

Office of Administrative Hearings

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Director and Chief Administrative Law Judge

LEGISLATIVE OVERVIEW

FOR

JOINT APPROPRIATIONS COMMITTEE ON GENERAL GOVERNMENT

March 13, 2019

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Outline

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- Statutory Authority
- Mission Statement
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- Instances Where Direct Contact With the Public Could Be Done Online or Electronically
- Overview of Highest Priority Budget Requests

Agency Overview

NC Office of Administrative Hearings is an independent quasi-judicial agency established by the NC General Assembly in 1985 to provide a source of independent Administrative Law Judges to preside in State administrative law proceedings.

OAH is comprised of three Divisions – Hearings, Rules and Civil Rights. The agency has 57.5 FTE staff and four office locations: the Main Office in Raleigh and three satellite offices in Charlotte, High Point and Waynesville.

Major Agency Functions:

- Hearings Division – Provides an independent forum for prompt and impartial resolution of administrative law contested cases involving citizens and state agencies
- Rules Division – State’s codifier, publisher, and reviewer of all administrative rules, and staffs the State’s Rules Review Commission
- Civil Rights Division – Investigates alleged acts of unlawful discrimination in employment and housing, enforces the State’s Fair Housing Act, manages HUD’s Fair Housing Assistance Program, and staffs the State’s Human Relations Commission (HRC)

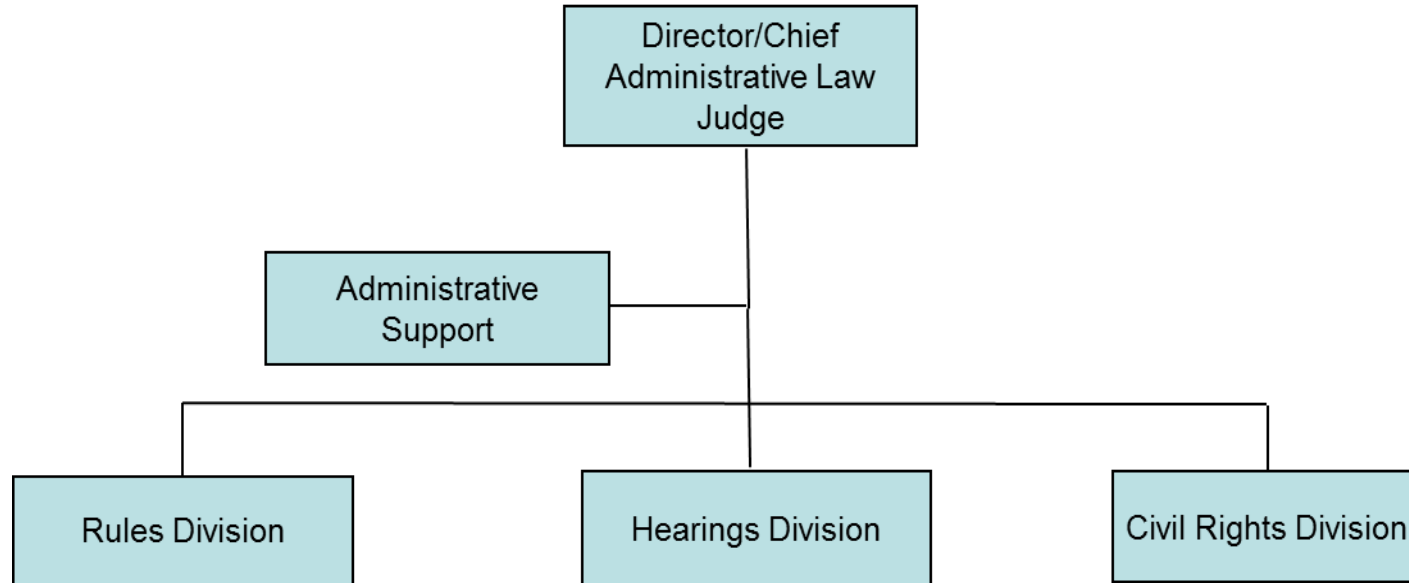
Statutory Authority

- Hearings Division –Articles 3, 3A (concurrent jurisdiction) and 4 of Chapter 150B (Administrative Procedure Act); Chapter 7A, Subchapter XII, Article 60
- Rules Division - Article 2A of Chapter 150B and Article 1, Part 3 of Chapter 143B
- Civil Rights Division – N.C.G.S. §7A-759 (NC Authority for EEOC Deferral) and §760 (NC Authority for HUD); Designated EEOC 706-deferral Agency for Civil Rights Act of 1964, Age Discrimination in Employment Act, and Americans with Disabilities Act for state and local government employees covered under N.C.G.S. 126; Designated HUD FHAP deferral Agency for unlawful discriminatory housing practices covered under N.C.G.S. § 41A

Agency Mission Statement

To serve the citizens of North Carolina with quality and efficiency by providing an independent forum for prompt and impartial resolution of administrative law contested cases involving citizens and state agencies; functioning as the State's codifier, publisher, and reviewer of all administrative rules; and investigating alleged acts of unlawful discrimination in employment and housing.

North Carolina Office of Administrative Hearings Organization Chart



Major Agency Initiatives Over the Last Two Years

NC OAH – Major Initiatives

Re-Designed Website

OAH is redesigning its website to take advantage of newer technology and a responsive (mobile-friendly) design that is better suited to meet user needs and agency goals.

The agency is working with the NC Department of Information Technology Digital Services to upgrade the website to the Digital Commons platform currently used by several State agencies. The re-designed website will be completed in the Spring of 2019.

NC OAH – Major Initiatives

Audio/Visual Equipment Upgrades

OAH is undertaking a state-of-the-art upgrade of the existing audio/visual equipment, teleconference and video conference systems in four courtrooms, Commission room and conference room in the Raleigh Office.

The equipment upgrades will meet user demand for digital presentation via laptop, Skype, remote video telephone conferencing, remote translation, American Sign Language, and hearing assist. The upgraded systems will digitally capture these additions into the record utilizing digital audio/video court recording software. The upgrades will be completed in Spring 2019.

Hearings Division – Major Initiative

On-Line E-filing System

Effective January 1, 2016, the Office of Administrative Hearings' online e-filing system was made available to registered e-filers to access contested case hearings through the OAH website. This initiative has made the contested case process paperless and considerably easier for citizens and agencies to file a contested case.

Civil Rights Division – Major Initiative

Transfer of Human Relations Commission to OAH

In 2017, the General Assembly statutorily transferred the 22-member Human Relations Commission (HRC) and seven staff from the NC Department of Administration to the OAH Civil Rights Division. Two of the HRC's major functions are to enforce the State's Fair Housing Act and manage the Fair Housing Assistance Program under contract with the US Department of Housing and Urban Development.

The transfer necessitated the renovation of the OAH Main Office to accommodate HRC staff, and the physical relocation of the staff, equipment and records.

Rules Division - Major Initiatives

- OAH created an on-line agenda for the Rules Review Commission's (RRC) monthly meetings by building the agenda with real time access to information as it is developed. This information is provided to the Rules Review Commissioners and is available to the public.
- OAH has also created a template for agencies to use in formatting administrative rules for submission for publication and RRC review. OAH provides template training to rulemaking coordinators and offers individual agency training. The template and user documentation are posted on the OAH website.
- OAH holds "Rulers Roundtable" monthly sessions for Rulemaking Coordinators on topics relative to the rulemaking process. OAH staff and other agency representatives present on topics such as: in-depth discussions on the rulemaking process, how to conduct public hearings, public notice to interested parties via email listservs, record retention requirements, reporting on rules with fees to Gov ops, and fiscal notes.
- OAH is developing a Style Manual for agencies. The style manual is designed to assist agencies in drafting and adopting rules as well as aid the public in understanding rules. It also creates uniformity in the Administrative Code.

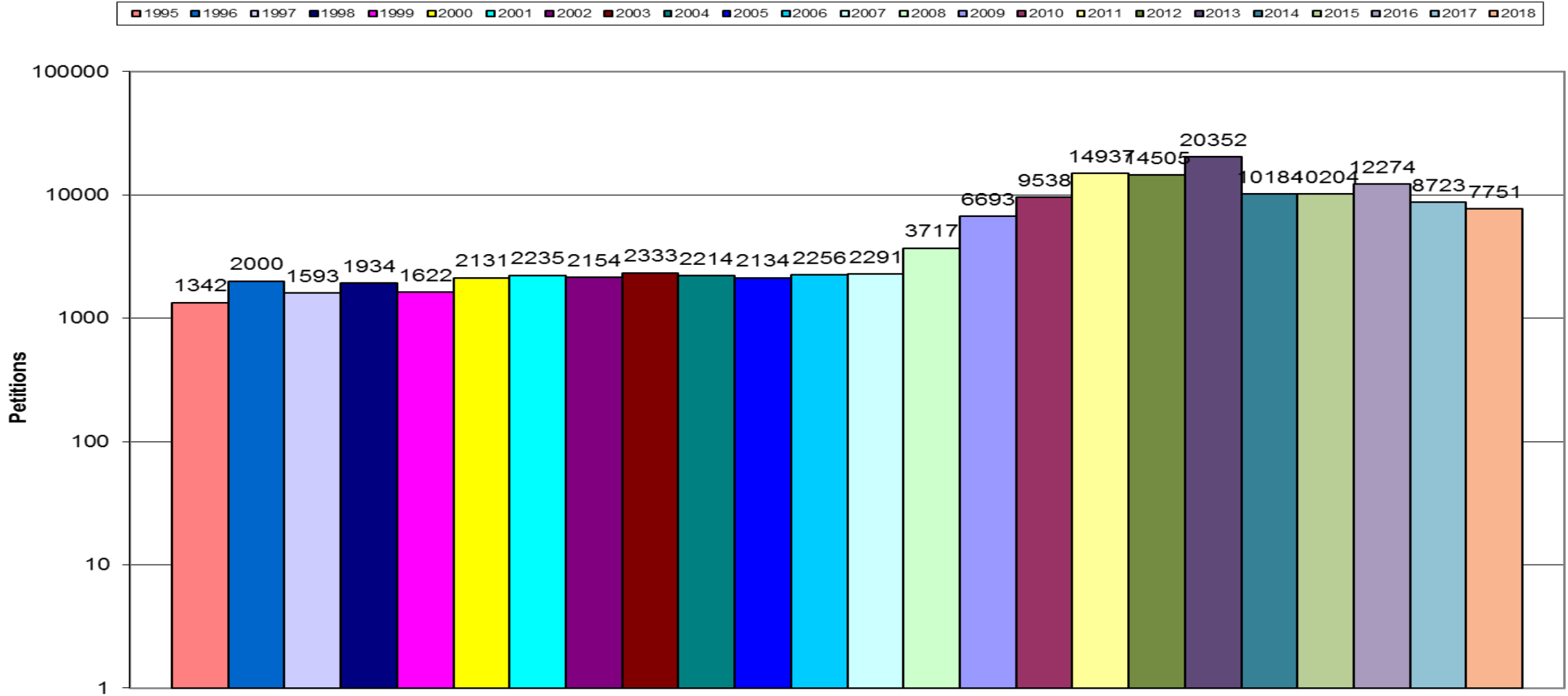
Joint Appropriations Question

How does your agency measure effectiveness and efficiency?
Provide specific examples of metrics used to monitor
performance.

