

ARKANSAS HEIGHTENED OVERSIGHT CONFERENCE CALL

NRC Attendees	Arkansas Attendees
Randy Erickson, RSAO	Donnie Smith, Director
Linda McLean, RSAO	Renee Mallory, Branch Chief
James Luehman, FSME	Bernard Bevill, Section Chief
Duncan White, FSME	Jared Thompson, Program Leader
Aaron McCraw, FSME	Steve Mack, Health Physicist
Bill Rautzen, FSME	Layne Pemberton, Health Physicist
Dennis Sollenberger, FSME	Valerie Whitehead, Health Physicist
	Nicole Sanders, Ph.D., Health Physicist
	Dave Snellings, Consultant

Summary

On July 30, 2008, NRC hosted the third Heightened Oversight conference call with the Arkansas Department of Health (the Department) to discuss the updated Performance Improvement Plan (the Plan), submitted to NRC on July 17, 2008 (ML081990644), and additional information for inclusion in the Plan submitted by email on July 28, 2008 (ML082100576).

NRC staff concluded that the Program's Plan continues to be a reasonable and realistic approach to completing the two remaining recommendations identified during the 2006 IMPEP review. NRC staff remains confident that the remaining tasks, assignments, and milestones continue to be achievable even though the Program recently suffered the loss of a key staff member. The Program has clearly made measurable progress since the last Heightened Oversight call in May 2008 (May call) and continues to move forward with their plan to hire and retain staff, meet current workload demands, and reduce and ultimately eliminate the existing licensing and inspection backlogs.

The next bi-monthly Heightened Oversight conference call is scheduled for October 23, 2008.

Discussion

The initial Plan submitted by the Program addressed each recommendation from the 2006 IMPEP review. The Program divided each recommendation into tasks, milestones, and staff assignments that they believed were necessary to successfully address each recommendation.

During the February 13, 2008 call, the Program introduced the Plan, described the progress they had initially achieved, and discussed plans to evaluate their progress with senior managers at the end of each calendar quarter.

At the time of the May call, the Program had completed their first internal evaluation of the Plan with management, determined their progress, and identified modifications to the Plan they believed would be necessary to ensure their continued success.

The following are the specific details, set backs and accomplishments for each of the recommendations, as presented by the Program during the July 30, 2008 call:

Recommendation 1 - The review team recommends that the State evaluate current and future staffing needs and business processes to develop and implement a strategy that improves the effectiveness and efficiency of the Program to ensure its continued adequacy and compatibility.

Status – During the May call, the Program reported they had filled their last remaining technical vacancy. They also informed NRC that their Program secretary had resigned in January 2005 and that they were still working to fill that position because they had experienced delays in hiring for the position. During the July 30th call, the Program reported that their secretarial position has been filled; however, they just received notice that one of their Health Physicists was resigning effective August 8th. Senior management explained that the Department is currently under a hiring slowdown due to an anticipated budget cut; however, they can replace positions considered critical to the Department's mission. Management believes they can make a good case for classifying this as a mission critical position so they can fill it as soon as possible. The Program is not aware of any other impending staff departures.

The Program noted that NRC's funding of training courses has helped relieve some of the financial burden of training their staff and makes it possible for more staff to receive training. Individual training needs were initially determined by the Section Chief and the Program Leader. They then enrolled staff as far out on the training schedule as the training schedule allowed to ensure they could get into the classes. Returning staff members who attend these courses often provide a course overview to the rest of the staff whenever possible. Other than NRC training courses, no other outside training has been utilized since the last call.

The Program had initially committed to having junior inspectors accompany senior staff twice monthly; however, they found this approach to be burdensome to the Program as it forced inspection accompaniments when training time was also needed in other areas. After revising the Plan, junior inspectors have been accompanying senior inspectors on at least one inspection per month, with more accompaniments as time allows. The Program found that this approach provides a better balance within the Program as accompaniments are more evenly spread out among the staff and other training needs are also being met. Since the May call, each new staff member has been on one accompaniment each month.

