



SEN. ELIZABETH H. MITCHELL, CHAIR
REP. MARILYN E. CANAVAN, CHAIR

MAINE STATE LEGISLATURE GOVERNMENT OVERSIGHT COMMITTEE

MEMBERS:

SEN. PHILIP L. BARTLETT, II
SEN. JONATHAN T.E. COURTNEY
SEN. DANA L. DOW
SEN. JOSEPH C. PERRY
SEN. KEVIN L. RAYE
REP. ANDREA M. BOLAND
REP. SCOTT E. LANSLEY
REP. EVERETT W. MCLEOD, SR.
REP. PEGGY A. PENDLETON
REP. MICHAEL A. VAUGHAN

MEETING SUMMARY July 30, 2007

CALL TO ORDER

The Chair, Sen. Mitchell, called the Government Oversight Committee meeting to order at 1:10 p.m. in Room 202 of the Burton Cross Building.

ROLL CALL

Senators:	Sen. Mitchell, Sen. Perry, Sen. Dow and Sen. Courtney Joining the meeting in progress: Sen. Raye Absent: Sen. Bartlett
Representatives:	Rep. Canavan, Rep. Pendleton, Rep. Lansley, Rep. McLeod, and Rep. Vaughan Absent: Rep. Boland
Legislative Officers and Staff:	Beth Ashcroft, Director of OPEGA Scott Farwell, Analyst, OPEGA Etta Begin, Adm. Secretary, OPEGA
Executive Branch Officers and Staff:	Peter Coughlan, Civil Engineer IV, DOT Chip Getchell, Civil Engineer III, DOT Fred Hutchinson, Transportation Planning Specialist, DOT

INTRODUCTION OF GOVERNMENT OVERSIGHT COMMITTEE MEMBERS

Members of the Government Oversight Committee introduced themselves for the benefit of the listening audience.

SUMMARY OF APRIL 30, 2007 MEETING

Chair Mitchell asked members if they had any changes to the April 30, 2007 Meeting Summary. Hearing none, the Summary was accepted as written.

PRESENTATION ON BEND THE CURVE INITIATIVES IN MAINE STATE GOVERNMENT

Sen. Mitchell introduced Dr. Walter Lowell, Director, Office of Lean Management, Department of Health and Human Services, who was at the meeting to make a presentation on Bend the Curve Initiatives in Maine State Government.

Dr. Lowell thanked the Committee for giving him the opportunity to speak about Bend the Curve program. His presentation included:

- the purpose and strategy of Bend the Curve;
- the State's challenge of increased demands and reduced resources;
- DHHS' governing principles and steps it is taking to improve services to Maine citizens;
- the meaning of "Lean" philosophy and key principles ;
- what products the Government produces;
- the proven possibilities, increased productivity, and cost savings;
- how to get a problem solving and continuous improvement workforce;
- intervention paths; and
- the opportunities and benefits the State will receive following the program.

Dr. Lowell said Bend the Curve, given the current challenges, is a vital and critical opportunity for leadership to be effective in improving services to Maine citizens.

Rep. Canavan asked what criteria is being used to measure performance. Dr. Lowell said group meetings are held for employees who have problems with a particular work process and questions are asked about the current procedures. That information is summarized and used to determine how the current procedures could be improved and recommendations are made.

Sen. Mitchell asked if anyone has been able to quantify the savings over the last three years. Dr. Lowell estimated approximately \$3.5 million has been identified. DHHS' savings can be identified, but are not savings it can necessarily achieve.

Rep. Vaughan asked if looking for redundant programs, and agencies were included and Dr. Lowell said that Lean is predicated on the idea that there is redundancy in a system and is part of the waste he is looking for. The Department is looking for savings wherever they can find them, both in terms of actual manpower as well as in terms of dollars and cents.

Rep. Lansley asked if there was a plan with specific benchmarks and Dr. Lowell said he would send a copy of DHHS' strategic plan to move forward to the GOC.

