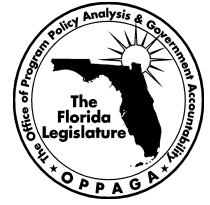




Office of Program Policy Analysis And Government Accountability



John W. Turcotte, Director

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Review of the Fiscal Year 1996-97 Performance of the Department of Labor and Employment Security's Rehabilitation Program Compared to General Appropriations Act Performance Standards

Abstract

- The Vocational Rehabilitation component's performance measures provide a mixed picture of performance in which the costs per case decreased while the number of customers employed decreased.
- The Brain and Spinal Cord Injury component's measures could not be used to evaluate performance.
- The division should revise some performance measures to enhance the usefulness of the information.

Purpose

This is the first of two reports presenting the results of our program evaluation and justification review of the Department of Labor and Employment Security's Rehabilitation Program. This program is composed of two components: Vocational Rehabilitation (VR) and Brain and Spinal Cord Injury (BSCI). The law directs the Office of Program Policy Analysis and Government Accountability (OPPAGA) to complete a program evaluation and justification review of each state agency program that is operating under a performance-based program budget. OPPAGA is to review each program's performance-based program budgeting measures and standards and identify alternative means for providing program services.

This report addresses the performance of the Rehabilitation Program using its 1996-97 General Appropriations Act measures and standards. In this

review, we examined the program's performance compared to historical trends in performance as well as the legislative standards for Fiscal Year 1996-97 and options for improving the program's Fiscal Year 1998-99 performance-based program budgeting measures and standards. OPPAGA's second report addressing the program's performance and policy alternatives for reducing costs and improving services will be published before July 1, 1998.

Background

The VR and BSCI components work in tandem to return disabled individuals to employment and to reintegrate them into the community. The major activities of the VR component include providing services to individuals with disabilities in order to maximize their employment, economic self-sufficiency, and independence. Simultaneously, the BSCI component stabilizes and rehabilitates injured individuals to facilitate reintegration into the community or referral to the VR component. During federal Fiscal Year 1996-97, the VR component served 46,963 customers.¹ During state Fiscal Year 1996-97, the BSCI component served 4,679 customers. The VR component provides services and job training to people with disabilities who want to work. To be eligible for services, a person must have a physical or mental impairment that is a substantial impediment to employment; be able to benefit from VR services in terms of employment; and require VR services to prepare for, enter, engage in, or retain employment.

¹ This is not the same number reported by the VR component for the state fiscal year, 138,734. The program's number included, as customers, persons who had some contact with the program even if they did not apply for services. However, the department has requested that the performance-based program budgeting definition of customers served be aligned to match the federal definition used here.

VR is federally mandated to serve the severely disabled.²

VR's employment objectives are to produce outcomes that are long term and enable the individual to become self-sufficient. The Federal Rehabilitation Act requires that the vocational rehabilitation process be timely and customer choice ensured. In 1992, the importance of choice was reinforced with the mandate to include and involve individuals with disabilities in all aspects of the vocational rehabilitation process. VR produces these outcomes through eight district offices and additional efforts such as School-to-Work transitioning and Centers for Independent Living.³

VR is funded through a federal/state matching agreement whereby the state contributes 21.3%. In state Fiscal Year 1996-97, the state contributed \$22,794,768 and received \$84,222,905 in federal matching funds. In Fiscal Year 1996-97, the VR component was authorized 1,073 positions.

The Legislature established the BSCI component to provide all eligible injured individuals with the opportunity to obtain the necessary services to enable them to be referred to the VR component or to an appropriate level of functioning in their community. To ensure the referral of eligible persons with brain or spinal cord injuries to BSCI, the identification or diagnosis of any person with a moderate to severe brain or spinal cord injury must be reported to a central registry within five days of occurrence.

The cost of care for individuals with brain or spinal cord injuries and BSCI's administrative costs are covered by the Brain and Spinal Cord Injury Rehabilitation Trust Fund, which receives revenues from 8.2% of all civil penalties levied by county courts pursuant to s. 318, F.S. (after a \$2 deduction per levy), \$60 from each driving or boating under the influence fine received by a county court, and \$1 from each temporary license plate issued by the Department of Highway Safety and Motor Vehicles. In Fiscal Year 1996-97, the BSCI component received \$13.9 million in revenue, expended \$13.4 million, and was authorized 56 positions.