The Program remains committed to staff professional development. Management and staff meet quarterly to discuss each individual's progress and any changes made to the training plan are discussed. The Program also remains committed to developing a Health Physicist certification program; however, the program as initially conceived is currently on hold until the State completes a pay plan study which may result in an adjustment to State wide pay rates. It is anticipated that this type of adjustment would allow for greater flexibility by increasing both lower and upper end salaries, and make it easier to advance staff either through promotion or from within grade advancement. Department management stated that the draft back-up pay plan they have on hold would likely become an implementation plan if State wide salaries are increased. Alternatively, this back-up pay plan could be their fall back position if the legislature does not approve a new salary structure.

The Program previously performed a review of their fee structure and found their fees were lower than what can effectively support the Program. Fees have not been increased in over 13 years. The Program submitted a request to the Department for an increase in fees from current levels to approximately 75 percent of NRC fee rates; however, that request was rejected by Department management. They also explained that the new Arkansas Governor has an initiative to reduce taxes and increased fees are considered a new tax; therefore, the Program's request for a fee increase will not be sent to the 2009 legislature for approval.

The Program reported that while they have been aggressively training new staff, they have also continued to make progress on the licensing and inspection backlogs. Many of the newer inspectors have been sufficiently trained to where they are now performing some inspections independently. This has helped the Program complete 12 Priority 1, 2, and 3 inspections during the quarter. Only nine backlogged Priority 1, 2, and 3 inspections out of 31 total backlogged inspections remain overdue. This is down from 19 Priority 1, 2, and 3 inspections initially identified at the time of the 2007 Periodic Meeting. Additionally, the Program completed 14 Priority 4 and 5 inspections during the quarter. Reciprocity and Priority 1 inspections, in addition to incident and allegation reviews, continue to take priority within the Program.

The staff is also involved in other project areas. During the quarter, the staff participated in an ingestion pathway emergency response exercise that reduced their effective working time by nearly two weeks.

NRC staff is encouraged by the progress that the Program continues to make in addressing this recommendation but has concerns that the Program may negate those gains if they continue to be unsuccessful in retaining trained and qualified staff. While the initiative to increase fees is no longer going to the legislature, NRC staff believes that the Department should continue to explore alternative methods to increase fees. The ability to effectively support the Program and bring salaries to competitive levels is vital to the success of the Program.

Recommendation 2 - The review team recommends that Department management develop and implement an action plan to reduce the licensing renewal backlog

Status – The Program reported that steady progress continues in the area of licensing, specifically in the area of reducing the renewal backlog.

The Program had two individuals who were working in licensing since the May call. The primary license reviewer who had worked full time in licensing and who will be terminating employment on August 8, 2008, and another staff member who splits time between licensing and inspection. The Program also has one half time individual who works solely on licensing.

During the 2006 IMPEP review, the Program had a total of 91 percent of all licenses under timely renewal for greater than one year. Today that number has fallen to 80 percent. Of the 80 percent of licenses under timely renewal today, 46 percent of those have now been started with some type of action pending. Three additional renewals are also about to be issued.

Additionally, the Program has issued nine new licenses since the 2006 IMPEP. They have four additional new licenses pending, with two more about to be issued. Some of these new

licenses are complex requiring significant staff time and involvement.

As noted above, the Program has enjoyed steady and measurable gains in reducing the license renewal backlog. However, due to the loss of their primary license reviewer, the Program may be forced to move resources away from licensing and more toward the inspection program in an effort to ensure that health and safety, and security of radioactive material are not compromised. While this is not a desired outcome, the Program acknowledges they may need to shift their focus until additional staff can be hired and trained to work in the licensing area.

NRC staff is encouraged by the progress that the Program has made in reducing the license renewal backlog, but as indicated in Recommendation 1, has concerns that the Program may experience a significant negative impact if they continue to be unsuccessful in retaining trained and qualified staff.

/RA/

Randy Erickson
Regional State Agreements Officer
Region IV

Arkansas Heightened Oversight
Conference Call Summary

Arkansas Heightened Oversight Summary

bcc: (via ADAMS e-mail distribution):

- Arthur Howell
- Chuck Cain
- Robert Lewis, FSME
- Terry Reis, FSME
- JLuehman, FSME
- Duncan White, FSME
- Linda McLean
- Randy Erickson
- Aaron McCraw, FSME
- Kim Lukes, FSME
- Dennis Sollenberger, FSME
- William Rautzen, FSME

ML

SUNSI Review Completed: Yes ADAMS: X Yes Initials: RRE
X Publicly Available X Non-Sensitive

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