

State of Alaska FY2018 Governor's Operating Budget

Department of Administration Office of Administrative Hearings Component Budget Summary

Component: Office of Administrative Hearings

Contribution to Department's Mission

The mission of the Office of Administrative Hearings is to provide for the delivery of high-quality adjudication services that ensure fair hearings conducted in a timely, efficient and cost-effective manner.

Results

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

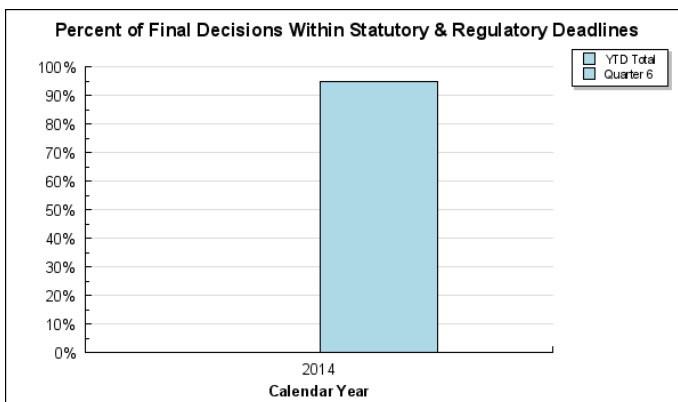
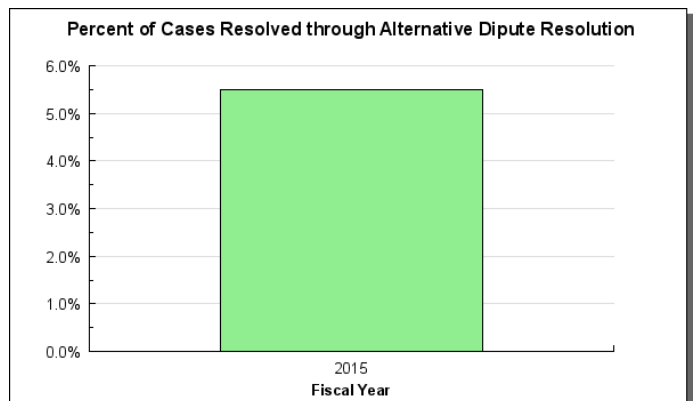
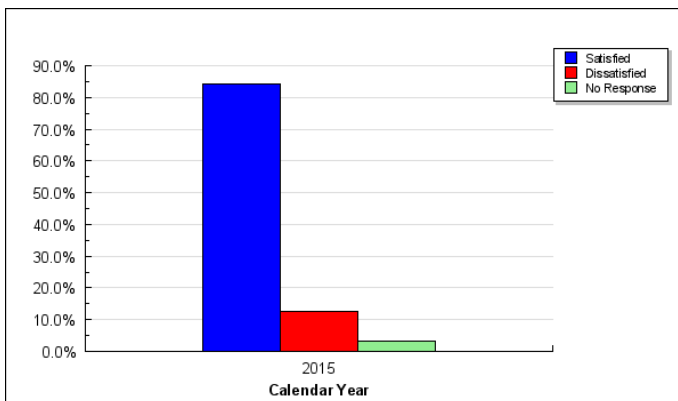
Core Services

- Conduct hearings and alternative dispute resolution processes to resolve administrative cases (appeals and original actions).
- Provide Training for Administrative Adjudicators

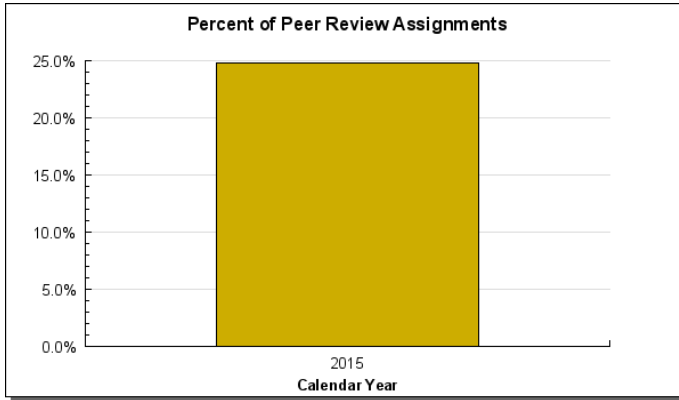
Measures by Core Service

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

1. Conduct hearings and alternative dispute resolution processes to resolve administrative cases (appeals and original actions).



