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COMMITTEES Revenue and Taxation Health & Welfare Business

## House of Representatives State of Idaho Minority Leader

## Idaho deserves better

It was upsetting to me to see the Idaho Association of School Business Officials report on the ISEE, the longitudinal data system for K12 education. Those most intimately involved with the management of our schools found a difficult-to-use system housing inaccurate data. They felt that they have had to divert an inordinate amount of already scarce resources to work with the system. They requested that the State Department of Education "slow down," iron out the errors and bugs and make the system usable, before pushing its greater use. And they are frustrated with an implementation process that has been plagued with problems—little training and inadequate support from the SDE.

It was very reminiscent of what I was hearing (and still am hearing) about the Idaho Medicaid claims system last summer. Widespread and costly errors, a poor transition process, little help desk support and, as a result, a fiasco for the Department, private sector businesses who provide Medicaid services, and the many Idahoans who rely on those services.

In both cases, there's no question that a new system was sorely needed. In both cases similar systems and changes had been implemented elsewhere by the vendor. What was different here?

I submit that the State, Health and Welfare, and the Idaho State Department of Education, were in over their heads. They were ill equipped to manage a major system change. Financial constraints and staff reduction decisions, poorly written contracts, or simply "not knowing what they didn't know," made the projects more expensive and difficult and resulted in an inferior and unacceptable result.

Such bungling of major initiatives is likely to continue. We rely on a department team that only sees part of the whole, is often inexperienced in system and process change, and is often comprised of personnel who are intermittent due to turnover. We are hesitant to involve stakeholders and end users appropriately, we purchase services from entities who can't deliver or whom we can't properly manage, and we are driven by "budget" limitations rather than by quality and results, and set timelines based on externalities (i.e. federal reporting requirements or fiscal calendars) rather than reality.

These two areas (Medicaid, K12 education) are the largest parts of our State budget, together totaling more than \$2 Billion each year. These are mission critical applications. And in many ways, they are foundational to the future strategies of those areas. We need accurate claims and membership data to do Medicaid medical management and contracting to bring costs in line. Albertson Foundation is proposing a \$25 million expansion of ISEE into a robust reporting and management package. Not to mention that the Luna Plan calls for changes in performance evaluation, compensation of teachers, technology and online course requirements estimated at up to \$60 million per year.

The great irony here is in the oft-heard Republican mantra, "We need to run government like a business." No self-respecting business would ever tolerate the sorts of troubled implementations that we've seen at

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two of our state's largest agencies. Ultimately, we need to run government like a well-run government efficient, responsive, fiscally responsible, and accountable. But the calamitous implementation of these high-profile projects suggests such management and leadership is absent. And that's unacceptable for a business or a government.

No matter how bad it might make the Governor or the Superintendent look to slow down and wait to get things right, it is better for the State and her citizens to do so. Otherwise we will be compounding the errors and end up with much less than the citizens want and deserve, having paid much more than we can afford.