Hearings Division

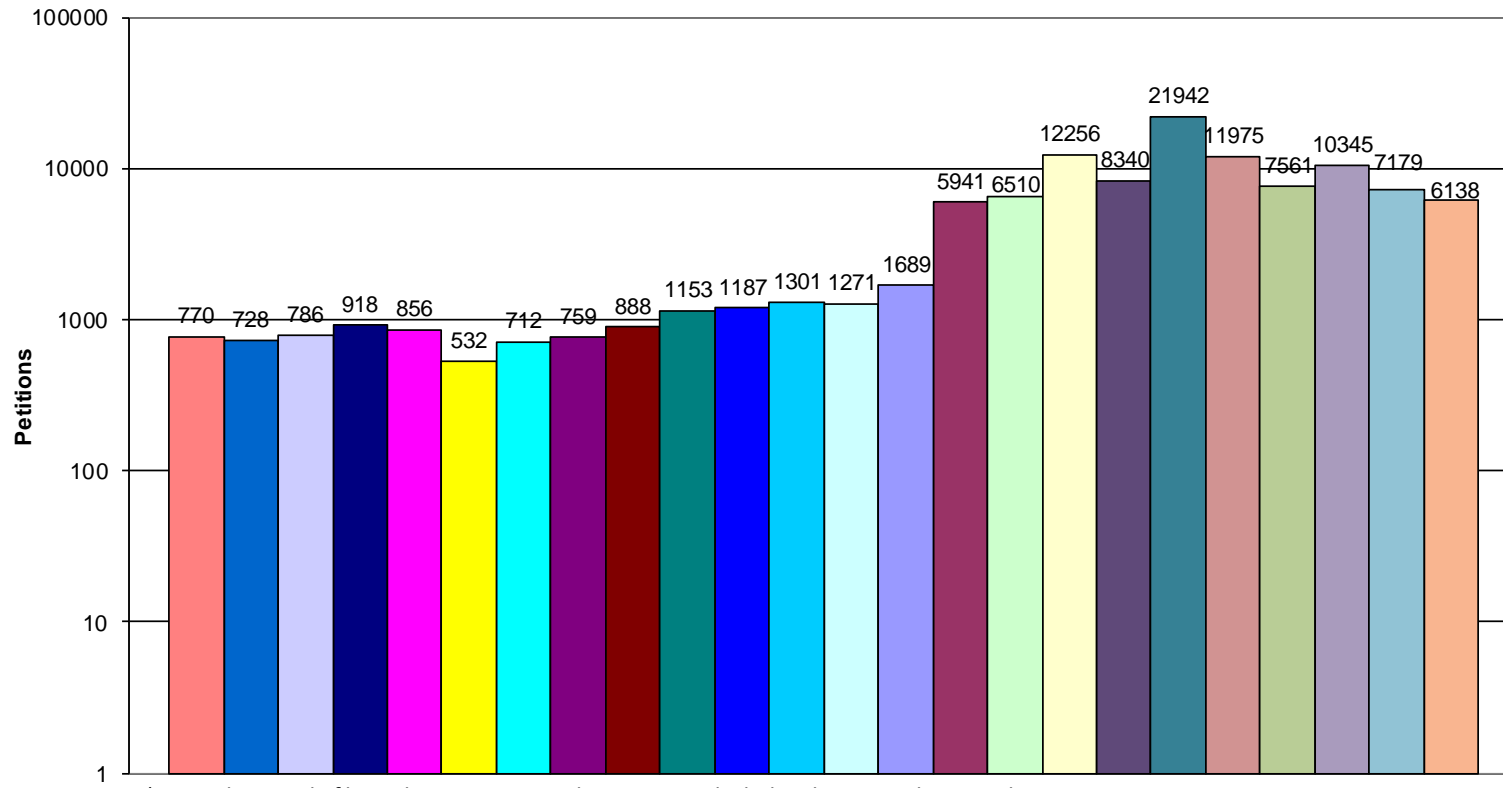
Effectiveness and Efficiency Measures

CONTESTED CASE PETITIONS FILED



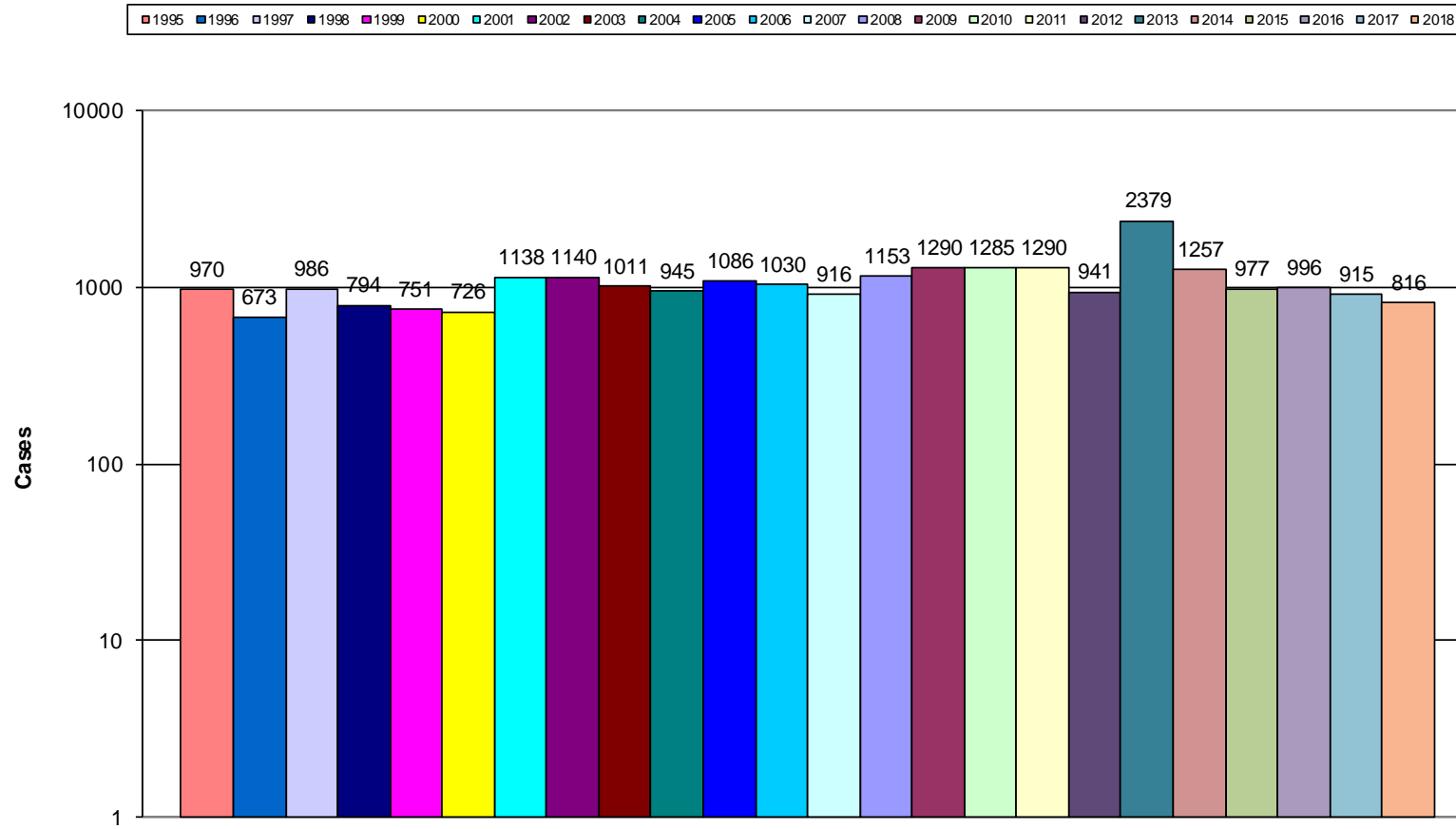
CONTESTED CASE PETITIONS VOLUNTARY DISMISSAL*/WITHDRAWN OR SETTLED

1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018

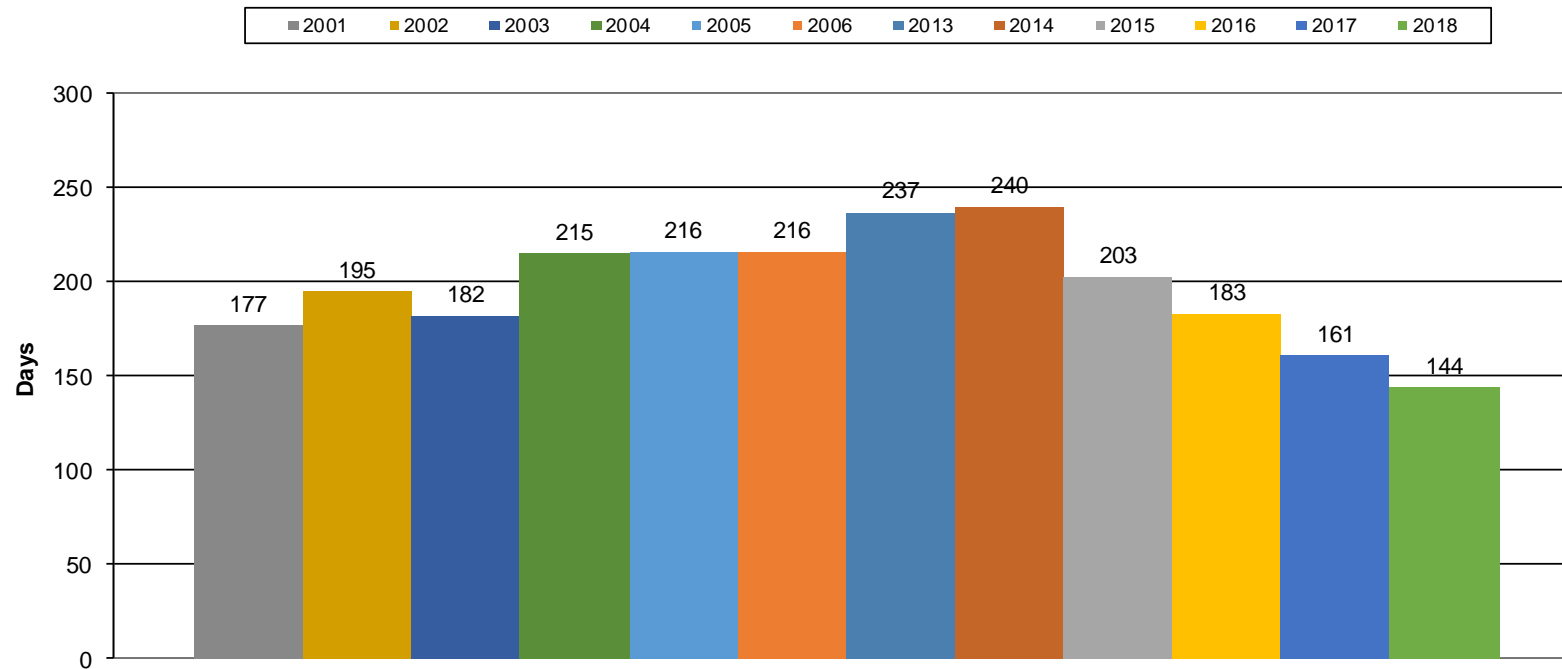


*cases disposed of by Voluntary Dismissal were not included in these numbers until 2017