Director Ashcroft asked for clarification as to what percentage of the identified savings is in productivity gains as opposed to real dollars being able to be cut from DHHS' budget. Dr. Lowell said that most of the gains being seen are in how the work is being done, they are productivity gains. By working on process improvements within various departments and agencies, the amount of time can be reduced to produce a quality product. These are productivity gains that can be translated into dollars and cents. It does not necessarily mean there actual dollars that can be cut, but in processes where duplication has been found, significant amounts of resources have been identified and are available for use in other programs.

Sen. Mitchell asked if the program included looking at where agencies or departments are understaffed. Dr. Lowell said a key feature of Lean Management is to make work flow throughout a system, and a key aspect is to balance workloads.

Sen. Mitchell, on behalf of the Government Oversight Committee, thanked Dr. Lowell for his presentation of Bend the Curve.

RECESS

The Government Oversight Committee recessed at 2:50 p.m. on the motion of the Chair.

RECONVENED

The Chair reconvened the meeting at 2:58 p.m.

PRESENTATION OF FINAL REPORT

• Urban-Rural Initiative Program

Director Ashcroft introduced Scott Farwell, who was the lead OPEGA Analyst on the Urban-Rural Initiative Program Audit.

Mr. Farwell introduced Peter Coughlan, Fred Hutchinson and Chip Getchell from the Department of Transportation and then proceeded with the presentation of the report.

Following the report presentation, discussion ensued in the following areas:

- whether bond money raised for highways and bridges in Maine can be used on State aid minor collector roads;
- clarification that URIP money is not bond money;
- the rationale for why rural communities can use their funding only for capital improvements, but urban compact areas can use their funding for either improvements or maintenance;
- how the amount received by each recipient is calculated; and
- whether small rural towns may be able to bankroll their URIP funds for the future and used as a matching fund mechanism to fix their roads with federal and state matching funds.

Mr. Hutchinson informed Committee members that much of the information for the questions asked can be found on DOT's website under the community services section.

Mr. Farwell thanked the individuals with the Maine Department of Transportation, Maine Municipal Association and the municipal officials for their cooperation and assistance with the audit.

Sen. Dow commented that the report was well done, and adequately answered the 3 questions that were the focus of the review. Director Ashcroft highlighted that in the instance of URIP, OPEGA had been able to report that the program was well run.

The GOC thanked the staff in attendance from DOT for the information provided, Representatives Browne and Fisher, members of the Transportation Joint Standing Committee, and Mr. Farwell for his presentation of the report.

The Committee will hold a public hearing and comment period on the Performance Audit of Urban-Rural Initiative Program at its meeting on August 27, 2007, and will also vote on the report at that meeting.

REPORT FROM OPEGA DIRECTOR

• Status of Hiring for Principal Analyst Position

Director Ashcroft reported that second interviews were done the week of July 29th.

- **Status of Audits in Progress**

- **Highway Fund Use by Department of Public Safety** – completed.
- **Urban Rural Initiative Program** – completed.
- **Requests for Admission to Riverview Psychiatric Center** – draft Report will be presented to the Committee later in today's meeting, and the final report will be complete by the next GOC meeting.
- **Bureau of Rehabilitation Services** – is in the reporting phase and OPEGA continues to meet with management regarding what the management actions will be for the report findings.
- **Contracting for Health and Social Services** – has been initiated. Currently finishing the preliminary research phase and will be presenting a recommendation to the GOC on direction for the remainder of the review. OPEGA may be in a position to issue a report coming out of the preliminary research based on information gathered to date and highlight for the Committee the many different areas that might be good subjects for further review as separate audits.
- **Information Technology: Acquisition & Maintenance of Technology Infrastructure; Project Management; and Systems Security** – are being used as filler work. OPEGA is currently in the process of designing a control self-assessment tool and when complete, will be sending it to OIT. The information will give OPEGA a better understanding of where the real risks may lie.
- **State Administration – Staffing** – has been initiated. The review encompasses staffing and contracted personal services. This will be a large review that will include a lot of analytical work because of several components that came out of proposed legislation, as well as some elements of the Brookings Report. OPEGA is not only looking at management supervisory layer positions, but also in its preliminary work, is looking for functions within State government that overlap or are top heavy. OPEGA will be looking for opportunities to eliminate duplication and to consolidate or streamline how services/products are being provided.

