

House Committee on Agency Reorganization and Reform January 24, 1991 -
Page

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statements made during this session. Only text enclosed in quotation
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report a speaker's exact words. For complete contents of the
proceedings, please refer to the tapes.

Measures Heard: None Informational Meeting

HOUSE COMMITTEE ON AGENCY REORGANIZATION AND REFORM

January 24, 1991Hearing Room D 3:30 p.m.Tapes 7 - 8

MEMBERS PRESENT:Rep. Clarno, Chair Rep. Hugo, Vice-Chair Rep.
Derfler Rep. Katz Rep. Jones Rep. Brian

MEMBER EXCUSED: Rep. Clark

VISITING MEMBER:Rep. Cease

STAFF PRESENT: Susan Browning, Committee Administrator Scott
Kaden, Committee Assistant

WITNESSES: Gary Weeks, Coordinating Council for
Children and Families Vicki Gates, Department of Human Resources

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TAPE 7, SIDE A

005 Chairperson Clarno: Calls the meeting to order at 3:32, followed by
committee announcements.

-Announces the formation of subcommittees - Corrections Subcommittee:
Rep. Brian, Rep. Derfler - Education Subcommittee: Rep. Hugo, Rep. Jones
- Human Resources Subcommittee: Rep. Clark, Rep. Katz

034 Rep. Hugo: Subcommittees will meet in Room 137, on Wednesdays at
3:30?

038 Chairperson Clarno: Yes, (goes on to further explain subject matter
and meeting times for the subcommittees).

042 Rep. Derfler: Subcommittees will meet individually or collectively?

044 Chairperson Clarno: Human Resources Subcommittee will meet on Wednesday, February 6th. The rest of the committee is welcome to attend the subcommittee meetings, but attendance is not required.

055 Rep. Hugo: Next Wednesday, Rep. Katz and Rep. Clark will be meeting in Room 137 as a subcommittee. The rest of us are not meeting anywhere?

059 Chairperson Clarno: The committee will meet on Tuesdays and Thursdays, . . . regularly scheduled meetings.

061 Rep. Katz: Rep. Pickard's special committee will meet Wednesday at 3:30 p.m.

062 Rep. Hugo: We have a conflict for that time period.

067 Chairperson Clarno: We will have to work this scheduling problem out. We will get back to you with further detail. - Introduction of Vicki Gates, Director of Program and Finance with Department of Human Resources.

080 Vicki Gates: Broad historical overview of the Department of Human Resources (DHR). See Exhibit A, page one.

137 Rep. Cease: Why has DHR gone bad?

142 Vicki Gates: I am not willing to say that it has gone bad. I think we are faced with difficult issues and they have been complicated by societal changes. We have had some very profound changes in our society in the last decade. - Returns to her historical overview, see Exhibit A. - Refers to Exhibit A, Attachment 2 (Mission, Values and Goals).

204 Rep. Katz: Before you jump to 1977, . . . was Children's Services Division always separate from Public Welfare?

206 Vicki Gates: It came in as a separate agency. It was created at the same time . . . as a separate agency, out of Public Welfare and Corrections.

208 Rep. Katz: It was, at some point, . . . together?

209 Vicki Gates: At some point, you had a series of programs in the Public Welfare Division, basically foster care and some in-home services. You also had in the Corrections Division those things that dealt with juvenile corrections, as well as adult corrections. What was done by the 1971 session was to take the pieces from ADS and from Corrections, and put those together. They tried to put together and coordinate all the programs for children. At the same time, they created the DHR, and both of those revised entities were moved in. I am sure the shaking out process was a lot like what happened with Senior Services Division. - Returns to her historical overview, Exhibit A.

270 Rep. Hugo: You have been with DHR since the mid 1970's, right?

272 Vicki Gates: I have been in Oregon since the mid 1970's. I served with the Legislative Fiscal Office in 1979. I was with the Office of the Director before 1979, and then to CSD and back to the Office of the Director. I have been with the Office of the Director since 1985.

276 Rep. Hugo: How many people were working in the DHR umbrella after the 1979 session?

279 Vicki Gates: Significantly more than after the 1980 Special Session. Attachment Three is a financial history of the department. It addresses staff size and provides a bench mark for gross dollars spent on staff.

313 Rep. Hugo: My point is made by the staff level at the end of the 1979 - 1981 expenditures.

318 Vicki Gates: Right, although aggregate statistics can be deceiving. There have been significant reductions, but at the same time, we have made significant investments, such as Fairview Training Center. When you take into consideration the large investments, in light of reduction in aggregate levels, you realize there have been some major reductions in other areas.