CONTESTED CASE PETITIONS CLOSED BY DECISION



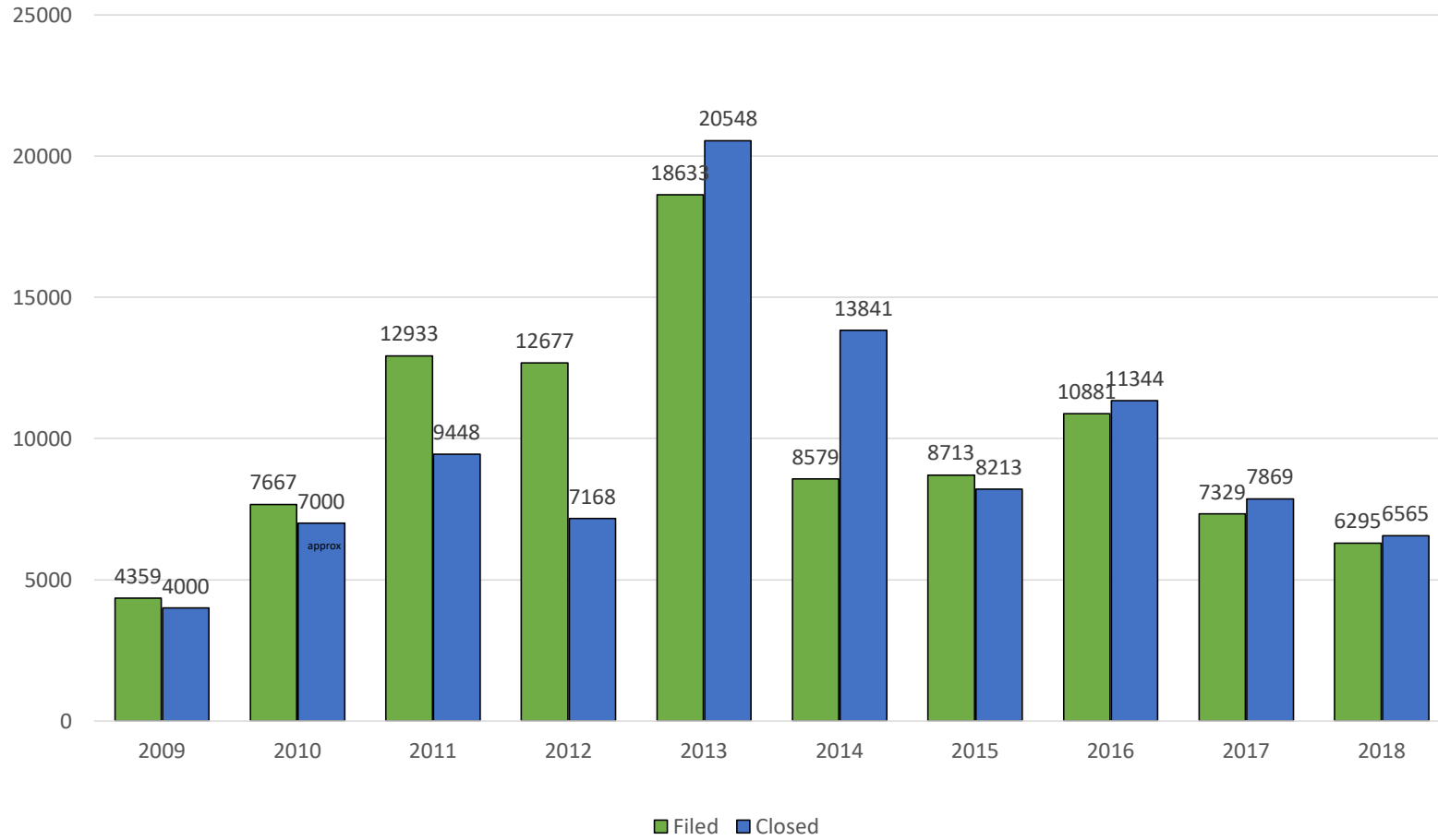
AVERAGE AGE BY YEAR OF ALL CASES CLOSED



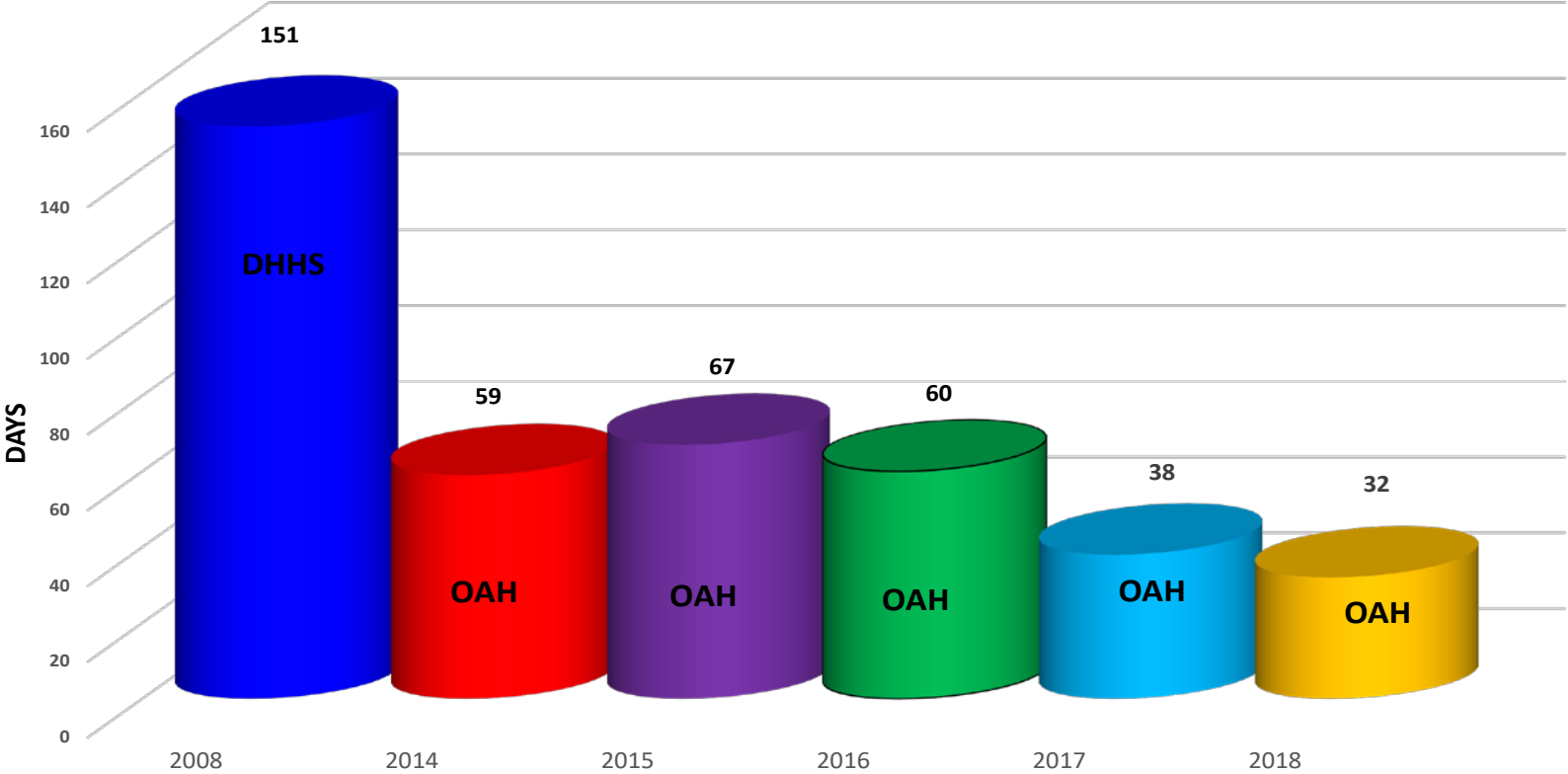
Data not available for 2007-2012

Medicaid Recipient Appeals and Equal Employment Opportunity Appeals not included

MEDICAID RECIPIENT APPEALS Case Filing Statistics



MEDICAID RECIPIENT APPEALS AVERAGE AGE FROM FILING TO CLOSING



ANALYSIS OF MEDICAID RECIPIENT APPEAL PROCESS

Cost Effectiveness: 10/1/2008 – 3/31/2010

(Data Submitted to DHHS Document Management System)

Appeals Process Timeframe	Average Number of Days per Appeal				
Before 10/1/08	151				
Since 10/1/08 (through 3/31/10)	66				
Service Type	Cost/Day/Appeal (MOS)	Appeals Resolved	MOS Cost Pre-10/1/08 (151 Days)	MOS Cost Post-10/1/08 (69 Days)	Cost Savings
CSS	\$42.08	2518	\$16,003,375.62	\$ 6,994,852.62	\$9,006,522.70
Community Support Team	\$31.20	496	\$2,360,921.94	\$ 1,027,555.28	\$1,323,368.86
CAP/MR/DD Services	\$130.14	231	\$4,539,339.09	\$ 1,984,081.89	\$2,555,257.11
Residential - Level III (<4 beds)	\$252.38	223	\$8,498,391.74	\$ 3,714,528.84	\$4,783,862.90
Day Treatment	\$75.00	189	\$2,140,425.00	\$ 935,550.00	\$1,204,875.00
Residential - Level II	\$95.40	80	\$1,152,432.00	\$ 503,712.00	\$648,720.00
Intensive In-Home Services	\$258.20	108	\$4,210,725.60	\$ 1,840,449.60	\$2,370,276.00
Psychosocial Rehab	\$17.33	30	\$78,511.46	\$ 34,316.26	\$44,195.19
Private Duty Nursing (12 hrs)	\$467.52	34	\$2,400,247.68	\$ 1,049,114.88	\$1,351,132.80
Skilled Nursing Facilities	\$148.00	20	\$446,960.00	\$ 195,360.00	\$251,600.00
Residential - Level IV	\$342.15	8	\$413,317.20	\$ 180,655.20	\$232,662.00
CAP/IC Services	\$136.69	10	\$206,406.41	\$ 90,217.39	\$116,189.06
ICFMR	\$326.72	6	\$296,009.46	\$ 129,381.62	\$166,627.84
PRTF	\$437.04	12	\$791,916.48	\$ 346,135.68	\$445,780.80
Targeted Case Management (MH)	\$6.08	8	\$7,345.82	\$ 3,210.80	\$4,135.12
ACH-SCU/Alzheimers (31+ beds)	\$51.25	3	\$23,216.25	\$ 10,147.50	\$13,068.75
Private Duty Nursing (16 hrs)	\$623.36	9	\$847,146.24	\$ 370,275.84	\$476,870.40
Private Duty Nursing (24 hrs)	\$935.04	4	\$584,764.18	\$ 246,850.56	\$317,913.60
CAP/DA Services	\$66.92	1	\$10,105.18	\$ 4,416.83	\$5,688.35
Personal Care Services Plus	\$39.68	2	\$11,993.36	\$ 5,237.76	\$6,745.60
Totals		3985	\$ 44,883,540.81	\$ 19,666,050.95	\$ 25,327,489.86