- **Action taken by Appropriations and Financial Affairs and Natural Resources Joint Standing Committees on the request forwarded for an OPEGA review of the Department of Environmental Protection's Water Quality Enforcement Efforts**

Director Ashcroft summarized what action the GOC had taken on the request. The Committee believed there were policy implications regarding the request and voted to refer it to the Appropriations and Financial Affairs and Natural Resources Committees. In January, 2007 a letter was sent to those Committees with all the information the GOC had received and requested that the Committees report back to the GOC by March 31, 2007 on what action, if any, the Committee had or would take regarding the request.

OPEGA followed up with the Joint Standing Committees and learned that the Natural Resources Committee had not taken any specific action on the request. It had, however, approved additional funding in the budget for DEP for water quality type things. Director Ashcroft said she did not know if what was approved would go directly to the staffing for enforcement efforts that were the focal point of the audit request. The Appropriations and Financial Affairs Committee had not responded to OPEGA's follow-up inquiry. Sen. Mitchell asked, on behalf of the Committee, if Director Ashcroft would call DEP to find out what the additional funds are being used for and to report her findings at the next GOC meeting.

UNFINISHED BUSINESS

None

NEW BUSINESS

- **Quarterly Review of Requests Received for OPEGA Audits**

The Committee discussed whether the written material received by OPEGA on review requests should be provided with the quarterly list of audit requests. Committee members agreed that OPEGA's summary of the information would be sufficient, but did want to know who the requestor was unless the requestor wanted to remain anonymous.

1. School Revolving Renovation Fund (Department of Education and Maine Municipal Bond Bank)

Director Ashcroft said this is not a topic that fits into any of those presently on OPEGA's work plan for the next 2 years and is not aware of any past or current efforts around auditing or evaluating the Fund to any degree.

Committee discussion followed regarding exactly what the request was asking and what an OPEGA audit would accomplish. It was recommended that Director Ashcroft contact the Department of Education requesting additional information, including whether an audit is underway, and if so, when it will be released. The Director will also contact the Maine Municipal Bond Bank to obtain any information it could furnish to the GOC on the topic.

Motion: That the Government Oversight Committee directs Director Ashcroft to contact the Department of Education and the Maine Municipal Bond Bank requesting information on the School Revolving Renovation Fund and report back to the GOC at its next meeting any information received. (Motion by Sen. Raye, second by Rep. Pendleton, PASSED unanimously 9-0).

2. Tax information/data related to tax incentives for economic development (Maine Revenue Services)

Director Ashcroft believes the request was not for an audit, but a request for OPEGA to find out information or provide a service. The request was received from the Joint Standing Committee on Taxation and is regarding the economic development incentive programs. There were questions regarding the confidentiality of tax data, whether OPEGA would be able to review tax records and, if so, what information might be obtained could be useful to the Taxation and BRED Committees in evaluating economic development tax incentives. Director Ashcroft believes it would involve her requesting confirmation from the Attorney General that OPEGA's statute and the tax statute does give OPEGA access to the records. She also thinks OPEGA would need to do some research with Maine Revenue Services on what information could be accessed that would be helpful. Until OPEGA looks at what is there and what form it is in, she does not know how much work it would take. Director Ashcroft said OPEGA may be able to work with Maine Revenue Services to figure out what kind of statistical data they could pull together and provide information that could be helpful.

Sen. Perry and Rep. Lansley discussed the Taxation Committee's concerns and the reasons for its request. The Committee was seeking information regarding tax incentive programs and some of the procedures involved for receiving tax credits. At the present time, there are no verifications whether the criteria is being met, it is simply a check of a box on a tax form. In order to get information, the Committee would have to make a request to the Maine Revenue Services identifying the programs, and may not be given the information because it may contain confidential material. The programs in question did not fall under the Department of Economic and Community Development, and the Taxation Committee was trying to get the information all under one umbrella.

Director Ashcroft said any information received would be helpful to the Taxation and Business, Research and Economic Development Committees and recommended sending a letter to the Attorney General's Office and the Maine Revenue Services.