2. Provide Training for Administrative Adjudicators



Major Component Accomplishments in 2016

- Conducted hearings for, or performed other adjudication related work, including mediation, in an estimated 1,550 cases.
- Continued to expand categories of cases handled, and types of cases resolved through mediation.
- Completed a successful pilot project for fast-track resolution of Medicaid Services cases, which resulted in OAH incorporating the fast-track resolution process as part of its handling of Medicaid Services cases.
- Mediated approximately 92% of the Medicaid Services case referrals; in 85.1% of those cases, the appeal was settled or withdrawn.
- Reduced average time of handling Medicaid Services cases (referral to case closure) from 65.3 days (prior to implementation of the fast-track mediation program) to 22 days.
- Significantly reduced the cost of handling Medicaid Services cases: a case resolved through mediation costs the Department of Health and Social Services \$176.24; by contrast, a case that goes to a hearing costs DHSS \$1,347.20.
- Began marketing OAH’s lower cost mediation and adjudicative services to municipalities, school districts, and state-related entities, as permitted by statute.
- Developed an on-line survey to ascertain satisfaction with OAH’s mediation process.
- Reduced ongoing personnel costs by approximately \$290,000 per fiscal year.

Key Component Challenges

Adjudication Services - Provide adjudication services, including alternative dispute resolution, in a broad range of administrative adjudications efficiently and cost effectively, while ensuring that parties receive full and fair consideration of their cases.

Process Improvements - Continue making forward progress on executive branch-wide projects for improvement of adjudicatory processes.

Significant Changes in Results to be Delivered in FY2018

Adjudication Services - Continue expanding administrative adjudication and mediation services to encompass additional case categories. Encourage municipalities and school districts to utilize the lower-cost services offered by OAH, as permitted by statute.

Mediation – Continue expanding the use of mediation to resolve appeals referred to OAH.

Services - Bring in new revenues by providing services to municipalities and school districts.

Training and Monitoring - Expand training opportunities for administrative adjudicators and monitor the adjudication and mediation processes.

Publications - Continue extending publication functions to achieve a comprehensive, readily searchable database of administrative decisions with useful indexing.

Statutory and Regulatory Authority

AS 44.64.010-095 Office of Administrative Hearings creation, powers, jurisdiction and procedures.
2 AAC 64.010-990 Code of Hearing Officer Conduct and hearing-process regulations.

Contact Information
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Office of Administrative Hearings Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2017</u> <u>Management</u> <u>Plan</u>	<u>FY2018</u> <u>Governor</u>		
Full-time	16	16	Annual Salaries	1,523,755
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	814,767
			<i>Less 0.37% Vacancy Factor</i>	(8,622)
			Lump Sum Premium Pay	0
Totals	16	16	Total Personal Services	2,329,900

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Admin Asst III	1	0	0	0	1
Admin Law Judge Tax Qualified	1	0	1	0	2
Administrative Law Judge	4	0	3	0	7
Chief Administrative Law Judge	1	0	0	0	1
Dep Chief Admin Law Judge	1	0	0	0	1
Law Office Assistant I	2	0	1	0	3
Paralegal I	1	0	0	0	1
Totals	11	0	5	0	16

Component Detail All Funds
Department of Administration

Component: Office of Administrative Hearings (2771)
RDU: Centralized Administrative Services (13)