Totals

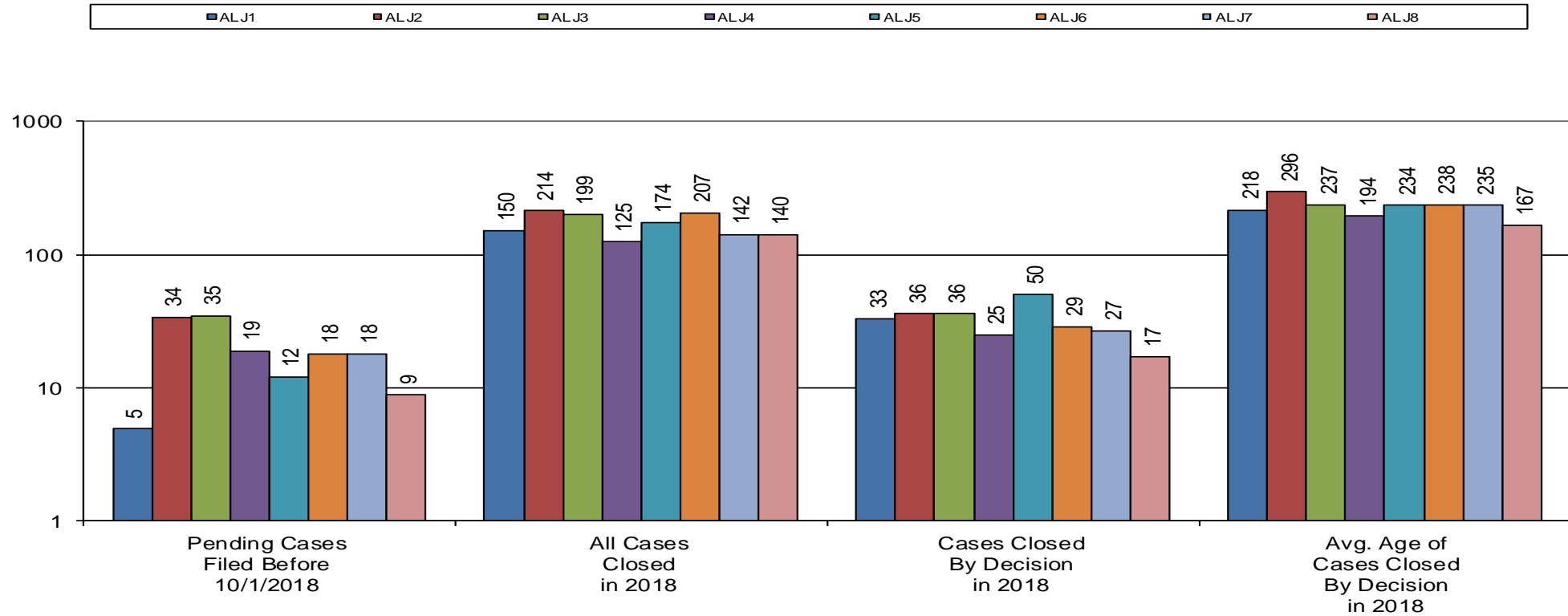
\$3995.0

\$25,327,489.86

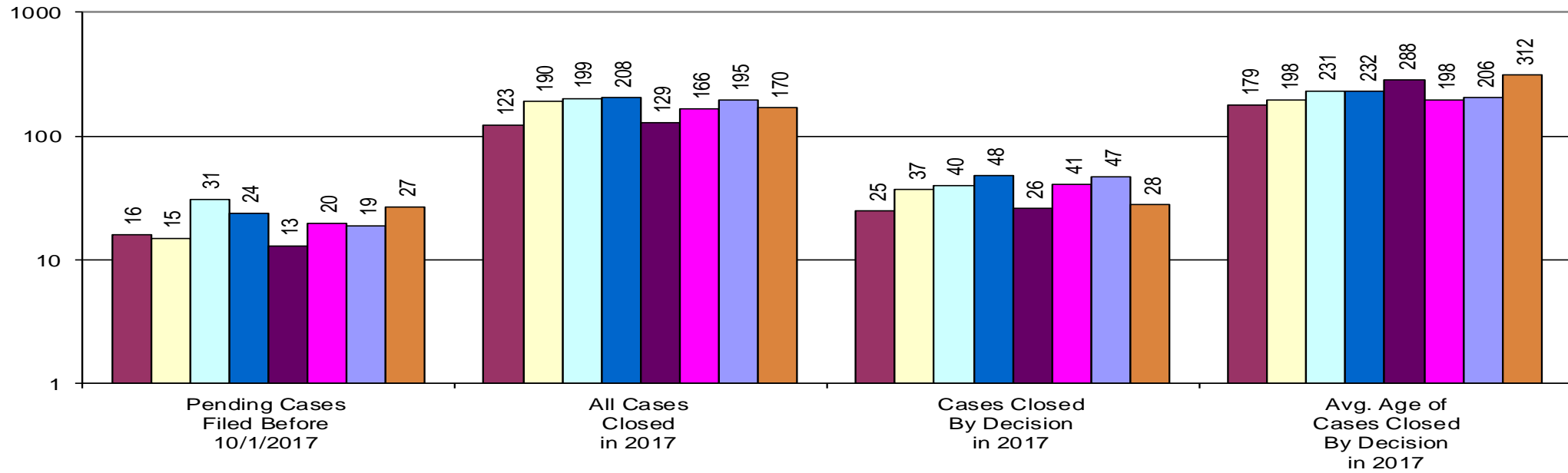
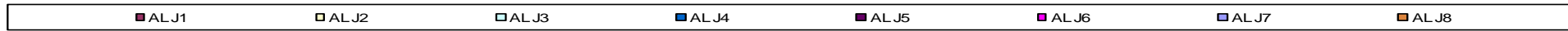
Hearings Division

Metrics Used to Monitor Performance

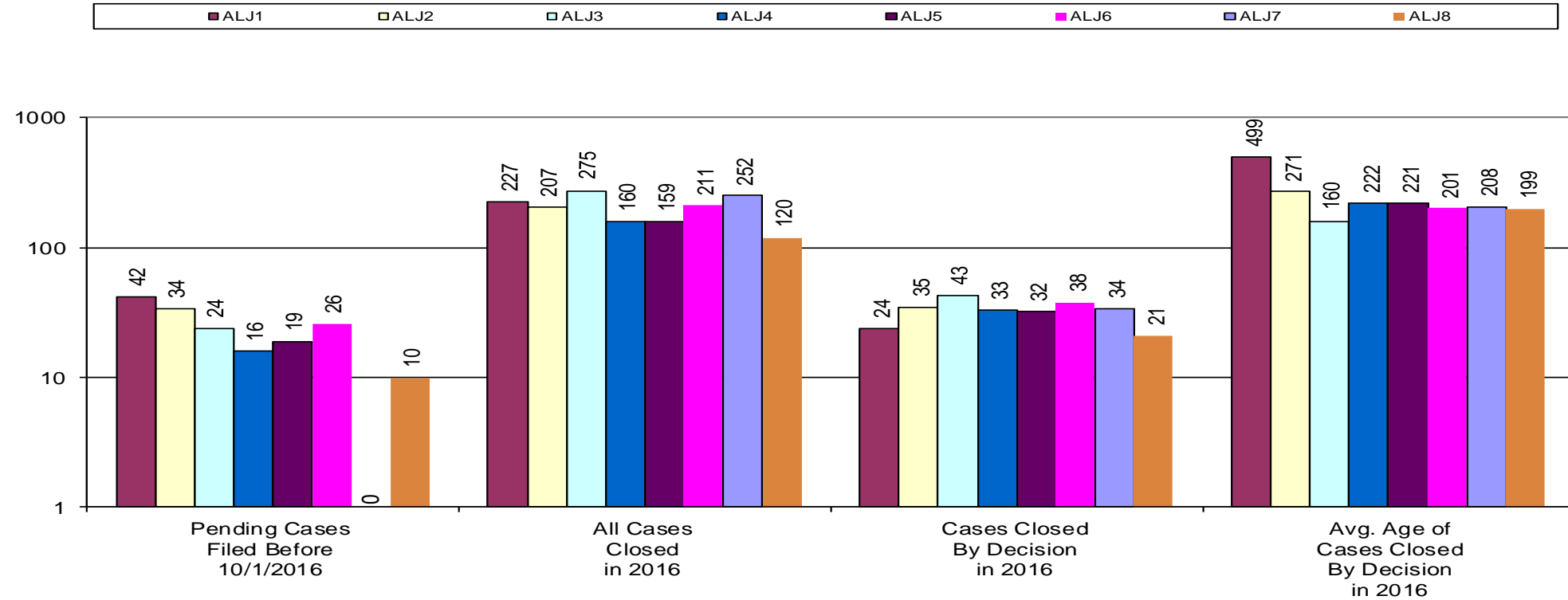
INDIVIDUAL ALJ PENDING/CLOSED FILE STATS FOR 2018