Motion: That the Government Oversight Committee directs OPEGA to spend a minimal amount of time researching whether it would have access to confidential tax records and, if so, what kind of data might be available for the individual programs that could be helpful for evaluating their effectiveness. (Motion by Sen. Perry, second by Rep. Lansley, PASSED, unanimously, 10-0).

3. Consolidated Emergency Communications Bureau, Regional Communications Centers (RCC) (Department of Public Safety)

Director Ashcroft said this would be a detailed review. Because the request was received from the Joint Standing Committee on Utilities and Energy, Director Ashcroft would prefer the request be tabled until Sen. Bartlett, Chair of the Utilities Committee, could be at the GOC meeting and Rep. Bliss contacted.

Committee discussion followed regarding the status of the topic and urgency of the request. Following that discussion, the following motion was offered.

Motion: That the Government Oversight Committee postpone action on the request regarding the Consolidated Emergency Communications Bureau, Regional Communications Centers until the next scheduled GOC meeting. If a determination is made that a timely OPEGA audit could affect the continued movement toward RCC's, then the meeting would be scheduled for August 27, 2007. If not, the GOC would wait until September 10, 2007 to meet. (Motion by Sen. Raye, second by Rep. McLeod, PASSED, unanimously, 9-0).

4. **Division of Support Enforcement and Recovery** (DHHS)

Director Ashcroft said the request involved staffing concerns within a particular unit of DHHS similar to the focus of OPEGA' State Administration – Staffing review. The information provided by the requestor would be used as input for that review.

No action was taken on this request.

5. **ASPIRE Program** (DHHS)

Director Ashcroft said the ASPIRE Programs provides the same type of services and procures the same type of goods and services as the Vocational Rehabilitation Programs within the Bureau of Rehabilitation Services, but involves a different group of consumers. The Director reminded the Committee that OPEGA was currently finishing up a review of BRS.

The Director reported that she had not been able to quickly find specific information for the dollar amount of the ASPIRE Program and would need more time to obtain that information. Prior to the GOC making a decision on the request, it was suggested that Director Ashcroft come back with the dollar amount so the Committee would be able to better assess it against the other request on OPEGA's work plan.

Motion: That the Government Oversight Committee ask Director Ashcroft to report back at the next Committee meeting the additional information, including the dollar amounts involved regarding the ASPIRE Program that will help the Committee make a decision on the request. (Motion by Sen. Raye, second by Rep. Vaughan, PASSED unanimously, 9 – 0).

• **Results of Data Analysis on Requests for Admission to Riverview Psychiatric Center**

Director Ashcroft presented the draft Analytical Study on the Requests for Admission to Riverview Psychiatric Center (RPC).

The purpose of the study was to produce credible, objective information about requests for admission that would be useful to the Legislature in making decisions regarding capacity at RPC and related issues. Specifically, OPEGA sought to answer the questions listed below. The following includes the questions and a brief summary of Director Ashcroft's finding to each:

1. **What percentage of total requests for admissions is being denied immediate admission due to lack of capacity versus being denied for other reasons?**

RPC received a total of 507 requests for admission for the period May-September 2006. Seventy were repeat calls on previous requests that had been made by the same requestor, so there were 437 non-repeat requests, 82% were for civil beds and 18% were for forensic beds.

Not many people get admitted to RPC when a request is made. There are a number of people who get put on a waiting list. Eighty-seven percent (87%) are not admitted due to lack of capacity and of these 54% were put on a wait list. In general then, most requests are not resulting in admission to RPC because of a lack of capacity, this includes both civil and forensic requests.

2. How many appropriate individuals (civic or forensic) are denied immediate admission to RPC each month due to lack of capacity?

Two hundred and ninety-nine (299), or 85% of individuals, met the criteria for admission to RPC but were not immediately admitted due to a lack of capacity, with 241 individuals requesting civil beds and 57 requesting forensic beds.

3. Where are the requests for admissions originating from? Is a significant percentage originating from any one source or any particular geographic area?

