responds, exactly; all technology will be moved to the state data center.
313	Rep. Burley	Comments that it appears that even though SACWIS was included in the Governor's budget, it is not shown as one of the ten largest, most complex applications.

319	Crowell	Responds that SACWIS is the generic term for the current Family and Children Information System (FACIS), so it is included.
354	Crowell	Provides information on the custom-developed, in-house initiative for FACIS.

TAPE 6, A

010	Rep. Burley	Asks how employees are reacting to the notion of centralizing.
018	Crowell	Replies that has not been an issue. Indicates that the real challenge was to create a sense of understanding of the business needs.
033	Weeks	Admits there is some anxiety about losing personal desktop software.
048	Rep. Wirth	Asks where employment-related day care falls in the ten largest complex systems.
050	Weeks	Responds that it is not one of the largest systems; it is part of the self-sufficiency program under children and families.
056	Rep. Wirth	Asks how the current information technology is used to track down welfare fraud.
063	Crowell	Responds that is done within the silos and explains how.
077	Rep. Wirth	Asks about percentage of welfare fraud that can be currently detected.
080	Weeks	Responds that welfare payments are no longer made as people must be enrolled in an employment, education or training program. Explains Okalahoma's employment-related day care system that could reduce fraud if implemented in Oregon.
104	Rep. Wirth	Asks if consolidation of personnel with implementation of CNIC will be accomplished with elimination of positions.
104	Weeks	Responds that some positions will be eliminated but are working with employees to find places for them.
115	Rep. Wirth	Asks if vacant positions will be eliminated first.

124	Weeks	Replies, correct.
132	Crowell	Adds that the issue is being managed and vacant positions are not being filled now.
144	Rep. Roblan	Asks if protocols are being developed to capture all the different data for the new center.
150	Crowell	Responds that the data center consolidation is the physical movement of technology and the data goes with it.
160	Chair Dallum	Asks if the DHS timeline is compatible with DAS's for CNIC.
173	Rep. Krummel	Asks if consideration has been given to move away from desk top technology and move to a "thin client" technology.
193	Crowell	Replies, yes, looking at those technologies. Explains that most of what is to be implemented will be web enabled applications.
223	Rep. Krummel	Talks about a small school district using thin client technology that handles all administrative applications.
234	Chair Dallum	Adjourns the informational meeting at 3:04 p.m.

EXHIBIT SUMMARY

A. **Department of Human Services Business Plan, Bill Crowell, 83 pp**