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State agency plans layoffs, furloughs

Idaho Department of Health and Welfare forced to make cuts in personnel costs

The Idaho Department of Health and Welfare plans to use a combination of layoffs, furloughs and position vacancies to handle a \$9.5 million reduction in personnel costs in fiscal 2010. Public Information Manager Tom Shanahan said the agency expects to lay off 23 people in the next few weeks. That includes four of the department's seven regional directors, plus two employees in this area. All remaining employees will have to take four unpaid days off during the fiscal year, which begins July 1; they'll have bigger workloads as well, since many vacant positions will be kept open.

The agency is approved for 3,136 full-time positions, but in a typical year it could have 100 or more vacancies at any given time. The difference now, Shanahan said, is those openings won't necessarily be filled. "We'll still be hiring for critical positions," he said. "Others may only be held open for a couple of months. Those decisions will be made on an individual basis. It depends what impact it has on the public."

Friday is the last day for the departing regional managers. Tanya McElfresh, the director for north-central Idaho, will remain with the agency and add northern Idaho to her responsibilities. Regions 3 and 4 will also be combined, as will regions 5, 6 and 7. McElfresh was traveling Tuesday and could not immediately be reached for comment.

Shanahan said eliminating the four directors, plus their administrative assistants, will save more than \$500,000 per year. The main reason for cutting the positions, he said, "is that we need to keep people in the front lines because of the increased demand for services. We had to protect that at all costs."

Locally, a medical technologist at State Hospital North in Orofino and a social worker in Lewiston are among the 23 layoffs, Shanahan said. A position in Grangeville was also reduced from full time to part time. All affected employees were informed by last week. Faced with declining state revenues and an uncertain economic future, Gov. C.L. (Butch) Otter and members of the Legislature's joint budget committee agreed to reduce personnel costs by 5 percent for all general fund agencies and 3 percent for positions paid for by federal or dedicated funds. Otter also insisted on giving his agency directors substantial flexibility in how they handled the reductions.

Shanahan said that flexibility probably saved jobs. The four furlough days, for example, will save the equivalent of 37 full-time positions, while leaving vacant positions unfilled should save another 28 jobs. "The Legislature also allowed us to transfer some operating cost savings into personnel. That saved about 40 positions," Shanahan said. "If you compare it to 2002-2003, I think we had 170 or 180 layoffs back then. We had more tools to handle the reduction this time around."

In addition to these measures, the agency is also asking for about \$225,000 in emergency funding - part of a \$7 million discretionary appropriation the Legislature gave Otter to use in the event some agencies couldn't handle the personnel funding cuts without hurting their operations. If approved, Shanahan said some of the money would be used to fill a vacant psychiatrist position at State Hospital North. The remainder would be used for critical needs at State Hospital South in Blackfoot.