332 Rep. Hugo: Since 1979, have we mandated any new, significant programs? Have we done anything to increase the staffing?

334 Vicki Gates: Not primarily as a result of the Oregon Legislature. The major changes have been as result of federal issues.

343 Rep. Katz: I got a call from Willamette Week (wanting to know how to cut the budget). I understand there was about a 25% reduction (in the proposed agency budget) based on a one billion dollar budget. Is that about right?

350 Vicki Gates: It is about \$100 million of absolute reductions in general fund, plus the leverage in federal funds that would have gone with the general funds reductions.

366 Chairperson Clarno: When the agency was created, was it at that time decided that each department would have its own personnel and public relations departments as they have now, or did that come about later?

373 Vicki Gates: When the department was created, we went out and picked up existing entities. You were taking things that existed and shaping them into an organization. The department was clearly meant to be an umbrella. There are pluses and minuses to this design.

394 Chairperson Clarno: If your number one goal is coordination, would meaningful coordination be possible if everybody has their different training, different personnel, et cetera?

398 Vicki Gates: I think this is an easy area to oversimplify. I do think there are some basic issues that are important to keep in mind. - Reference to Attachment Four. 68% of the general fund is used to match major Federal entitlement programs. These are programs that you are not required to participate in. But once you do make the election to participate, you are heavily regulated and heavily mandated. They are programs that underlie what we are doing in our basic social service structure (Medicaid for example). - Reference to back of Attachment Four. We are in the headlines because of fiscal issues. We have two budget reconciliations every interim. Although we try to plan ahead, and be ahead of the game, federal policy can change very rapidly.

TAPE 8, SIDE A

038 Rep. Hugo: That still does not address the Chair's question. Why

do various agencies have their own personnel offices?

039 Vicki Gates: I will try to be honest with you. It has more to do with the way administrators perceive their jobs and their responsibility and their scope of authority than it does anything else. An administrator always wants to be on top of those pieces of administrative information that allow him/her to do their job. - Systems are more "comfortable" when there are safety nets and levels of review. - Do not expect great monetary savings from reorganization. The base people will still be needed to do the work. You still have to have people who enter the data, etc.

081 Rep. Hugo: I agree with your observations. Boise Cascade is a good example . . . four entities, four personnel departments and four different missions. We have to make sure that we don't do something that really isn't that cost effective, or that may be harmful in the long run.

090 Vicki Gates: You have to look at the costs and the benefits before you make the changes, and watch for your responsiveness.

101 Rep. Katz: The irritants (the proliferation of newsletters for example) are easy to remedy but it doesn't really add up to substantial savings. Where you really get the savings is when you reduce the services, or the number you serve.

109 Vicki Gates: I agree with those statements. -Returns to the historical overview, Exhibit A.

134 Rep. Katz: I am not so sure that (removing Corrections budget from the Department) was a great idea.

136 Vicki Gates: I think Corrections needed that sort of detailed attention. That system is a result of many of the problems and issues that are part of our human services system. We need to address work force and labor issues in order to prepare for the future.

164 Rep. Brian: With regard to the internal organization to the Corrections Division, would you say it is "average" in terms of its internal coordination and accountability? Is it "average" in terms of the other divisions within DHR?

172 Vicki Gates: It wouldn't be real fair to answer that question because I don't have a good grasp of what currently is going on internally with Corrections. It is typical of any organization with many independent entities with strong superintendents.

183 Rep. Brian: I have been taking a very close and current look at Corrections. Those strong superintendents have made their own little universes, which have nothing to do with the other institutions. That concerns me and I wonder about the status of other agencies. Is there that much lack of communication and coordination among all the agencies?

194 Vicki Gates: I have made some points towards the end of this document (Exhibit A). We have problems within as well as between agencies that I think are very important. What we need to think about is how the system works from the client's perspective . . . how we can make the system itself work for people so that it is understandable and negotiable?

236 Rep. Katz: It is a change of focus on how the service will be delivered . . . at the state versus at the local. Look at all the pilot projects that are still running, unevaluated and uncontrolled.

249 Vicki Gates: I think she is right.

251 Chairperson Clarno: Refers to page 4, Exhibit A, reducing real change duplication by standardizing intake. Isn't the problem with standardizing intake the numerous federal regulations?

