

JOINT PERFORMANCE REVIEW COMMITTEE**JULY 30, 2015****MINUTES**

The Joint Performance Review Committee met Thursday, July 30, 2015 in Room A, Mac Building, Little Rock, Arkansas.

Committee members present were Senators Alan Clark, Co-Chair, John Cooper, Jane English, and Missy Irvin, and Representatives Kim Hammer, Co-Chair, Jana Della Rosa, Lance Eads, Kenneth Ferguson, Mickey Gates, Mary "Prissy" Hickerson, Josh Miller, Milton Nicks, Jr., Chris Richey, Dan Sullivan, Dwight Tosh, Clarke Tucker, John Walker, and Richard Womack.

Other legislators present were Senators Linda Chesterfield, Stephanie Flowers, Jimmy Hickey, Bruce Maloch, Larry Teague, and Jon Woods, and Representatives Eddie Armstrong, Bob Ballinger, Nate Bell, Mary Bentley, Mary Broadaway, Karilyn Brown, Andy Davis, Gary Deffenbaugh, Charlotte Douglas, Trevor Drown, Jeremy Gillam, Bill Gossage, Grant Hodges, Bob Johnson, Sheilla Lampkin, Mark McElroy, David Meeks, Stephen Meeks, Betty Overbey, Matt Pitsch, Marcus Richmond, Jeff Wardlaw, and Marshall Wright.

Call to Order

Representative Hammer called the meeting to order.

Approval of Minutes – June 17, and June 18, 2015 [Exhibit C, C-1]

A motion to approve the minutes of the June 17, and June 18, 2015 JPR Committee meetings was made by Representative Kenneth Ferguson and seconded by Senator John Cooper. The motion carried.

Discussion of Licensing Procedures Used by the Office of Motor Vehicle, Arkansas Department of Finance and Administration (DFA) [Exhibit D]

Representative Hammer recognized Tim Leathers, Deputy Director and Commissioner of Revenue, Arkansas Department of Finance and Administration (DF&A). Mr. Leathers gave an overview of the Office of Motor Vehicle and said there are a total of 134 revenue offices and 4.1 million transactions processed annually. The Department has improved the methods it used for the renewal of vehicle registration and driver licenses. A software program known as "ARStar" allows customers to renew their vehicle license by smartphone or online. Mr. Leathers said that data shows 2.9% of all vehicle registration renewals for Fiscal Year 2014-2015 were made by telephone, with 1.47% made on a new Kiosk system. 72% of renewals continue to be made by walk-in customers. Mr. Leathers said he believes the number of walk-in customers will decrease over time as a younger population takes advantage of renewing by smartphone or online.

Review of the State Employee Performance Evaluation Process and Training Process [Exhibit E]

Representative Hammer recognized Kay Barnhill Terry. Ms. Terry outlined the Arkansas Merit Pay system for state employees:

- Within 30 to 90 days of initial employment, all state employees receive job standards
- At the end of one full year of employment, an evaluation is performed by the employee's immediate supervisor and reviewed by the supervisor's manager
- Four categories of evaluation results are: excellent, exceeds standards, above-average, and unsatisfactory
- Merit pay is awarded to employees based on their evaluation
- 22,698 state employees were evaluated in Fiscal Year 2014-2015
- 10,000 employees received an above-average evaluation
- 4,100 employees received a satisfactory evaluation
- 112 employees were given an unsatisfactory evaluation

Report of Transparency Plans-Act 1265 of 2015 the Public Safety Transparency and Accountability Act [Exhibit F]

Representative Hammer recognized Sheila Sharp, Director, Arkansas Community Correction (ACC), Wendy Kelley, Director, Arkansas Department of Correction (ADC), and John Felts, Chairman, Arkansas Parole Board (APB). Ms. Sharp discussed the report required by Act 1265 of 2015, which is referred to as the "Transparency Act". She said that ACC submitted its report in June, 2015. ACC anticipated a completion date of August, 2015 to allow for any corrections and/or changes found in the report. However, the Department did not receive cost estimates and informational data to make the programming changes required by Act 1265 until the end of July, 2015. She said ACC is acting as quickly as possible to make the required programming changes.

Representative Hammer recognized Wendy Kelley, Director, ADC. Ms. Kelley told the legislators that the ADC is in a similar situation as the ACC regarding programming changes required by Act 1265. She said that the ADC received cost estimates totaling \$112,556 at the end of July, 2015, plus a projected timeframe of five months to complete the required changes. She said the programming changes required are complicated, forcing a revised cost estimate.

John Felts, Chairman, APB stated that the Arkansas Parole Board has the same situation, with the same changes required.

Update on the Status of the CoCENTRIX Contract and the Functionality of the Universal Assessment Platform

Representative Hammer recognized Craig Cloud, Director, Aging and Adult Services, Department of Human Services (DHS). Mr. Cloud discussed the status of the contract between DHS and CoCENTRIX, Inc. He said the current contract deliverables have been met and were successfully tested in an offline environment. The next deadline for a deliverable by CoCENTRIX is August 14, 2015, which is required by the Centers for Medicare and Medicaid Services (CMS) to comply with the International Classification

of Diseases Code (ICD 10) code. Mr. Cloud was asked how many individuals are on a waiting list for services through community-based waivers.

Mr. Jim Brader, Director, Developmental Disabilities Services, (DDS) DHS, responded to the question and said there are 2,800 individuals on the waiting list. He said that DDS has been unable to locate a large number of the individuals on the waiting list because they have moved and have not updated their addresses. The Department is working to contact these individuals by sending certified letters, cross-referencing information with other databases, and sending DDS personnel to known addresses. For those persons DDS is unable to locate, their names will be placed on a deferred list.

