

MINUTES
Office of Administrative Hearings Oversight Committee
Date: Wednesday, April 18, 2007
5:30pm – 7:30pm
Location: Dave Pleasant Conference Room
Employment Department Central Office – 3rd Floor

Welcome and Introductions

OED Director Laurie Warner opened the meeting explaining it has been approximately seven years since the Office of Administrative Hearings (OAH) was formed. Pursuant to ORS 183.690, the legislature created the Office of Administrative Hearings Oversight Committee to review processes, make recommendations and conduct studies to determine the effectiveness, fairness and efficiency of the Office of Administrative Hearings.

Introductions were made of the Oversight Committee, Department Staff & Guest:

Laurie Warner, Director, Employment Department
Senator Doug Whitsett, Senate District 28
David Reese, Governor's Legal Counsel
Tom Ewing, Chief Administrative Law Judge
Christine Chute, Department of Justice
Phil Schradle, Department of Justice
Lynn Nelson, Rules Coordinator, Employment Department
Rebecca Nance, Legislative Coordinator, Employment Department
Gerry Brodsky, Consultant, Public Knowledge LLC, Guest

Attendees:

Rudy Williams, OLCC	Jennifer Schrowski, OAH
Andrea Sloan, OAH	Kyle Hoppe, OAH
Michelle Morales, OAH	Lynne Wehrlie, OAH
Jeff Pullman, SEIU	Sidney Shuptrine, OAH
Tom Byerley, OED	Larry Smith, OAH
Bill Fink, OED	Bernadette Janet, OAH
Sarah Owens, EAB	Bernadette House, OAH
David Marcus, OAH	Steven Demarest, OAH
Vance Bybee, OAH	Steven Tegger, OAH
Paul Hegstrom, OAH	Jonathan Micheliatti, OAH

Review of ORS 183.690 and ORS 183.610
Rebecca Nance, Committee Staff

Ms. Nance briefly reviewed ORS 183.690 Office of Administrative Hearings Oversight Committee and ORS 183.610 Chief Administrative Law Judge. Under these statutes, the Committee will study operations, make recommendations, and conduct studies to determine the effectiveness, fairness and efficiency of the Office of Administrative Hearings.

History of the Office of Administrative Hearings
Tom Ewing, Chief Administrative Law Judge, OAH

Tom Ewing shared the beginning of the OAH and how the OAH came to be. He reviewed where the OAH is today and the current structure of the OAH. An Operations Division has been added to the OAH structure and Mr. Ewing feels this has increased the efficiencies of the OAH.

Performance Indicators

The average annual cost of a hearing case in 2001 was \$322. The cost of each case dropped to \$268 upon the formation of the Office of Administrative Hearings. By 2004, the cost of each case increased to \$310, leaving a savings of \$12.00 per case.

The OAH has gained efficiencies primarily through operations. The principle reason for the ability to do more work without as many people is the effect of economies of scale and the ability to move people where the work needs to be and out of areas where less people are needed. For example, OLCC hearings have decreased from 129 to 73, so FTEs would be moved from OLCC to an area with increased hearings, UI or DMV.

In 2005, the Federal Government changed the timeline requirements for cases to be complete. The Office of Administrative Hearings discovered a backlog of 800 cases. In developing methods of meeting the new timelines, the OAH focused on reducing the backlog and it is currently approximately 30 cases.

Past, Present and Future Initiatives

Hiring: High level overview. Consistent hiring practices are in place.

New Hire Training: A comprehensive training, including classroom training that starts with UI training, how to run an order and conduct a hearing.

Cross-training: One of the reasons the OAH has been able to eliminate 17 positions is because of cross-training.

Order Writing: Since 2001, order writing has dramatically improved, based on general opinion.

Classification Study: DAS is conducting a classification study and reviewing salaries of the OAH, Public Utilities Commission, the Employment Relations Board, and the Bureau of Labor. A tier system will be implemented and use tiers 2 and 3. The salary ranges are unknown at this time.

Consolidation: With the consolidation of offices in Portland and Salem, Mr. Ewing hopes to achieve a cultural unity. Instead of ALJs seeing themselves as an DHS ALJ or a UI ALJ, will think of themselves as an OAH ALJ. With the consolidation, the OAH anticipates to achieve more efficiencies.

Election of Chair and Vice Chair
Laurie Warner

Phil Schradle agreed to be the Chair Pro Tem, since the House Committee has not yet appointed its members to the Oversight Committee. When those members are appointed, the Committee intends to elect a Chair.

Discussion of Draft Scope Document (action required)
Gerry Brodsky, Public Knowledge

Public Knowledge, LLC is a consulting firm that was contracted through a competitive bid process, to review the processes of the OAH and determine if the OAH has realized the benefit, as foreseen in the enabling legislation and in the intent of the legislation. The first step in this review will determine if the OAH is performing according to the Charter of the OAH.

The second portion of the review will look at how the OAH is carrying out their work, what they have done, how they operate, how the organization is functioning overall and how the parties requesting hearings feel about the process. Performance measures will be reviewed.

The third portion of the review will assess how customer satisfaction is measured and acted upon. Mr. Brodsky has been working in the customer satisfaction arena for 20 years and has developed reasonable ways of measuring customer satisfaction. They will review what is being done now, how the data is being used and how it can be improved.

Public Knowledge will draft a report for comment. After comments have been reviewed and considered, a final report will be submitted, including a determination of whether the OAH accomplished what was intended. The report will include recommendations on how to improve processes.

Mr. Brodsky will provide the Committee with resumes of Public Knowledge, background of Public Knowledge and prior work and results for other agencies.

Committee members will provide comments to Rebecca Nance about the scope of work that Public Knowledge will include in their report. Those comments should be submitted to Ms. Nance by Wednesday, May 2, 2007.

An agenda item for the next meeting will include discussing additional items that could be included in the scope of work.

The next meeting will be scheduled in approximately three weeks.

State Agency and Public Comment

A sign up sheet was available for those who wished to make public comment. The following individuals made comments:

- Bernadette Janet, OAH ALJ, had questions about the Committee and why the Committee stopped meeting
- Steve Demarest, OAH ALJ, asked about the mission of the Committee and current legislation
- Jeff Pullman, SEIU Organizer, spoke about a letter that some ALJ's signed and submitted to the Committee members regarding management concerns
- Jennifer Subrowski spoke about issues and concerns among the Operations staff and said there are more than just ALJ concerns

Closing: Discussion of how the Committee would like to receive information. Everyone agreed receipt of information via email would be acceptable.

Rebecca informed the group that OED would be setting up an Oversight Committee public website and that will have all information posted. Anyone with comments, agenda items or questions, may contact Rebecca Nance, (503) 947-1732 or email her at Rebecca.Nance@state.or.us .

Agenda items for the next meeting, tentatively scheduled for May 9, will be:

- Discussion of additional items that could be included in the scope of work.
- Status on House appointments
- Status on Committee Chair

The meeting adjourned at 7:10pm.