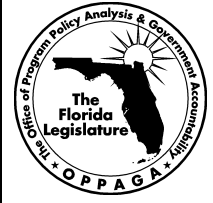




## Office of Program Policy Analysis And Government Accountability



John W. Turcotte, Director

April 1997

### Follow-Up Report on Client Outcome and Program Effectiveness Systems

#### Abstract

- The Legislature implemented our recommendation to suspend the annual client outcomes and program effectiveness reporting requirements in s. 20.19(19), F.S., by substituting the performance-based budget reporting requirements of the Government Performance and Accountability Act.
- The Department of Children and Families submitted a performance-based budget for its Alcohol, Drug Abuse, and Mental Health programs for fiscal year 1997-98 and will submit performance-based budgets for the remainder of its programs for fiscal year 1998-99. In addition, the Department continues to work on developing an Information Delivery System to support its performance-based budget activities.
- The Legislature has not yet decided when the Department of Health is to submit its first performance-based budget.

#### Purpose

In accordance with s. 11.45(7)(f), F.S., this follow-up report informs the Legislature of actions taken by the Department of Children and Families in response to Report No. 94-24, issued December 28, 1994.<sup>1</sup> This report presents our assessment of the extent to which the Department has addressed our findings and recommendations.

#### Background

At the time of our review, the Department of Health and Rehabilitative Services (DHRS) was responsible for providing all state health and rehabilitative services. To help decision-makers allocate resources to Department programs, state law [s. 20.19(19), F.S.] required DHRS to develop comprehensive systems to annually measure and report client outcomes and program effectiveness for each of the following programs: State Health; Children's Medical Services; Alcohol, Drug Abuse, and Mental Health; Developmental Services; Aging and Adult Services; Children and Family Services; and Economic Services.

By December 1993, each of the Department's program offices was to provide the Legislature and the Governor annual reports that contained client outcome and program effectiveness information for each of its program components. These reports were also to contain information on client populations, services provided, costs, and recommendations related to program improvement.

#### Prior Findings

At the time of our review, DHRS had not developed the required client outcome and program effectiveness systems. Department staff cited several factors that impeded their ability to develop these systems including: lack of automated data systems capable of maintaining

<sup>1</sup> Chapter 96-403, Laws of Florida, renamed the Department of Health and Rehabilitative Services as the Department of Children and Families and created a new Department of Health.

client outcome information; difficulty defining, interpreting, and obtaining client outcomes; and lack of sufficient resources to develop and report on client outcomes.

The problems experienced by the program offices were exacerbated by organizational changes and budget reductions. DHRS changed leadership three times between fiscal years 1991-92 and 1994-95, added four new service districts, and moved towards a more decentralized structure. During the same time period, the state experienced budget cuts and DHRS was faced with establishing its new service districts within existing resources. As a result, DHRS eliminated nearly 25% of its program office and other headquarters positions and reassigned those positions to the districts. Positions eliminated from program offices tended to be evaluation or other staff not directly responsible for overseeing the delivery of client services.

At the time of our review, all program offices were participating in a Department-wide effort to develop broad outcome measures for strategic planning and to identify information system needs and improvements. This effort was intended to conform with the intent of the Government Performance and Accountability Act (Ch. 94-249, Laws of Florida), which requires all state agencies to establish performance-based budgets that include standards and measures for assessing the public benefit of state programs.

In our report we noted that, when implemented, the Department's performance-based budgets will likely give state-level policymakers and DHRS managers the information they need to assess the effectiveness of major programs. However, program office and district managers will need more detailed client outcome and process information to help them monitor and assess the quality of services and decide how to allocate resources at the local level. We further noted that, given the status of DHRS's automated information systems, the program offices would need from two to five years to develop the capability to produce the reports required by law.

## Current Status

Subsequent to our report, the Legislature divided DHRS into two separate departments, the Department of Children and Families and the Department of Health. The Department of Children and Families comprises all but two of the programs formerly contained in DHRS. The State Health Office and Children's Medical Services were transferred to the Department of Health as well as the regulation of medical professionals currently in the Agency for Health Care Administration.

**Actions Taken by the Legislature.** As we recommended, the Legislature amended state law (Ch. 96-403, Laws of Florida) by deleting the annual client outcome and program effectiveness reporting requirements for the Department of Children and Families programs and substituting the evaluation and reporting requirements of the Government Performance and Accountability Act.<sup>2</sup> The Department submitted a performance-based budget for fiscal year 1997-98 for its Alcohol, Drug Abuse, and Mental Health programs. The Department is scheduled to submit performance-based budgets for the rest of its programs for fiscal year 1998-99.

**Actions Taken by the Department.** As we recommended, the Department of Children and Families is continuing to work on developing an Information Delivery System (IDS) to support integrated planning, budgeting, and performance measurement activities. This system is run on a statewide network of computers and, in the future, is expected to carry detailed information needed for day-to-day operations, short-term planning, and long-term strategic planning. IDS should give the Department the ability to link existing data systems, such as budget, personnel, and client information systems. The Department is also addressing how to integrate its existing data systems. For example, the Department is currently documenting data commonalities across these systems.

<sup>2</sup> Chapter 96-403, Laws of Florida, also created the Department of Health (s. 20.43, F.S.). The authorizing law does not include requirements that the Department of Health establish client outcome and program effectiveness systems. Further, the Legislature has not yet scheduled the Department of Health's implementation of performance-based budgeting.