Non-Formula Component

	FY2016 Actuals	FY2017 Conference Committee	FY2017 Authorized	FY2017 Management Plan	FY2018 Governor	FY2017 Management Plan vs FY2018 Governor	
71000 Personal Services	2,340.9	2,260.6	2,260.6	2,260.6	2,329.9	69.3	3.1%
72000 Travel	25.3	30.0	30.0	30.0	23.1	-6.9	-23.0%
73000 Services	336.9	137.0	137.0	137.0	339.1	202.1	147.5%
74000 Commodities	16.0	58.3	58.3	58.3	16.1	-42.2	-72.4%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	2,719.1	2,485.9	2,485.9	2,485.9	2,708.2	222.3	8.9%
Fund Sources:							
1004Gen Fund (UGF)	265.2	84.3	84.3	84.3	85.4	1.1	1.3%
1005GF/Prgm (DGF)	19.0	50.0	50.0	50.0	100.0	50.0	100.0%
1007I/A Rcpts (Other)	2,387.2	2,351.6	2,351.6	2,351.6	2,522.8	171.2	7.3%
1061CIP Rcpts (Other)	47.7	0.0	0.0	0.0	0.0	0.0	0.0%
Unrestricted General (UGF)	265.2	84.3	84.3	84.3	85.4	1.1	1.3%
Designated General (DGF)	19.0	50.0	50.0	50.0	100.0	50.0	100.0%
Other Funds	2,434.9	2,351.6	2,351.6	2,351.6	2,522.8	171.2	7.3%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	16	16	16	16	16	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Administration

Component: Office of Administrative Hearings (2771)
RDU: Centralized Administrative Services (13)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2017 Conference Committee To FY2017 Authorized *****												
FY2017 Conference Committee												
	ConfCom	2,485.9	2,260.6	30.0	137.0	58.3	0.0	0.0	0.0	16	0	0
1004 Gen Fund		84.3										
1005 GF/Prgm		50.0										
1007 I/A Rcpts		2,351.6										
Subtotal		2,485.9	2,260.6	30.0	137.0	58.3	0.0	0.0	0.0	16	0	0
***** Changes From FY2017 Management Plan To FY2018 Governor *****												
Case Work for Municipalities												
	Inc	50.0	37.5	5.0	7.5	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm		50.0										
Increase general fund program receipt authority in order to retain fees to offset the cost of mediation services charged to municipalities and school districts. The Office of Administrative Hearings (OAH) has entered into service agreements with three entities, and is actively marketing its services to other entities as a low-cost alternative.												
Transfer Interagency Receipt Authority from DOA Information Technology Support												
	Trin	140.5	0.0	0.0	140.5	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		140.5										
Transfer interagency receipt authority from DOA Information Technology Support to bring receipts on budget. Staff within DOA Information Technology Support is transferred to the Office of Information Technology and excess authority is available to transfer.												
Align Authority with Projected Expenditures												
	LIT	0.0	0.0	-11.9	54.1	-42.2	0.0	0.0	0.0	0	0	0
Transfer authority from travel and commodities to services to meet projected operational needs. Actual expenditures in travel and commodities have been below budgeted amounts and is available to transfer, while service costs have increased.												
FY2018 Salary and Health Insurance Increases												
	SalAdj	1.9	1.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		1.9										
Includes: ACOA COLA, 2.25% per contract ending 6/30/2018; GGU HI increase from \$1346 to \$1389; LTC HI increase from \$1363 to \$1432.: \$1.9												
FY2018 PS Health Ins.: \$1.9												

Supervisory Unit 15 Hour Furlough Contract Terms

Change Record Detail - Multiple Scenarios with Descriptions
Department of Administration

Component: Office of Administrative Hearings (2771)
RDU: Centralized Administrative Services (13)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
1007 I/A Rcpts	SalAdj	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Alaska Public Employees Association, supervisory unit, 15 hours of furlough required for each permanent full-time employee in each year from July 1, 2016 to June 30, 2018.												
FY2018 Alaska Care & PSEA Health Insurance Increase												
1004 Gen Fund	SalAdj	30.0	30.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		28.9										
Alaska Care rate increase from \$1346 to \$1555 per month for APEA members. \$2.5												
Alaska Care rate increase from \$1346 to \$1555 per month for exempt and partially exempt employees. \$27.5												
Totals		2,708.2	2,329.9	23.1	339.1	16.1	0.0	0.0	0.0	16	0	0