² Although the federal government does not require a distinction in measurement, the state's performance measures distinguish between severely and most severely disabled.

³ School-to-Work transitioning refers to the collaborative effort between VR, local schools, and job training programs focusing on students, in secondary schools, making the transition from school to the adult community. Centers for Independent Living provide services to persons with significant disabilities so they may access their community, its resources, and social opportunities.

The 1994 Government Performance and Accountability Act directs state agencies to provide the Legislature with budget requests that include measures and standards that can be used to judge program performance. The Legislature approves programs, performance measures, and standards in the General Appropriations Act.⁴ State agencies must report annually on their performance against these standards in subsequent legislative budget requests. The Legislature considers this information in evaluating program performance and may award incentives and disincentives for performance that exceeds or fails to meet the established standards.

The Legislature authorized the Rehabilitation Program to operate under a performance-based program budget in Fiscal Year 1996-97, and specified 22 outcome and 8 output measures.⁵ In 1997-98, VR and BSCI continue to operate under performance-based program budgeting. The number of outcome measures was reduced to 19 and the number of output measures to 7 (see Appendix A).

Findings

Using the Rehabilitation Program's performance-based budgeting measures, what can be concluded about its performance in Fiscal Year 1996-97?

The Rehabilitation Program's 1996-97 measures provide a mixed picture of the VR component's performance. The program increased the proportion of customers achieving employment outcomes while decreasing the cost of case services. These gains were coupled with the program employing fewer customers and a minimal increase in customers' wages. Due to problems with the available data, our conclusions were limited to using those measures that we were able to corroborate (see Appendix B).⁶ We were able to comment on three areas specifically related to the VR

⁴ Standards are expected levels of performance against which actual performance is to be compared.

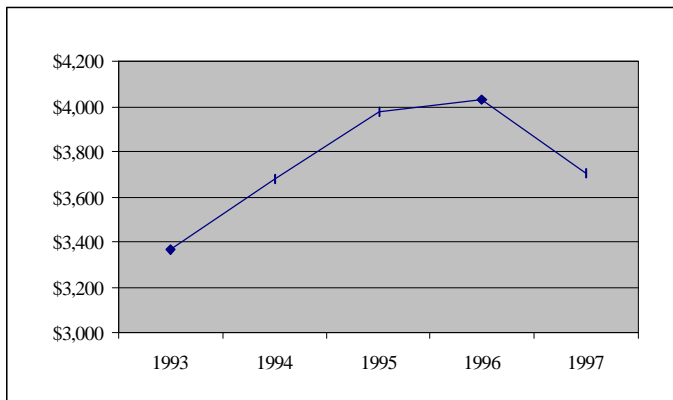
⁵ Output measures should reflect actual services or products delivered by a state agency, while outcome measures should be an indicator of the actual impact or benefit of a program.

⁶ The Department maintains a second set of measures, which are reported to the federal government. The Rehabilitation Service Administration scrutinizes these measures and numerous quality assurance controls are in place to ensure the replicability and credibility of the data. This data was compared with reported state measures to verify the trends reported to the Legislature.

component-case costs; rate and number of customers employed; and quality of employment.

Case Costs. According to three measures of cost efficiency, performance improved substantially in 1996-97. The measure “cost of case life” stabilized for the most severely disabled and declined sharply for the severely disabled (from \$3,557 to \$3,010). Overall costs of case life decreased by 8% or approximately \$300 – a significant reduction. (See Exhibit 1.)

Exhibit 1
Case Cost for Successful Rehabilitations
Decreased in 1996-97



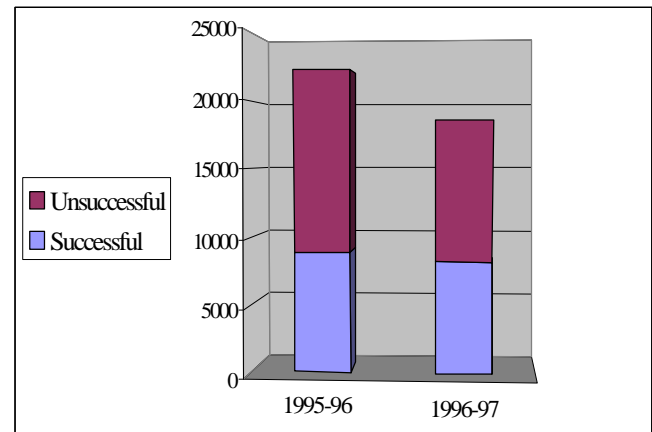
Source: Rehabilitation Service Administration, Federal Department of Education