The requests for civil beds came mostly from the emergency rooms and community hospitals and the requests for forensic beds came mostly from jails. The reports lists the hospitals that had 10 or more requests coming from ERs. They include: Eastern Maine Medical Center; Maine General Medical Center-Augusta; Maine General Medical Center- Waterville; Maine Medical Center; Mercy Hospital; Southern Maine Medical Center; St. Mary's Hospital; and Mid Coast Medical Center. The majority of requests from the ER appear to be coming from Lewiston area, followed by the Augusta/Waterville area, Portland and then Bangor. The majority of requests from jails appear to be comings from Androscoggin County, Cumberland County and Kennebec County.

4. Are there multiple admission requests for the same individual(s) in the same month? Over the course of several months?

Yes. Of the 353 individuals for whom requests for admission to RPC were made from May–September, 2006 approximately 86% had just one non-repeat request. The remainder had multiple non-repeat requests for admissions with a small contingent of individuals having 3 or more requests.

5. What are the major reasons for requests for admissions?

The primary reason for requests to RPC for civil beds where requests came from ERs were because the patient had a high acuity level or violent/aggressive behavior. The primary reason for community hospitals to request a patient transfer to RPC was that the patient needed a longer term hospitalization than the 30 days a community hospital can provide. A large percentage (25%) gave "Other" for a reason to the request for admission. For forensic requests the "Other" category was given the most. The most common "other" reason was that the individual was suicidal, experiencing particular types of mental illness or the individual was specifically requesting RRC.

6. What happens to individuals who are denied immediate admission to RPC?

This question cannot be definitively answered by the data gathered by RPC and analyzed by OPEGA. Follow-up on specific individuals would be required to ascertain the full story of their experiences. However, a review of the number, timing and resolution of the requests does suggest themes for the 353 individuals with requests for admission to RPC. Of the 353 individuals with requests for admissions most were not immediately admitted to RPC when they were called. The data suggests, however that the majority of individuals seeking admission to RPC received the care they needed through other settings. A significant percentage of individuals had just one non-repeat request for admission, suggesting that they did not experience another episode where they required hospitalization or they were able to get the needed hospitalization without trying to use RPC as an avenue.

Approximately eight percent of individuals did not appear to be served as satisfactorily, however, as they appeared to experience stays in ERs that were longer than 24 hours, had lengthy episodes while in jail or made multiple trips to ERs or community hospitals during the same episode. Individuals with 3 or more non-repeat requests were much more likely to have not been satisfactorily served. There are also individuals with particular characteristics that seem to be difficult to place in community hospitals.

Director Ashcroft said it appears that a large percentage of the individuals are being served within the system but there is small group for whom it seems the system is a very frustrating struggle, for both the patient and for staff in the hospitals who are trying to place the patient. The next step might be to focus on how to get those patients what they need.

Director Ashcroft reported that according to DHHS, Acadia, Spring Harbor, and community hospitals have been meeting since last year to discuss and take the necessary action to get the system to work better. A report has been done on those efforts and Director Hollander will supply a copy of it to the GOC. Director Ashcroft will also include it in the Final Report. The next step may be to have discussions with DHHS. Sen. Mitchell said that results of OPEGA's analysis raise concerns about a discreet population that is not served well within the current system and it is the GOC's responsibility to keep this matter moving. A letter and the Report should be forwarded to the Health and Human Services Committee with a request it review the policy question of how to serve these individuals.

Following Committee discussion it was decided there would be time for Director Ashcroft to have the Analytical Study on the Requests for Admission to Riverview Psychiatric Center finalized, and for the Department of Health and Human Services to have the opportunity to include its comment to the Report by the next GOC meeting. At that meeting the GOC will discuss more specifically what will be included in the letters to the relevant Joint Standing Committees.

SCHEDULE NEXT COMMITTEE MEETING

The Committee set Monday, August 27, 2007 at 1:00 p.m. for the next GOC meeting.

ADJOURNMENT

The Government Oversight Committee meeting was adjourned at 5:05 p.m. (Motion by Sen. Perry, second by Rep. Pendleton, unanimous).