INDIVIDUAL ALJ PENDING/CLOSED FILE STATS FOR 2017



INDIVIDUAL ALJ PENDING/CLOSED FILE STATS FOR 2016

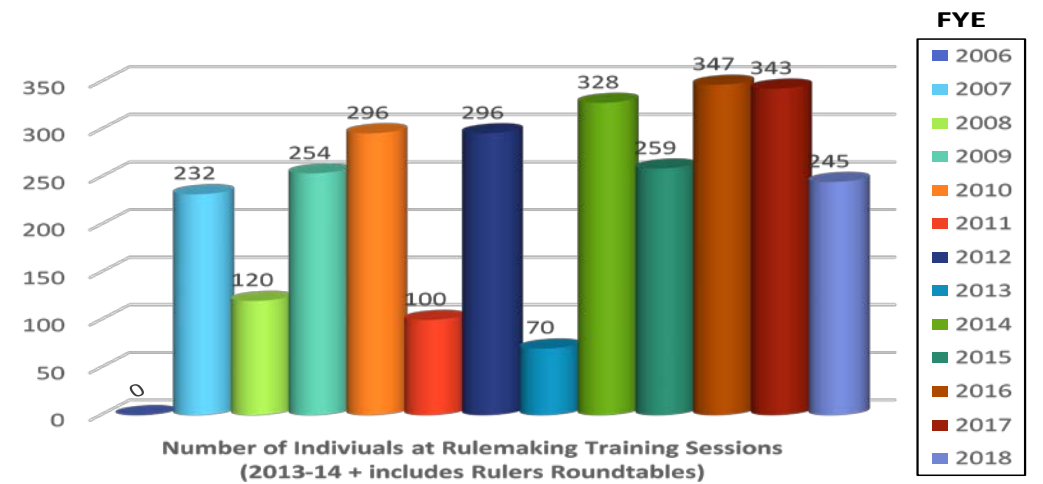
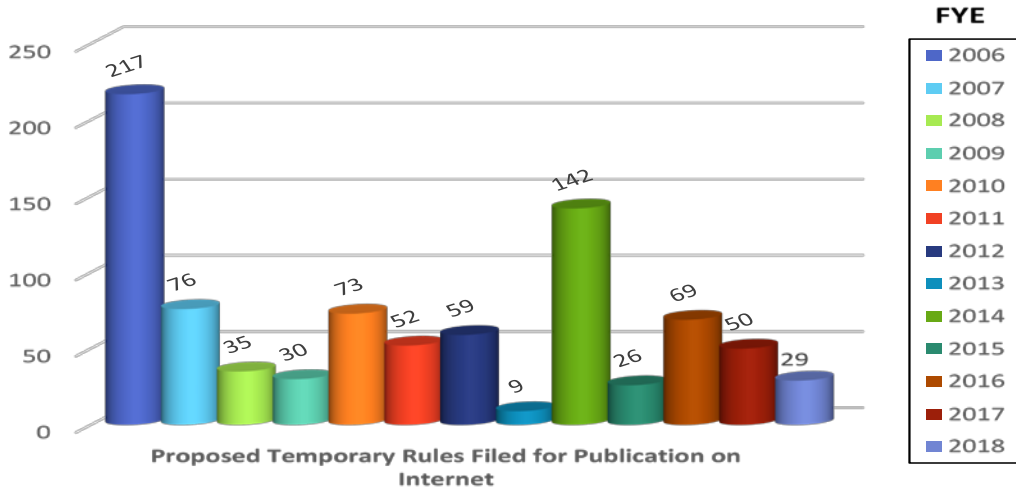
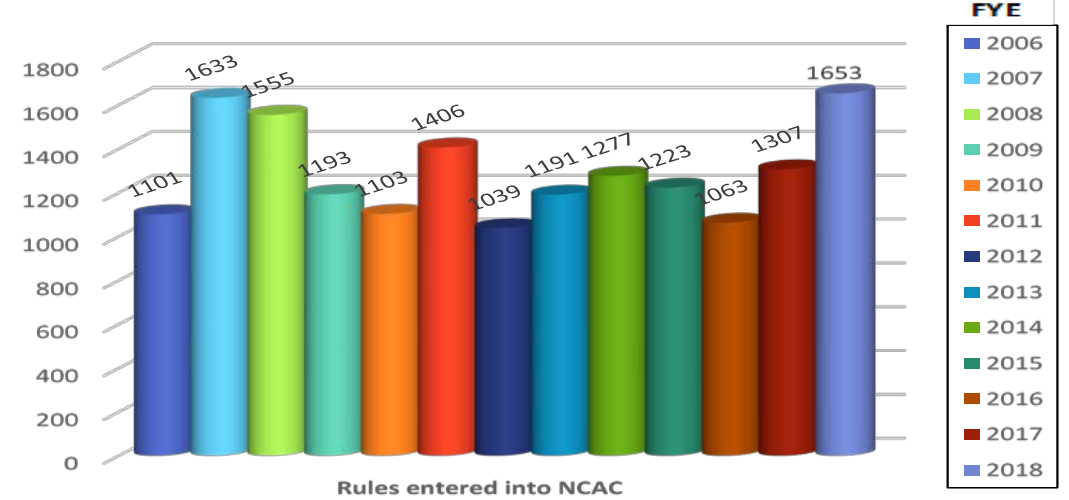
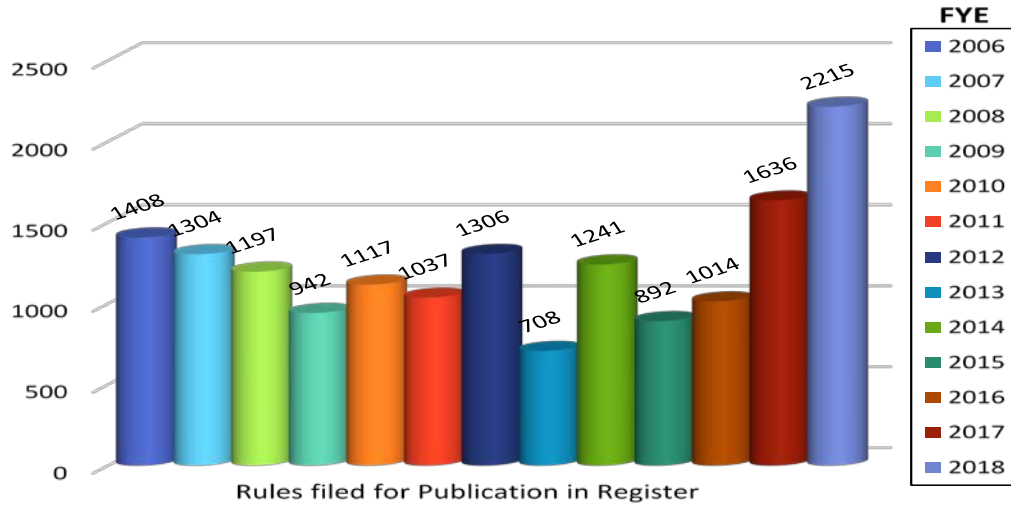


Rules Division

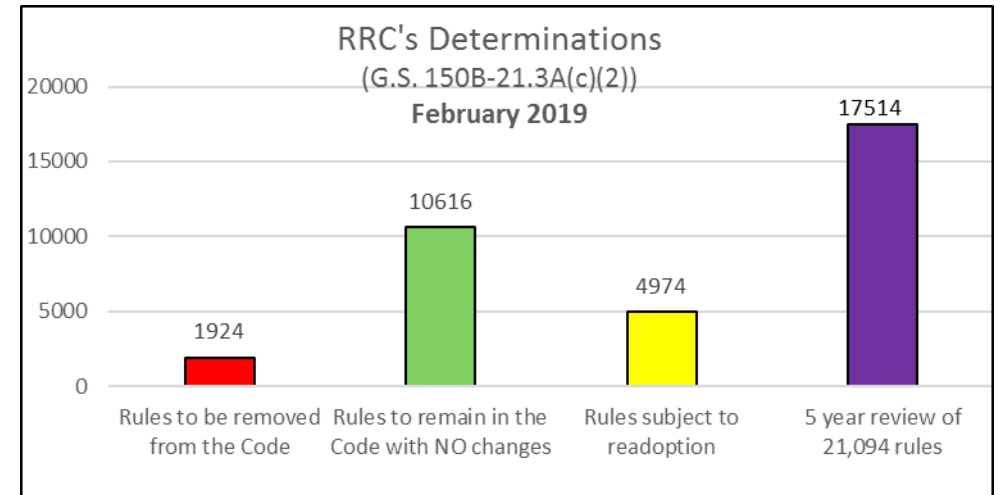
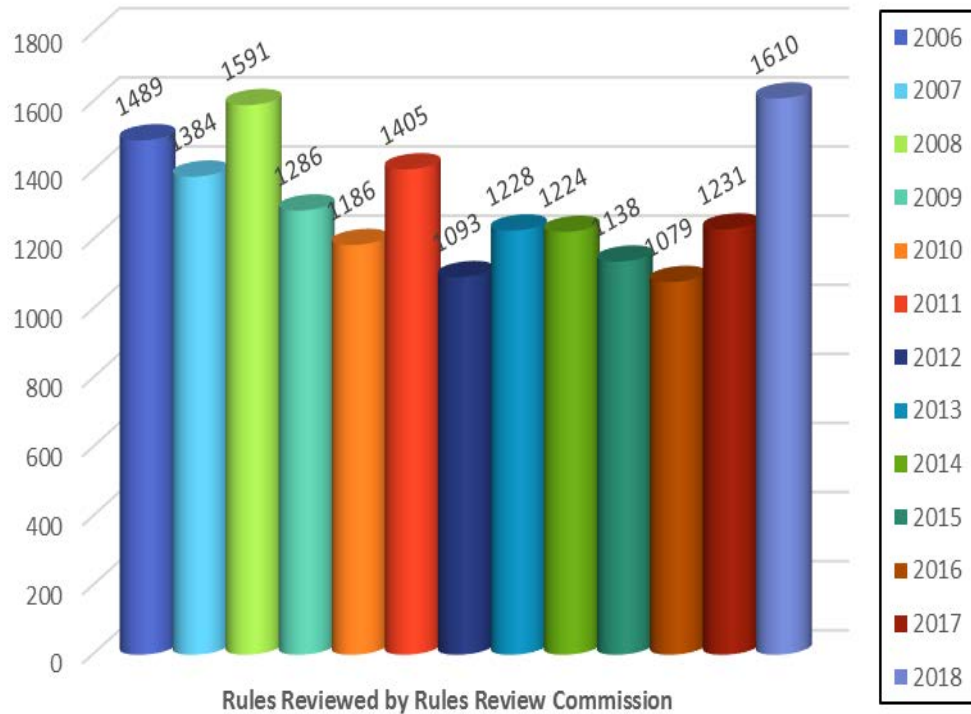
Effectiveness and Efficiency Measures

Rules Division

Rules Disposition Statistics and Efficiency Measurements (by fiscal year)