Some program managers reported that the increased focus on reducing costs contributed to this gain in efficiency. To illustrate, one program manager pointed out that some requests for expenditures, not directly related to the employment outcome objective, such as dental work, were disallowed. In the past many of these same expenditures were acceptable. In addition, limits on living expenses became VR policy in 1996-97, further reducing case costs.

Rate and Number of Customers Employed. While VR rehabilitated an increased proportion of customers, the **number** of customers employed decreased. (See Exhibit 2.) Similarly, the proportion of both severe and most severely disabled customers employed increased while the actual **number** of *most* severely disabled customers employed decreased. The performance measures illustrate the commitment of VR to serve the severely disabled which composed 80.8% of those successfully placed. Overall, VR demonstrated the ability to place a significant proportion of customers in jobs, while the number of customers served decreased.

Exhibit 2
The Proportion of Successful Cases

Increased, While the Number of Cases Decreased



Source: Department of Labor and Employment Security, Division of Vocational Rehabilitation

The division asserts that the decline in the number of individuals attaining employment may be a reflection of the federal shutdown in November 1995 and the budget impasse that lasted into January 1996. During this time, access to federal dollars was limited and sporadic. There was a series of Congressional resolutions that continued funding for the federal government; however, federal staff was not always available to transfer funds when needed. This was especially critical because drawdowns of federal funds are made almost daily by program staff.⁷ Consequently, service delivery was slowed and VR limited purchases to those that were immediate and necessary.

The division also indicated that counselors focused on existing customers and redoubled efforts within the community to place customers. Individuals accepted for services continued to receive services. This mitigated some of the resource conflict between new and existing customers, resulting in increased levels of services from the counselors to existing customers.

Quality of Employment. The VR component demonstrated a small increase in the rate at which rehabilitated customers were placed in competitive employment (from 96.4% to 96.5%).⁸ This increase is attributable to VR’s emphasis on the goal of achieving placements in integrated competitive employment for all customers.

⁷ The timing is determined by agreement with the federal government under the “Cash Management Improvement Act” of 1990, 31 CFR 205.

⁸ Competitive Employment refers to earning at or above the minimum wage. The state definition excludes work in a sheltered workshop, self-employment, or state-agency-managed business enterprise.

In addition, the self-reported average **annual earnings** of VR customers **at placement** increased from \$12,319 to \$12,865. The degree to which the division affected the income increase is unclear. On October 1, 1996, minimum wage increased from \$4.25 to \$4.75 (an 11.7% increase). For an individual making minimum wage this would amount to \$780 in 1996-97, which could account for much of VR's increase. Also, average annual earnings after one year (\$12,564) was less than the earnings at placement (\$12,865). (See Exhibit 3.) This apparent decrease may be the result of the way that VR's two income amounts are determined; income at placement is self-reported, while income after one year is obtained from employer reports. Overall the increase in placement wages may be a reflection of the increase in minimum wage, while the decline in wages after one year in employment may be the consequence of differences in the way the information is reported.

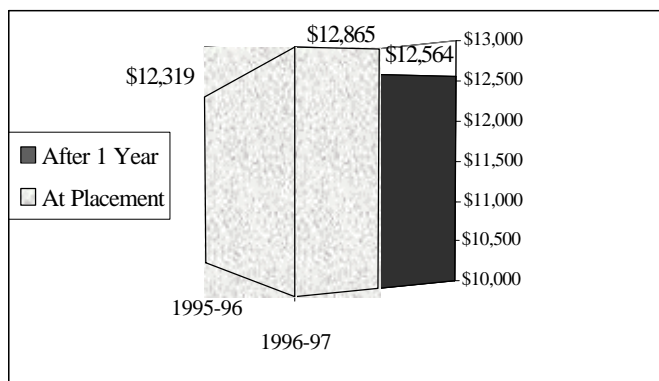


Exhibit 3

Income at Placement Increased, But Income After One Year Was Less Than at Placement

Source: Florida Education and Training Placement Information Program and Department of Labor and Employment Security, Division of Vocational Rehabilitation

What improvements can be made to the program's performance-based program budgeting measures and standards for Fiscal Year 1998-99?