Personal Services Expenditure Detail
Department of Administration

Scenario: FY2018 Governor (13956)
Component: Office of Administrative Hearings (2771)
RDU: Centralized Administrative Services (13)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
02-0024	Chief Administrative Law Judge	FT	1	XE	Anchorage	N00	27C / D	12.0		116,295	0	0	58,870	175,165	8,758
02-1051	Dep Chief Admin Law Judge	FT	A	XE	Anchorage	99	26P / Q	12.0		158,344	0	0	71,485	229,829	11,492
02-1054	Administrative Law Judge	FT	A	XE	Anchorage	N00	24C / D	12.0		96,960	0	0	52,192	149,152	7,458
02-1055	Admin Asst III	FT	1	SS	Anchorage	600	15F	12.0		57,216	0	0	38,608	95,824	4,791
02-1056	Admin Law Judge Tax Qualified	FT	A	XE	Juneau	99	25O / P	12.0		150,859	0	0	69,358	220,217	11,011
02-1057	Administrative Law Judge	FT	A	XE	Anchorage	99	24L	12.0		118,312	0	0	59,567	177,879	8,894
02-1058	Administrative Law Judge	FT	1	XE	Juneau	N05	24C / D	12.0		103,538	0	0	54,464	158,002	0
02-1110	Administrative Law Judge	FT	A	XE	Juneau	N05	24J	12.0		115,404	0	0	58,562	173,966	8,698
02-5181	Law Office Assistant I	FT	1	GP	Anchorage	200	11C / D	12.0		38,367	0	0	30,066	68,433	3,422
04-0012	Administrative Law Judge	FT	1	XE	Juneau	N05	24D / E	12.0		106,380	0	0	55,445	161,825	8,091
04-0014	Admin Law Judge Tax Qualified	FT	A	XE	Anchorage	N00	25E / F	12.0		112,019	0	0	57,393	169,412	8,471
04-0015	Paralegal I	FT	1	GP	Anchorage	200	14G	12.0		53,292	0	0	35,221	88,513	4,426
04-0025	Administrative Law Judge	FT	1	XE	Anchorage	99	24J / K	12.0		110,747	0	0	56,954	167,701	0
06-0448	Law Office Assistant I	FT	1	GP	Anchorage	200	11D / E	12.0		39,783	0	0	30,555	70,338	0
08-1038	Law Office Assistant I	FT	A	GP	Juneau	205	11B / C	12.0		39,499	0	0	30,457	69,956	0
08-1040	Administrative Law Judge	FT	A	XE	Anchorage	N00	24F / J	12.0		106,740	0	0	55,570	162,310	0

Total Positions:	New	Deleted	Total Salary Costs:	1,523,755
Full Time Positions:	16	0	Total COLA:	0
Part Time Positions:	0	0	Total Premium Pay:	0
Non Permanent Positions:	0	0	Total Benefits:	814,767
Positions in Component:	16	0	Total Pre-Vacancy:	2,338,522
			Minus Vacancy Adjustment of 0.37%:	(8,622)
			Total Post-Vacancy:	2,329,900
			Plus Lump Sum Premium Pay:	0
			Personal Services Line 100:	2,329,900

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	85,511	85,195	3.66%
1007 Interagency Receipts	2,253,011	2,244,705	96.34%
Total PCN Funding:	2,338,522	2,329,900	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail (1676)
Department of Administration
Travel

Component: Office of Administrative Hearings (2771)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000	Travel		25.3	30.0	23.1
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000 Travel Detail Totals			25.3	30.0	23.1
2000	In-State Employee Travel	Transportation costs for travel relating to administration, training, conventions and meetings, boards and commissions	16.6	20.0	16.6
2002	Out of State Employee Travel	Transportation costs for staff travel out of state to national organization meetings, conferences, and training	7.2	8.5	5.0
2003	Out of State Non-Employee Travel	Airfare reimbursement for college interns	1.5	1.5	1.5