RULES REVIEW COMMISSION



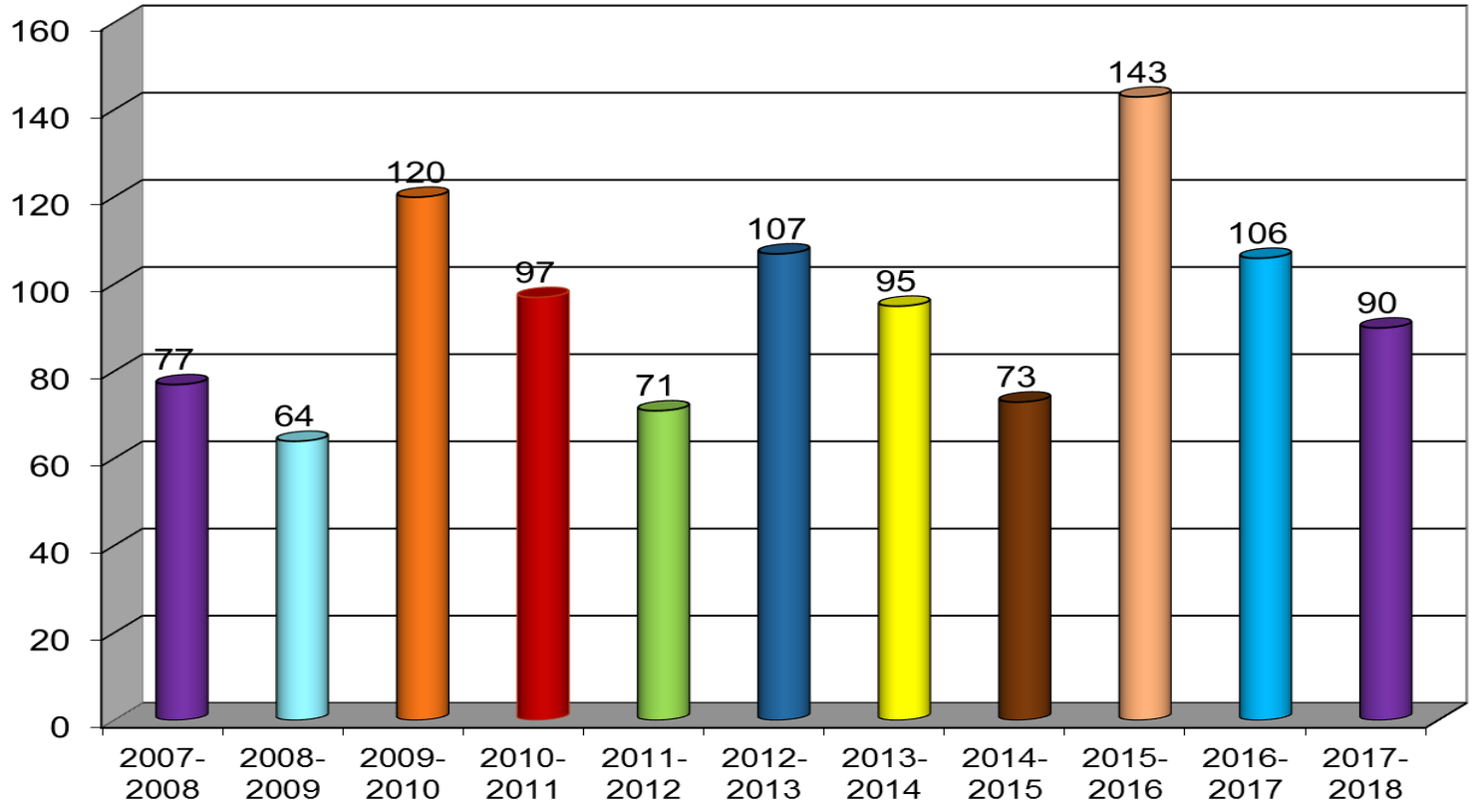
Step 1: Agencies have reviewed existing rules and all initial reports have been posted for public comment.

Step 2: RRC has 12 remaining reports to review by June 2019.

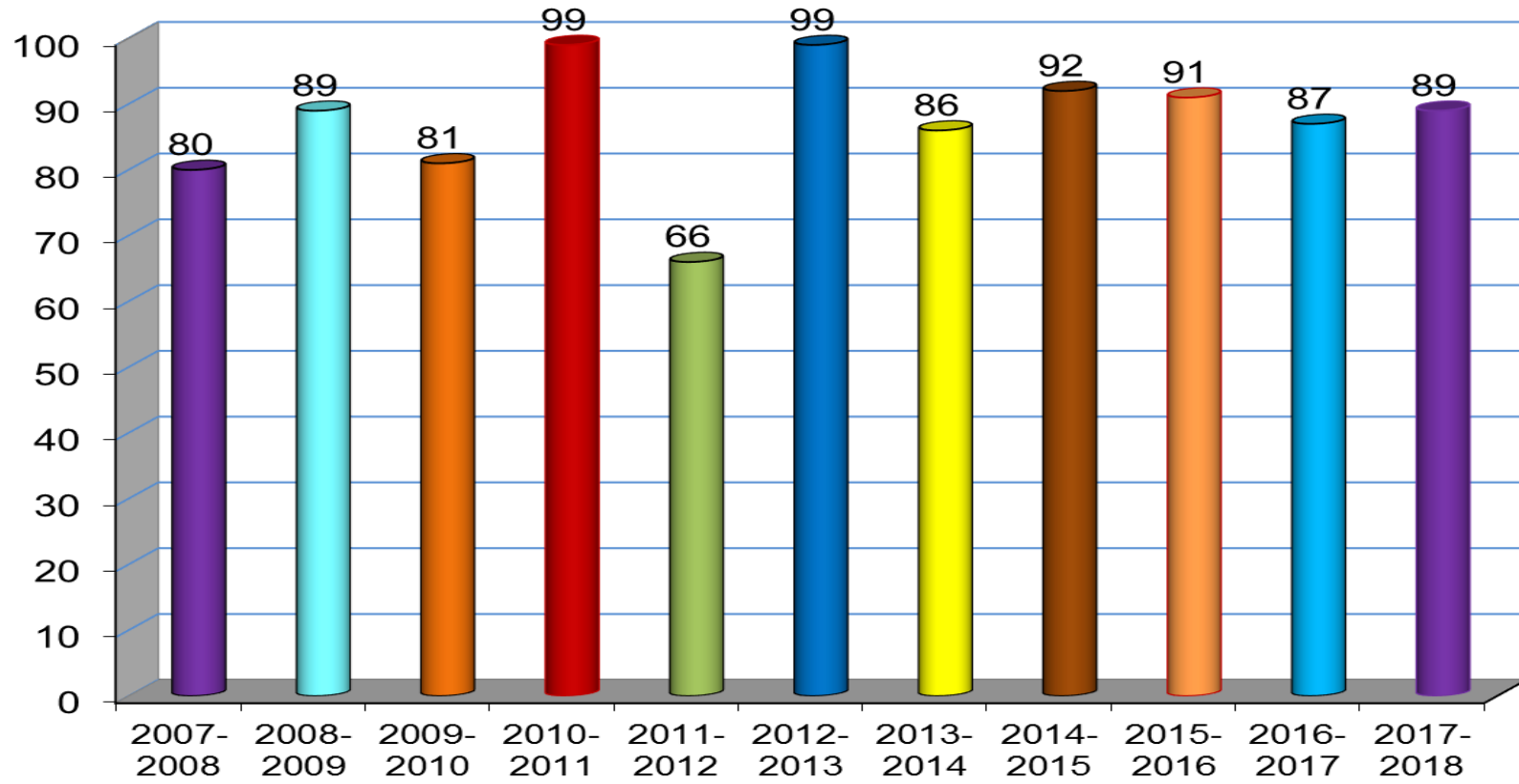
The RRC has been scheduling re-adoption dates in consultation with agencies for any rule designated as "necessary with substantive public interest." In setting re-adoption dates, the RRC considers factors including anticipated stakeholder input, potential for fiscal notes, and what kind of changes the agency anticipates making. As of the February 2019 RRC meeting, approximately 187 sets of rules have been scheduled for re-adoption.

Civil Rights Division
Effectiveness and Efficiency Measures

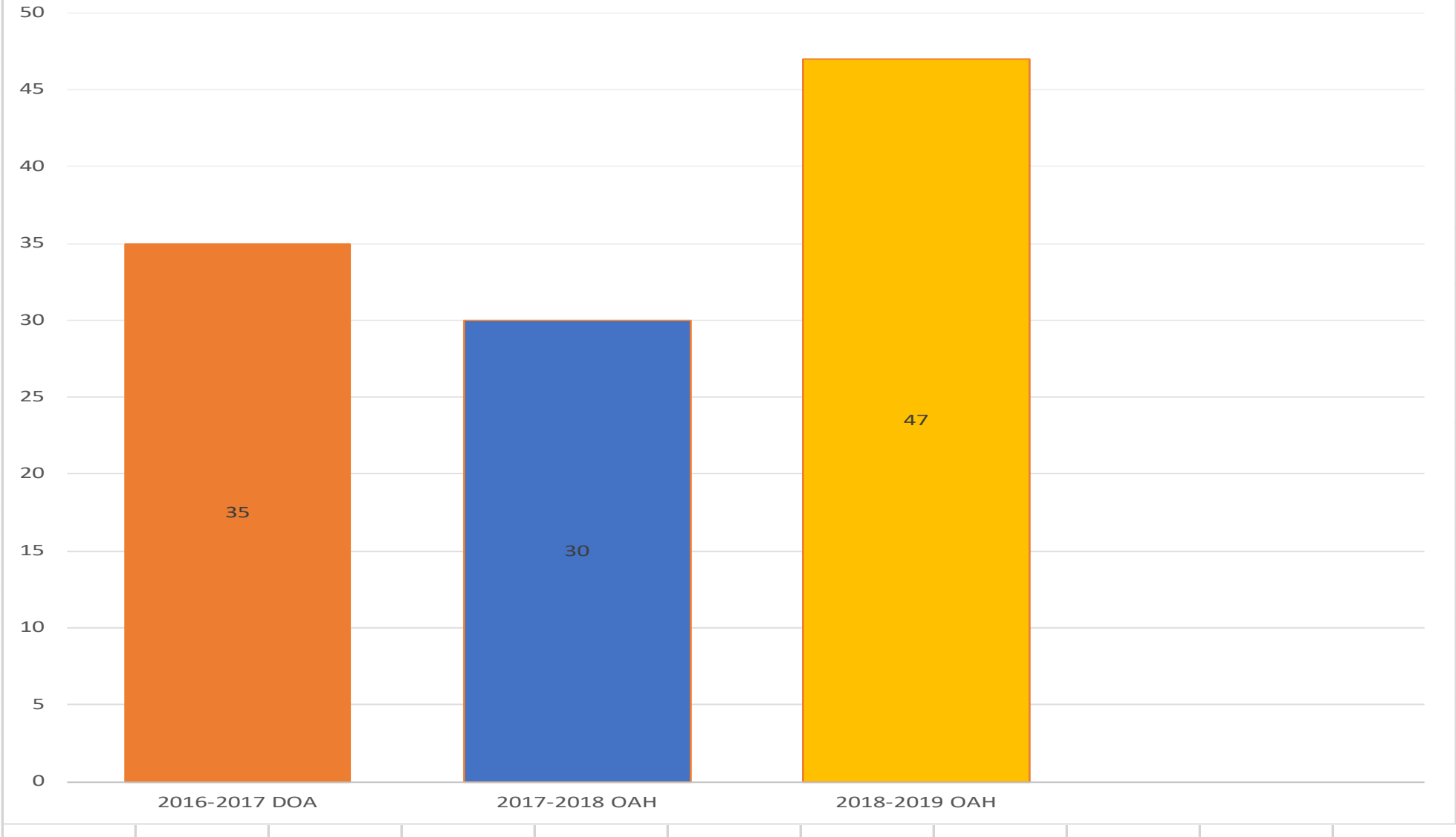
**Office of Administrative Hearings
Civil Rights Division
Case Filings**