The performance measures for the Vocational Rehabilitation component reflect an orientation toward employment outcomes that are timely and cost effective. At the same time there are elements of performance that should be addressed to enhance the information the division provides to the Legislature. They include:

- The information reported to the Legislature should be documented and verifiable.

- The BSCI information could not be used to assess performance.
- Measures for School-to-Work transitions and Centers for Independent Living are needed.
- A customer satisfaction measure is needed.
- Some measures for assessing the program's performance were not valid and should be revised.
- When practicable, federal and state measures should be the same.
- Performance standards should be reasonable and balanced.
- Inconsistencies between measures should be eliminated to simplify the interpretation of the program's performance.

The information reported to the Legislature should be documented and verifiable.

The division could not provide information that would allow us to verify the accuracy of 24 of the 26 measures reported to the Legislature. However, we identified alternative sources of information for 13 of the measures (2 output and 11 outcome measures). Information reported to the Legislature should be documented and readily verifiable through records maintained by the division.

The Inspector General identified system controls for ensuring the reliability of the information reported to the Legislature, but these procedures have not been fully implemented. Problems hindering the substantiation of information include a lack of:

- procedural documentation for the data compilation process or supporting records of the data production;
- quality assurance procedures associated with the compilation process; and,
- management or system controls over the data compilation process that would allow performance numbers to be reconciled back to the number of records in the original data set.

These data concerns limited the conclusions made about the program's performance and limit the Legislature's ability to compare performance data over time. While the division indicated that it would take

steps to correct these deficits in the reporting and verification process, little progress has been made. To ensure that the division provides the Legislature with accurate and readily verifiable information, the division should implement the corrective actions outlined by its Inspector General.

The BSCI information could not be used to assess performance.

No conclusions could be drawn about the performance of the BSCI component due to unverifiable data. In addition, BSCI staff do not participate in the performance-based program budgeting reporting process. Consequently, information generated and reported by BSCI staff conflicts with information reported to the Legislature.⁹

One of the fundamental purposes of performance-based program budgeting is to enhance the performance of agencies. If an entire operational section takes no part in generating information, reporting information, or creating standards, the value of those measures is limited.

At minimum, the BSCI component should be allowed to verify the calculations of performance measures before they are reported to the Legislature and negotiate its own performance standards.

Measures for school-to-work transitions and Centers for Independent Living are needed.

Additional output measures are needed to more readily relate the activities of the VR component to budgetary decision-making. In particular, outputs are needed which relate the efforts of the School-to-Work transitions and Centers for Independent Living to the division's existing performance measures.

In 1996-97, the program served 6,238 customers through School-to-Work transitioning. VR maintains an ongoing relationship with schools and provides vocational rehabilitation services for eligible high school students ages 15 through 21. Similarly, VR provides approximately 43% of the public funding for 13 Centers for Independent Living across the state. These centers serve approximately 9,000 individuals a year. While not all of these customers are referred to VR, the centers provide a variety of community supports for the disabled.

⁹ For example, the program reported in the 1998-99 LBR that BSCI returned 613 customers to the community in 1996-97. In contrast, BSCI indicated that they returned 665 to the community.

The division should consider including two output measures that relate the activities of School-to-Work transitioning and Centers for Independent Living to the performance of the program. Measures for School-to-Work transitions might include "number of individuals served" (from applicant status through closure). In addition, the division, in cooperation with the Florida Independent Living Council, should develop measure(s) to introduce a level of accountability for the centers and relate their work back to the self-sufficiency objective of the program.

A customer satisfaction measure is needed.

Currently no performance measure exists which relates the idea of choice to the VR component. However, informed choice is a federally mandated part of the process and is perceived as an integral element of quality employment outcomes.¹⁰ There is some evidence that the extent to which VR customers perceive themselves as having choice in determining their services and employment objectives will effect the customer's outcome.¹¹

The federal government's concern for consumer choice necessitated that State Rehabilitation Advisory Councils develop a consumer satisfaction survey. The survey is one way to assess the degree of choice insured in the process. Florida's Rehabilitation Advisory Council anticipates completion of a final survey instrument in 1998. In the future, the division should report a measure of consumer satisfaction to reflect the impact of involving individuals in choosing services and selecting their vocational outcomes.