Line Item Detail (1676)
Department of Administration
Services

Component: Office of Administrative Hearings (2771)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000	Services		336.9	137.0	339.1
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000 Services Detail Totals			336.9	137.0	339.1
3000	Education Services	Training, educational conferences, agency memberships, and employee tuition	6.8	6.8	6.8
3002	Legal and Judicial Services	Contract for administrative law judges	26.4	20.0	24.6
3003	Information Technology	Software licensing and maintenance, training, and consulting	65.0	15.0	65.0
3004	Telecommunications	Local, long distance, and cellular telephone charges, television, data/network, telecommunication equipment, and other wireless charges from outside vendors	2.2	2.2	2.2
3006	Delivery Services	Freight, courier services, and postage	12.9	1.5	1.5
3008	Utilities	Electricity, heating fuel, water, sewage and disposal services	0.7	0.7	0.8
3009	Structure/Infrastructure/Land	Structure, infrastructure and land repairs, maintenance, rental, and leases	2.7	2.7	2.9
3010	Equipment/Machinery	Machinery, furniture and office equipment purchase, repairs, maintenance, rentals, and leases	1.0	0.5	1.0
3011	Other Services	Mediation contract with DHSS, interpreter services and printing/copying	8.6	8.6	24.3
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Enterprise Technology Services (2082)	13.3	13.3	13.3

Line Item Detail (1676)
Department of Administration
Services

Component: Office of Administrative Hearings (2771)

Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor	
3000 Services Detail Totals			336.9	137.0	339.1	
3018	Inter-Agency Information Technology Telecommunications	Admin - Enterprise Technology Services (2082)	Enterprise Productivity Rate (EPR) telecommunications and telephone line services	23.7	17.7	23.7
3021	Inter-Agency Mail	Admin - Print Services (2333)	Centralized mail services chargeback	6.2	3.9	6.2
3022	Inter-Agency Human Resources	Admin - Personnel (56)	Human Resources services chargeback	6.6	6.0	6.0
3023	Inter-Agency Building Leases	Admin - Facilities (2429)	Office space	109.8	3.2	109.8
3023	Inter-Agency Building Leases	Admin - Facilities Administration (2430)	Facilities rent	3.4	3.4	3.4
3026	Inter-Agency Insurance	Admin - Risk Management (71)	Workers compensation and liability claims reimbursement	0.4	0.4	0.4
3027	Inter-Agency Financial	Admin - Finance (59)	State payroll and accounting system chargeback	0.9	0.9	0.9
3029	Inter-Agency Education/Training	Admin - Purchasing (60)	Division of General Services procurement courses	0.3	0.3	0.3
3038	Inter-Agency Management/Consulting	Admin - Administrative Services (46)	Administrative chargeback	15.4	15.4	15.4
3038	Inter-Agency Management/Consulting	Admin - DOA Info Tech Support (2334)	DOA/IT Services Chargeback	17.5	7.5	17.5
3038	Inter-Agency Management/Consulting	Admin - Office of the Commissioner (45)	Commissioner chargeback	11.1	5.0	11.1
3038	Inter-Agency Management/Consulting	Admin - Purchasing (60)	DGS Procurement Staff Allocation	2.0	2.0	2.0

Line Item Detail (1676)
Department of Administration
Commodities

Component: Office of Administrative Hearings (2771)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
4000	Commodities		16.0	58.3	16.1
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
4000 Commodities Detail Totals			16.0	58.3	16.1
4000	Business	General business supplies such as office consumables, furniture, and computer equipment	15.9	58.2	16.0
4015	Parts and Supplies	Parts, supplies, maintenance and repair items	0.1	0.1	0.1

Revenue Detail (1681)
Department of Administration

Component: Office of Administrative Hearings (2771)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
5005 GF/Prgm (1005 GF/Prgm)			19.0	50.0	100.0
5103 Program Receipts - Charges for Services		General fund program receipts for services to outside entities	19.0	50.0	100.0
5007 I/A Rcpts (1007 I/A Rcpts)			2,387.5	2,351.6	2,522.8
5301 Inter-Agency Receipts		Interagency authority for RSAs to be determined	0.0	0.0	171.2
5301 Inter-Agency Receipts	Admin - Administrative Hearings (2771)	Carryforward	146.1	0.0	0.0
5301 Inter-Agency Receipts	Admin - Health Plans Administration (2152)	Hearing services for retirement and benefit appeals	75.7	75.7	75.7
5301 Inter-Agency Receipts	Admin - Office of the Commissioner (45)	Hearing for contract and procurement appeals	59.0	59.0	59.0
5301 Inter-Agency Receipts	Admin - Retirement and Benefits (64)	Hearing services for PERS and TRS appeals	28.1	28.1	103.8
5301 Inter-Agency Receipts	Admin - Violent Crimes Comp Board (2694)	Hearing services for VCCB appeals	24.5	24.5	24.5
5301 Inter-Agency Receipts	Commerce - Department-wide	Hearing services for business and professional licensing and corporation, ABC & Marijuana Board, Banking and Securities and Insurance appeals	102.9	102.9	102.9
5301 Inter-Agency Receipts	E&ED - Department-wide	Hearing services for professional teaching practices and permanent fund dividend execution and medical cancellation appeals	10.0	10.0	10.0
5301 Inter-Agency Receipts	EnvCon - Department-wide	Hearing services for Environmental Conservation appeals	35.7	35.7	35.7
5301 Inter-Agency Receipts	Gov - Department-wide	Hearing services for Human Rights Commission appeals	85.7	85.7	85.7
5301 Inter-Agency Receipts	H&SS - Department-wide	Hearing services for senior and disability and public assistance, Medicaid audit, Child/Foster care, Facility Licensing, Certificate of Need, SDS and DPA/PFE appeals	1,248.5	1,358.7	1,283.0
5301 Inter-Agency Receipts	Labor - Department-wide	Hearing services for Occupational	34.7	34.7	34.7