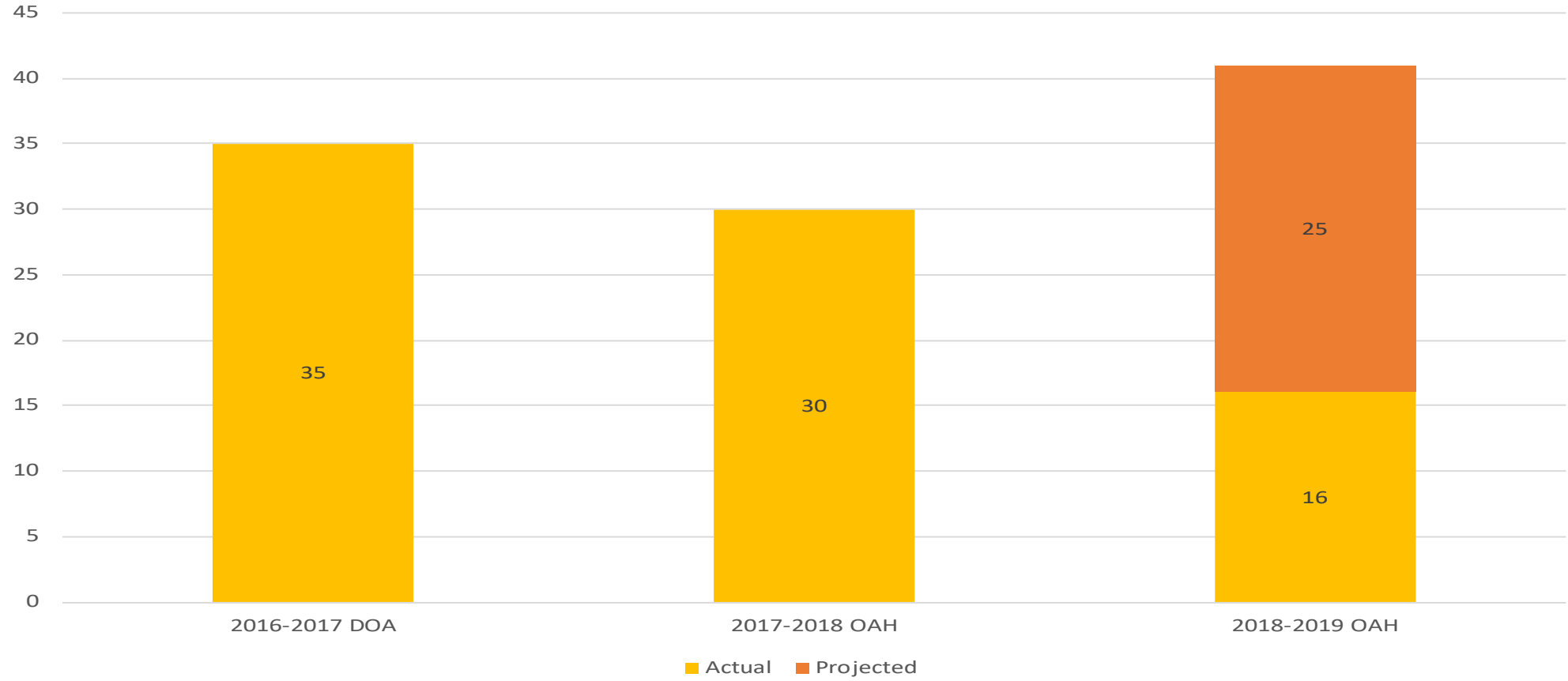
**Office of Administrative Hearings
Civil Rights Division
Case Closings**