Some measures for assessing the program's performance were not valid and should be revised.

While most of the program's measures are valid indicators of performance, some improvements are necessary. The measures that attempt to (1) illustrate timeliness of service; (2) quantify recoveries from third-party payers; (3) demonstrate the impact of the program on welfare recipients; and (4) measure the performance of the BSCI component, are problematic.

1. Timeliness of Service. The Rehabilitation program uses three output measures that attempt to illustrate

¹⁰ An individual's plan for rehabilitation is to be designed to reflect the individual's interests and informed choice to the extent that these factors are consistent with the individual's strengths, resources, priorities, concerns, and abilities.

¹¹ See "A Longitudinal Study of the Vocational Rehabilitation Service Program, Second Interim Report: Characteristics and Perspectives of VR Consumers," December 1996, submitted by Research Triangle Institute to RSA, U.S. Department of Education.

timeliness of service. The program should eliminate two of these measures and revise the third measure.

There is no element in the database or consistent definition of "planned services" which would allow the program to measure the "average time lapse between eligibility determination for the Vocational Rehabilitation component and the beginning of planned services." This measure should be eliminated.

The "average time lapse (in days) between referral and eligibility determination for BSCI customers" is misleading and has little value. The measure definition reflects eligibility for Vocational Rehabilitation Services, not eligibility for Brain and Spinal Cord Injury services. In addition, federal regulations allow certain clients to be placed in extended evaluation prior to eligibility determination or to agree to an extension, which would increase the time lapse without affecting client services. This measure should be eliminated.

The third measure, which attempts to reflect compliance with federal law by providing the "average number of days between application and eligibility determination for Vocational Rehabilitation customers," should be revised. The way in which compliance is reported—an average number of days—is inappropriate. An average fails to demonstrate compliance because compliance can be met in several ways. The program should report the "percentage of applications processed in compliance with federal law."

2. Recoveries from Third-Party Payers. The measure "percentage of case costs covered by third-party payers" does not accurately reflect the ability of the program to recoup costs. The measurement includes estimates made by field staff on a case-by-case basis. Several program managers indicated that there was historical confusion as to what should be included in these estimates. As a result, a significant portion of the recoveries included in this calculation is subject to error. The measure would be more accurate if the inconsistently defined estimates were not a part of the reported information. Instead, the total dollars recovered from the Social Security and Social Security Disability programs and legal settlements should be reported (two of the three existing components of this measure).

3. The Impact of the Program on Welfare Recipients. The following three measures are not accurate reflections of the program's performance: (1) rate and number receiving temporary family

assistance at VR closure for gainfully employed; (2) rate and number receiving temporary family assistance at VR closure for other VR closures; and (3) percentage reduction in temporary family assistance for gainfully employed VR customers at closure. VR does not target welfare recipients and recorded serving only 445 temporary family assistance recipients. This comprises 2.4% of those served by the Rehabilitation Program. The Federal Rehabilitation Act provides no mandate for the program to serve this population; the program is not income based.

While intervention by the VR component resulted in a reduction in welfare payments for a few customers, VR's substantive impact is in preventing dependence on public assistance programs by increasing self-sufficiency. A measure of self-sufficiency is currently tracked for federal reporting purposes, accurately reflecting the component's performance.

Overall, the component has a constant and substantial increase in customers supporting themselves at closure, as compared to those supporting themselves at time of application. In **federal** Fiscal Year 1996-97, 8,381 individuals were rehabilitated.¹² Of these customers, 1,646 or 19.6% were self-sufficient at time of application, which increased to 6,386 or 76.2%, at closure.

The sufficiency of the wage in covering the expenses of the individual indicates the quality of the employment outcome. Because this measure provides an accurate reflection of the program's purpose and illustrates the impact of the program on a significant population, it should be used in place of the temporary family assistance measures.