Continuation of Review of Vendors Affiliated with the Arkansas Department of Human Services' Medicaid Eligibility and Enrollment Framework (EEF) Project [Exhibit H]

Representative Hammer recognized Joanne Gallagher, Director, Computer Aid Incorporated (CAI) and Richard Wyatt, Chief Information Officer, Office of Systems and Technology, DHS.

Ms. Gallagher said that CAI provided direct services for the Medicaid Eligibility and Enrollment Framework (EEF) project in its contract with DHS from August, 2011 to July, 2015. During this time period, there were a total of six Statement of Work (SOW) contracts for a total of \$4.9 million. In July, 2015, the Cognosante company assumed the Program Management Office component of the EEF project for DHS. Ms. Gallagher reviewed the Statements of Work (SOW), which included:

- An analysis of the technical infrastructure that existed within DHS
- Preparation of the Request for Proposal (RFP)
- Additional assistance in preparation of the RFP
- Three additional SOWs provided coordination and reporting of project status, the coordination of project management meetings, and reports to the DHS Governance Group

Representative Hammer recognized Richard Wyatt who discussed the development of the RFP and vendor selection for the EEF project. Mr. Wyatt outlined the process:

- The original RFP received six bids from vendors
- Noridian Healthcare Solutions was the first vendor selected
- February 13, 2015, DHS notified Noridian Healthcare Solutions that negotiations were halted
- February 13, 2015, Mr. Wyatt contacted the Office of State Procurement (OSP) and asked if DHS could award the contract to its second choice bidder, the Northrop Grumman Corporation
- February 13, 2015, Mr. Wyatt was told by OSP that the second bidder could not be selected

Mr. Wyatt said that following the elimination of the first two vendors, the only option available to DHS to meet the October 1, 2013 deadline set by CMS was to utilize the CAI Information Technology staff augmentation contract.

Representative Hammer recognized Camber Thompson, Administrator, Office of State Procurement (OSP), DF&A. Ms. Thompson was asked to describe her familiarity with the RFP vendor selection process for the EEF project. She said she was employed by OSP as Technical/Equipment staff during the time period the RFP was under consideration. In response to questions, Ms. Thompson said she is unable to provide any background on discussions between DHS and the previous OSP administrator.

Representative Hammer stated that without objection by the committee, a letter will be drafted requesting the Division of Legislative Audit to:

- Review time sheets and the approval process for all remote sources for the EEF project - to ensure that the state paid for only the actual hours worked
- Review all additions/deletions of remote sources to/from the EEF project - to ensure the state paid for only the resource the state approved
- Review the skills and expertise and compliance of vendors for the EEF project – to ensure the state paid only for the skills and expertise promised and not anything else

Representative Hammer told the committee that once this report is received from Legislative Audit, a joint meeting of the Joint Performance Review Committee and Legislative Joint Auditing Committee will be scheduled to review the report.

Representative Hammer recessed the meeting at 12:20 p.m.

Review of Procedures Used by the Arkansas Department of Human Services (DHS) to Remove Children From Their Home, and an Overview of the Child Maltreatment Registry, the Child Abuse Hotline, the Attorney Ad Litem Program, and the CASA Program (Arkansas Child Maltreatment Act (A.C.A. §12-18-101-1202))

Senator Clark reconvened the committee meeting at 1:00 p.m. He recognized Captain Ron Stayton, Division Commander, Arkansas State Police, and Katherine Finnegan, Primary Investigator-Hot Springs Division, Crimes Against Children, Arkansas State Police.

Captain Stayton described the process used by the Crimes Against Children Division (CACD) of the Arkansas State Police for investigations when a report of child abuse is called in to the Child Abuse Hotline:

- The Child Abuse Hotline is operated 24 hours a day, seven days a week with 27 operators
- Operators conduct a telephone interview with the person reporting the abuse and determine whether the investigation should be assigned to the CACD or to the Department of Human Services Division of Children and Family Services (DCFS)
- An investigator is assigned to gather facts and determine if a preponderance of evidence indicates that child maltreatment has occurred
- A decision is made concerning whether or not the facts support a true finding
- A supervisor reviews the case with the investigator
- When a true finding is made, an offender is notified of their right to appeal – they have 30 days to register an appeal

- Appeals are made to the Administrative Office of Appeals and Hearings
- Testimony is heard by an Administrative Law Judge
- Offenders have the right to appeal the decision of the Administrative Law Judge to the Pulaski County Circuit Court

Legislators discussed in detail the investigations of maltreatment cases by both the CACD and DCFS.

Senator Clark recognized Cecile Blucker, Director, Division of Children and Family Services (DCFS). She told legislators that the DCFS has investigation protocols similar to those used by the CACD. She described the DCFS process:

- An investigator goes to the home and conducts an assessment
- The investigator makes a decision as to whether or not a child/children can safely remain in the home
- If the investigator determines the child/children can safely remain in the home, a protection plan is put in place
- When a protection plan is put in place, the new process requires a team that includes family members and a support system, to meet and reach a consensus on the needs to safely keep the child/children in the home
- When a child/children are removed from the home, they are placed in the foster care system
- When a child/children are removed from the home, a 72 hour hold is established while a judge decides if the child/children should remain in the custody of DCFS, or be released to their family
- When a judge determines that a child/children should remain in foster care, the judge may assign an Attorney Ad Litem to represent the child/children

Legislators discussed the difficulties and challenges involved in child maltreatment cases.

Senator Clark adjourned the meeting at 3:20 p.m.