**OFFICE OF ADMINISTRATIVE HEARINGS
HUMAN RELATIONS COMMISSION
FAIR HOUSING CASE FILINGS**

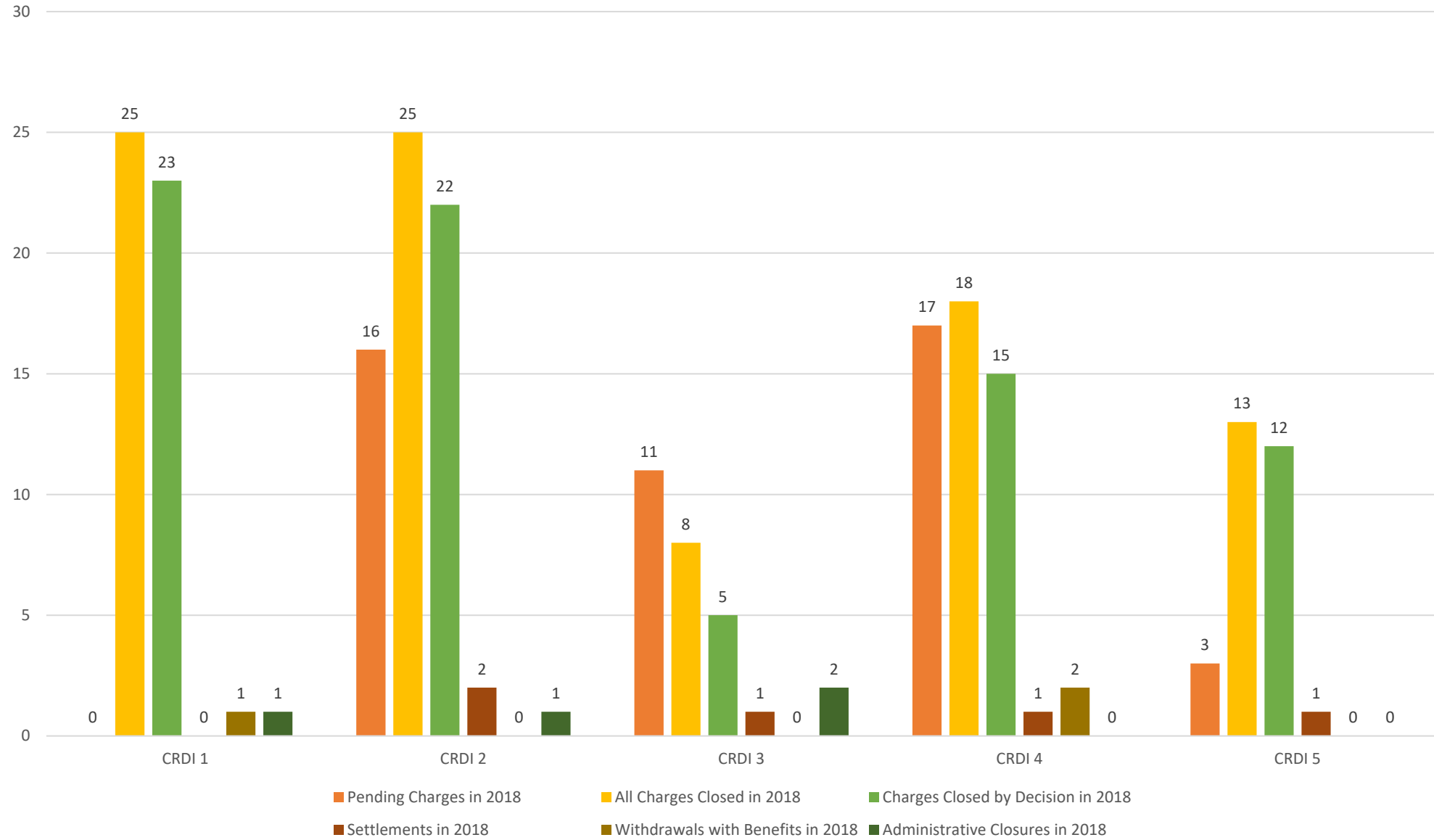


**Office of Administrative Hearings
Human Relations Commission
Fair Housing Case Closings**

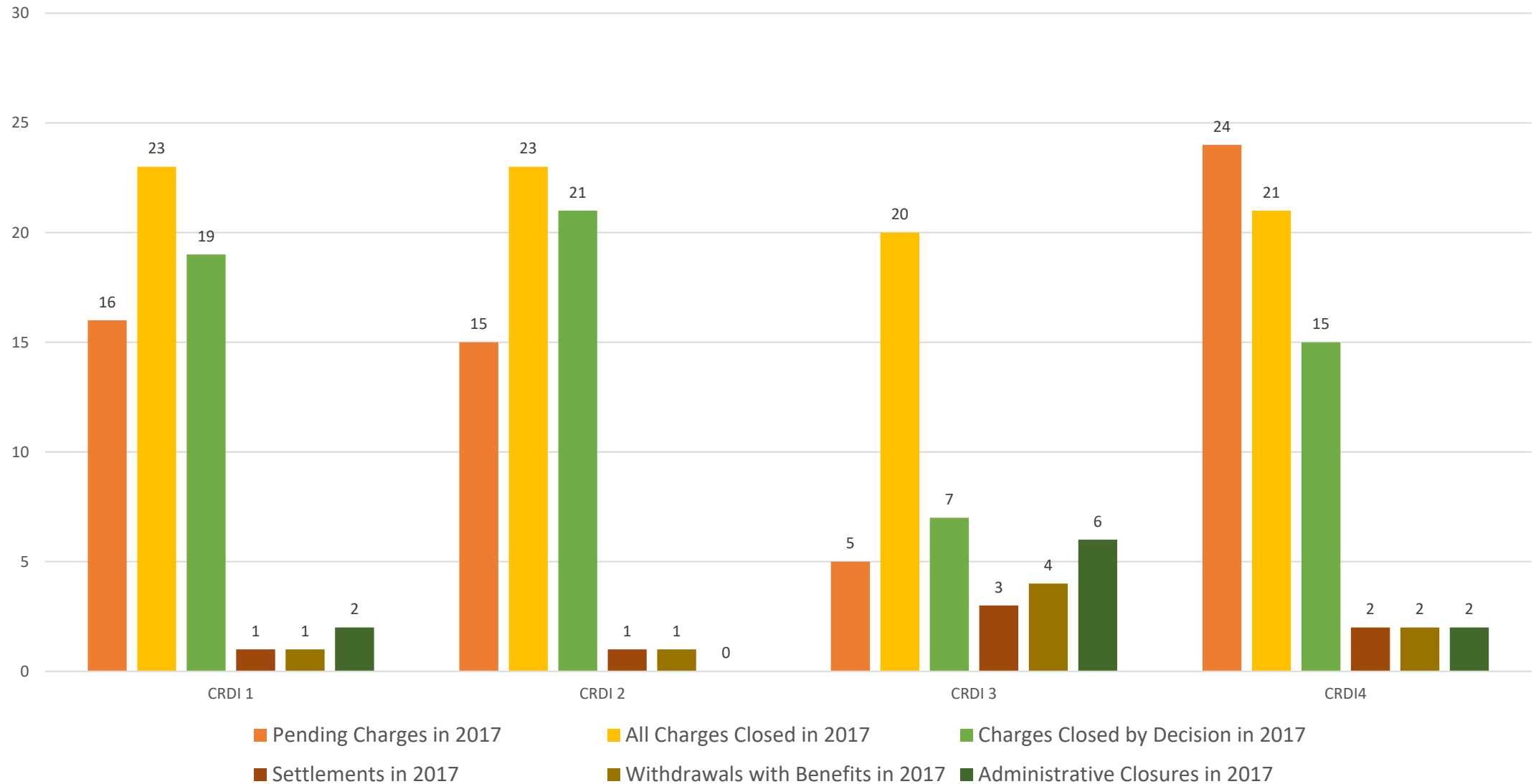


Civil Rights Division
Metrics Used to Monitor Performance

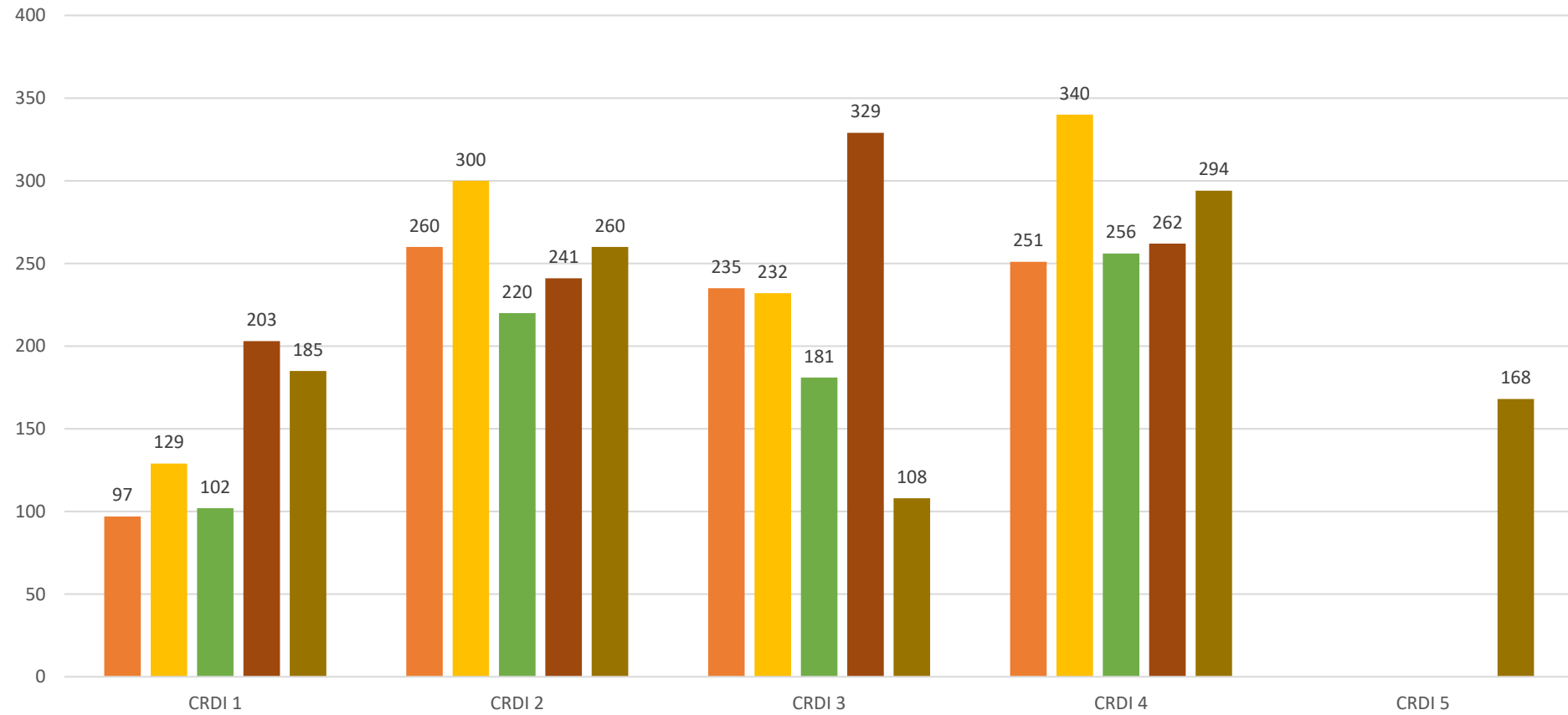
Civil Rights Investigator Pending/Closed Charges for 2018



Civil Rights Investigator Pending/Closed Charges for 2017

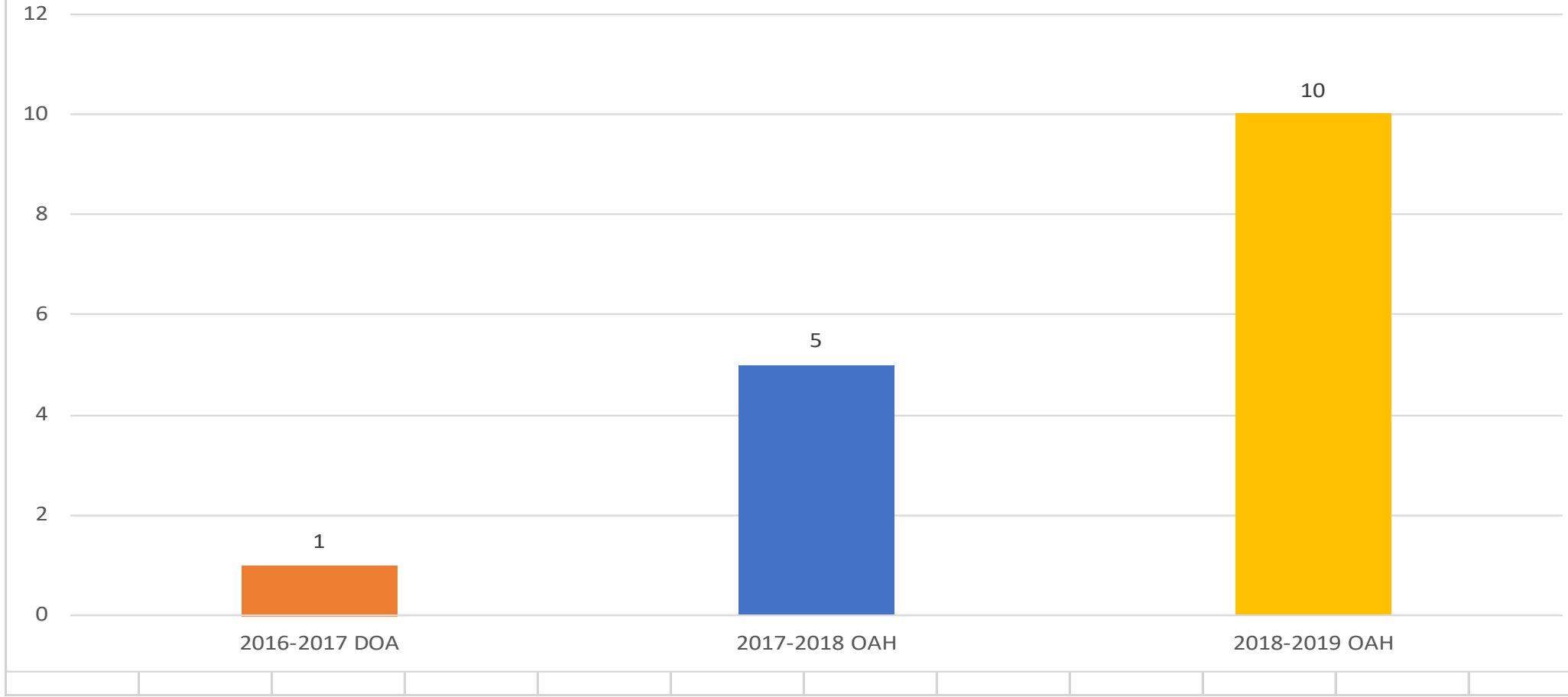


Civil Rights Investigator Average Processing Time



■ 2014 Average Days ■ 2015 Average Days ■ 2016 Average Days ■ 2017 Average Days ■ 2018 Average Days

Office of Administrative Hearings
Human Relations Commission
Local HRC Presentations



**Office of Administrative Hearings
Human Relations Commission
Fair Housing Trainings**

56
54
52
50
48
46
44
42
40



2016-2017 DOA



2017-2018 OAH



2018-2019 OAH

Joint Appropriations Question

Are there instances where your agency has direct contact with the public using paper or manual entry that could instead be done online or electronically (if applicable)?

Rules Division

E-Filing System for Rules Submission

OAH is developing an e-filing system for agencies to submit rules to OAH for publication in the NC Register and on the OAH website. The system will allow rulemaking agencies to submit and track documents through the OAH publication process and view the listing of rules currently in process.

On-line Publications

OAH envisions requesting the General Assembly to designate the OAH online publications of the NC Register and the NC Administrative Code the “official” publications, and discontinue the print publications. OAH will identify the required IT needs and statutory changes to facilitate this transition.

Rules Review Commission

OAH envisions transitioning the Rules Review Commission to paperless by providing electronic devices (tablets) to Commissioners during meetings.

Civil Rights Division

Online Portal for Document Submission

The Civil Rights Division (CRD) could benefit from an online portal that is being developed for the receipt of information and documentation it currently receives from the public in paper form or that must be processed manually. An online portal would allow the public to enter and update essential information and provide a gateway to upload documents to the CRD.

Human Relations Commission

OAH envisions transitioning the Human Relations Commission meetings to paperless by providing electronic devices (tablets) to Commissioners during meetings.

Joint Appropriations Question

Provide an overview of your agency's highest priority budget requests.

User Support Technician I

The OAH IT Section currently has one full-time IT Manager and a part-time (40%) shared position with the Finance Section that serve 57.5 FTE staff, 10-Member Rules Review Commission, 22-Member Human Relations Commission, and four OAH office locations. In the State mandated IT Security Assessment conducted in August 2018, the issue of segregation of duties was determined to be a moderate security risk to the agency.

The requested FTE User Support Technician I position will address:

- 1) Need for segregation of duties in the IT Section;
- 2) Evolving service and business interfacing with internal and external customers, i.e., e-filing (Hearings & Rules), moving to a paperless environment, remote access for Hearings, etc.;
- 3) Need for better focus and responsiveness to IT security due to shared resources and increased cyber-related exposures to malicious software such as malware, viruses and other malicious code; and
- 4) the need for specialty skills to meet future challenges and requirements of advanced technologies.

Total Cost: Recurring \$73,937 (includes Salary and Fringes)

Administrative Associate II

The requested Administrative Associate II FTE position to be shared by the OAH Clerk's Office and Civil Rights Division will:

- 1) Address the volume of citizen inquiries regarding contested cases filed with OAH in a timely manner, and provide immediate personal responses and resolution to inquiries;
- 2) Enable the Clerk's Office to more efficiently address timely case initiation and resolution of new and existing jurisdictions [including Housing & Urban Development (HUD)] as well as increase efficiency of administrative responses associated with Civil Rights and Hearings Division operations;
- 3) Enable the Civil Rights Division to provide administrative and clerical support for the Human Relations Commission, as well as serve as agency liaison between the Civil Rights Division and State and Local Human Relations Commissions to facilitate coordination among these entities.

Total Cost: Recurring \$48,381 (includes Salary and Fringes)



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