256 Vicki Gates: I think we need to look at this issue. How we can reduce duplication and make the services better. We must take measures to insure people don't think they have been bounced around and had their needs ignored. That is probably the most frustrating thing for people, and it happens often.

285 Chairperson Clarno: Which spells coordination?

290 Rep. Derfler: Are we doing too much for too many?

292 Vicki Gates: I think you are right and with this budget, changes will be made. We need to be able to identify those clients who need the coordination.

309 Rep. Hugo: Whatever we do, however we limit the scope, the system will still be inefficient, uncoordinated, and it will be viewed by the public as wasteful. That is the nature of the beast.

321 Rep. Derfler: I keep looking at these budgets, and they are larger this time than last time. Yet, we keep saying that we are having reductions. This results because of all the items introduced during the interim?

326 Vicki Gates: Offers to sit down with Rep. Derfler to explain why this happens, specifically addressing continuing level programs versus absolute money levels. This occurs for several reasons, two of which are: 1.) Actions of the Legislature 2.) Other conditions, such as sky-rocketing medical expenses.

347 Rep. Brian: I understand what Vicki Gates is saying, I have experienced this same scenario on other committees.

356 Vicki Gates: One final comment concerning the mission of the Department of Human Resources. The department is not giving up on trying to make the system work better for people. The department wants to be better; this is possible but it will be hard.

376 Chairperson Clarno: Introduces the next speaker, Mr. Gary Weeks.

378 Rep. Katz: Recommends the word coordination not be used. Suggests integration as the proper buzz word.

394 Gary Weeks: Introduces himself and Barbara Ross, an assistant for the Coordinated Council project. Briefly describes the background of the report. - The council is composed of 28 individuals, which produced this report without any additional funding. Our assignment was to identify and inventory all programs serving children and families. We were to assess duplication, agency purpose and priorities.

468 Chairperson Clarno: What did you mean when you stated no money has

been targeted for this project, initially?

469 Gary Weeks: I should have said "at any time." There was no appropriation for this project. We brought a lot of actors together, and the Council as a whole has been a real active group. This work is the product of the coordinated efforts of the Council.

TAPE 7, SIDE B

025 Rep. Hugo: How many hours were spent on this project?

026 Gary Weeks: I heard the Legislative Fiscal Office report estimated their time spent on their study of children and families at 5,000 hours. I would imagine our time spent would be at least double that - 10,000 hours.

048 Chairperson Clarno: Are you required to provide this report to anyone besides the legislature? Do you have to mail them to anyone?

050 Gary Weeks: The legislation does not explicitly say that we must provide to every member of the Legislative Assembly, but we will provide every member a copy. Many people are interested in this document because it is such a comprehensive research project. If a person requests a copy of this report, we will provide the executive summary. But we will charge for the full document.

066 Gary Weeks: The Council really had a two-part task: the mechanical work of gathering information, and data base development. The Council also conducted a subjective discussion on the themes, important issues which should be brought to the legislature. The Council decided to address four different themes: 1.) Assuring self-sufficiency for children and families (Section One) 2.) Family integrity 3.) Continued support for alcohol and drug abuse programs 4.) Local and state coordination process

097 Rep. Jones: Question concerning Section One; how does this report compare to the bench marks put together by the Progress Board? Do we know where we are and how we are going to measure the outcomes?

104 Barbara Ross: Introduces herself as Special Projects Director for the Director's Office. The material in this document is also found in the Progress Board's discussions. We felt we had to be consistent with the Progress Board. We are talking with Duncan Wyse on exactly what bench marks to employ.

120 Gary Weeks: In addition to cross checking with the Progress Board, we have worked with Rep. Stein very closely. We had Rep. Stein attend many of our meetings, so that she could stay abreast of our actions. So, the Human Investment Council was involved as well.

124 Chairperson Clarno: With regards to the Human Investment Council, do you feel with what you have learned, that we can coordinate and improve communication among state agencies?

137 Gary Weeks: I am not sure what the Human Investment strategy is going to be, even though I have seen the proposed legislation. I think we have several recommendations in this report which will improve coordination (alludes to the Hermiston project).

148 Rep. Brian: We are trying to coordinate and integrate services to

children and families. It is sort of discouraging to note that your project scope excluded juvenile department services, non-profit organizations and children and family programs of cities and counties. This report is strictly viewed from the "state perspective." If we hope to be successful, we cannot do this.