Revenue Detail (1681)
Department of Administration

Component: Office of Administrative Hearings (2771)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
5301 Inter-Agency Receipts	PubSaf - Department-wide	Safety and Health and other Department of Labor appeals	50.8	50.8	50.8
5301 Inter-Agency Receipts	Rev - Department-wide	Hearing services for Alaska Police Standards Council appeals	485.8	485.8	485.8
		Hearing services for Department of Revenue- child support, PFD, and TAX appeals			
5061 CIP Rcpts (1061 CIP Rcpts)			47.7	0.0	0.0
5351 Capital Improvement Project Inter-Agency	Trans - Department-wide	Hearings for DOTPF contract/procurement appeals	47.5	0.0	0.0
5351 Capital Improvement Project Inter-Agency	Univ - Department-wide	Hearing services for the University of Alaska	0.2	0.0	0.0
6004 Gen Fund (1004 Gen Fund)			0.2	0.0	0.0
6047 General Fund - Miscellaneous		Miscellaneous revenue	0.2	0.0	0.0

Inter-Agency Services (1682)
Department of Administration

Component: Office of Administrative Hearings (2771)

				FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
Component Totals				210.6	79.0	210.0
With Department of Administration				210.6	79.0	210.0
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor	
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Enterprise Technology Services (2082)	Enterprise Productivity Rate (EPR) computer services	13.3	13.3	13.3
3018	Inter-Agency Information Technology Telecommunications	Admin - Enterprise Technology Services (2082)	Enterprise Productivity Rate (EPR) telecommunications and telephone line services	23.7	17.7	23.7
3021	Inter-Agency Mail	Admin - Print Services (2333)	Centralized mail services chargeback	6.2	3.9	6.2
3022	Inter-Agency Human Resources	Admin - Personnel (56)	Human Resources services chargeback	6.6	6.0	6.0
3023	Inter-Agency Building Leases	Admin - Facilities (2429)	Office space	109.8	3.2	109.8
3023	Inter-Agency Building Leases	Admin - Facilities Administration (2430)	Facilities rent	3.4	3.4	3.4
3026	Inter-Agency Insurance	Admin - Risk Management (71)	Workers compensation and liability claims reimbursement	0.4	0.4	0.4
3027	Inter-Agency Financial	Admin - Finance (59)	State payroll and accounting system chargeback	0.9	0.9	0.9
3029	Inter-Agency Education/Training	Admin - Purchasing (60)	Division of General Services procurement courses	0.3	0.3	0.3
3038	Inter-Agency Management/Consulting	Admin - Administrative Services (46)	Administrative chargeback	15.4	15.4	15.4
3038	Inter-Agency Management/Consulting	Admin - DOA Info Tech Support (2334)	DOA/IT Services Chargeback	17.5	7.5	17.5
3038	Inter-Agency Management/Consulting	Admin - Office of the Commissioner (45)	Commissioner chargeback	11.1	5.0	11.1
3038	Inter-Agency Management/Consulting	Admin - Purchasing (60)	DGS Procurement Staff Allocation	2.0	2.0	2.0