169 Gary Weeks: You are correct and we were tempted to take another perspective. But, the legislation directed us to only survey, study and present information concerning "state funded or state administered programs." We were tempted to look into the private sector, but we didn't have the resources. This was a massive effort just to cover the state agencies. This council has a life until you end it; so you can allow us to do that. We would be happy to do that, if you desired.

184 Rep. Brian: My question is what are you coordinating with, if you have left out half of the picture?

187 Gary Weeks: We wanted to get started by organizing our own folks and then go from there. We don't have a coordinated system within the state government, and so tackling the whole coordination picture is very difficult when you don't even have coordination of your own agencies.

193 Rep. Brian: I am not trying to degrade your report, I was just saying that what we have is a snapshot of a part of the whole system.

201 Chairperson Clarno: In the essence of time, can you point us to your recommendations for coordinating the various children's programs? Will that come out in the Executive Summary, or can you point to it in this report?

209 Gary Weeks: It comes throughout the four themes that Barbara will be addressing.

211 Chairperson Clarno: Is there proposed legislation to do these suggestions?

213 Barbara Ross: At this point they are absolutely suggestions only.

223 Chairperson Clarno: Did you get to proposals for legislation?

226 Barbara Ross: We didn't get to proposals for legislation.

227 Chairperson Clarno: How far are you from that?

228 Barbara Ross: That is something you will want to think about, in terms of do you want to have duplicate budgetary systems? Do you really want the Council doing that at the same time the departments are doing that?

235 Chairperson Clarno: The legislature directed you to make proposals for legislation, but did not say when or give you money?

237 Barbara Ross: Yes, that is correct. The Council members needed to know where they were going as a group before they could start proposing legislation. They also took into consideration Bev Stein's committee and it's purpose.

244 Gary Weeks: There was a lot of discussion concerning the drafting of proposals. We decided it would be best to provide this to the legislature and let them pick and choose, from our strategies, which

would be best. We felt that it really is your prerogative to decide which proposals to implement.

256 Rep. Derfler: Rep. Brian has a good point concerning what is being done in the private sector. We really cannot come up with suggestions when we don't know what is already being done.

264 Barbara Ross: I might be able to answer that question by referring Rep. Derfler to page 24 of the report, see Exhibit C. This is the section which addresses coordination and process amongst state and local agencies.

290 Rep. Derfler: How can we focus on areas, with regards to the private sector, when we don't know all the facts? How can we select areas to focus on when we don't know the entire picture?

298 Gary Weeks: We would hope that you would pick up process strategies, relating to state programs. For example, see page 25 of Exhibit C - single enrollment form, single point of intake or a single point for transferring data.

315 Rep. Hugo: Refers to the Lincoln County project aka the John Erickson project. The main desire of this project is to look at what we can do to serve the child as a client, not worry about the agency's needs. We are in charge of monitoring and overseeing the state government, we are not to oversee and monitor local churches.

340 Rep. Jones: United Way did a project (in 1988) which studied the role of private agencies. There is an opportunity to learn from this report. In addition, I am concerned about which approach we should adopt.

378 Gary Weeks: The Lincoln County project also addressed service to the family, in addition to the problems that involved the child. Families in most cases don't have a single problem, instead they have several interrelated problems. Lincoln County wants a caseworker to address the family problem, to help broker the services of all the agencies. This is what Hermiston is trying to do as well. They are attempting to create a human resource center, which will house all the DHR agencies. This approach will get everyone together, using a single, integrated assessment process.

431 Rep. Jones: Are you saying that the state is too large to do a Hermiston project, on a state-wide scale? Is that what I am hearing? The state is too big to coordinate?

446 Barbara Ross: That is absolutely right. The state structure should encourage and support local planning and problem solving. We should move our decision making closer to local communities.

465 Rep. Jones: This committee should look at items which impede facilitation of coordination at the local level.

470 Chairperson Clarno: When we start the Human Resources Subcommittee, would you be willing to come back and discuss with us confidentiality rules? I think this is a very important part of coordination of agencies.

034 Rep. Brian: Explains to the committee Rep. Clark's capacity as Chairperson on the Family Justice Subcommittee of the Judiciary committee. This subcommittee is concentrating on the delivery of juvenile services.

042 Gary Weeks: We are working on the confidentiality issue, and we want the committee to know this fact.

046 Chairperson Clarno: Thanks the speakers for their testimony and adjourns the committee at 5:02.

EXHIBIT LOG

A - Vicki Gates - 23 pages B - Vicki Gates - 40 pages C - Gary Weeks - 275 pages

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