4. The Performance of the BSCI Component. Currently, the "rate and number of customers gainfully employed of BSCI customers referred to the Vocational Rehabilitation Program" is an outcome of the VR component, not of the BSCI component, and should be eliminated. The outcome measure "rate (and number) of BSCI customers returned (reintegrated) to their communities at an appropriate level of functioning for their injuries" includes those individuals referred to VR for employment.

When practicable, federal and state measures should be the same.

¹² The federal fiscal year spans from October 1 to September 30. In addition, the federal definition of rehabilitated differs slightly from the state's definition, including self-employed, unpaid family workers, and homemakers as successful (110 of the 8,381).

The division tracks, maintains, and reports two sets of performance measures, one for the federal government, the other for state performance reporting. This dual system creates unnecessary administrative burdens and hinders the use of comparable state information to assess Florida's performance.

Between these two measurement sets, there are 10 measures, which were designed to convey the same information yet contain slight variations between state and federal definitions. These differences limit the ability to compare Florida's performance to that of other states. In addition, the federal measures predate Florida's performance-based budgeting efforts and offer historical performance data, as well as proven quality controls in the compilation and reporting process.

To reduce the administrative burden of performance measures and devise more accurate standards, we recommend that, where performance measures are substantially similar, the state utilize the federal definition of the measures (see Appendix C).

Performance standards should be reasonable and balanced.

The reasonableness of 15 of the standards is unknown due to either questionable or unverifiable data. Of the 11 standards evaluated, only 4 were reasonable compared with the program's historical performance.

In some cases, the program surpassed the standard even though performance declined from the prior year. For example, the number of customers gainfully employed declined from 8,850 in 1995-96 to 8,208 in 1996-97, yet the standard was only 7,957. At the same time, the rates of rehabilitation were set too high. In 1995-96 the VR component achieved a 39.7% success rate and in 1996-97 the success rate was 44.3%, a clear and substantial increase. However, the standard was set at 53% which would require a 33% increase in performance. The reasonableness of standards is summarized in Appendix B.

The division can increase the accuracy of standard setting in three ways (1) update standards when historical data becomes available; (2) set standards based on the tradeoffs between measures; and, (3) where practicable, use comparable states' performance to devise performance standards.

1. Update Standards. To correct the overstatements and understatements of targets, the division should ensure that its standards are updated to reflect current performance. Division staff projected performance

standards in early 1996 through the year 2001. The division did not update its standards for 1996-97 prior to adoption by the Legislature and has not updated standards for the 1998-99 Legislative Budget Request. The division continues to use the standards created in 1996.

2. Reflect the Tradeoffs Between Measures in Standards. To reflect the tradeoffs between standards, the division should consider the interaction between measures. Some of the program's standards attempt to maximize opposing objectives without consideration of the tradeoffs between alternative actions, making the standards contradictory.

In any environment, there are tradeoffs between quality, efficiency, and timeliness. For VR, reducing the cost of a case may affect the long-term employment retention rates by providing the customer with inadequate training or resources. Similarly, decreasing the amount of time spent on assessing the individual's needs may hinder the accuracy and thoroughness of the assessment. As quality outcomes, such as long-term retention and consumer choice, are given emphasis, there may be a threshold of cost which the division cannot move below.

3. Use Comparable States to Devise Standards. We recommend that, where practicable, the division consider the comparable performance of other state VR agencies when setting standards. The federal government tracks all 50 states with a range of performance measures. The program has identified states that are comparable geographically and demographically. Using comparisons provides a context for standard setting beyond historical trends and hypothesized opportunities and threats.

Inconsistencies between measures should be eliminated to simplify the interpretation of the program's performance.

The ability to assess progress in a program's achievement of its goals and objectives is central to performance-based program budgeting. In some cases, the VR component's measures do not use similar definitions, creating difficulties in understanding the logical linkage between measures. For example, there are five cost measures that include the costs of both successful and unsuccessful closures, while the measures for employment outcomes only include successful closures. Without comparable definitions, the Legislature cannot use the measures in combination to draw conclusions about performance.

Ideally, performance measures should focus attention on the intended performance. In this case, it is to produce more employment outcomes at a minimal cost. Therefore, calculating costs as a function of successful closures reflects the cost of an employment outcome and should be used consistently across measures. The division should revise its cost measures to reflect the case costs of achieving an employment outcome—the cost of a successful rehabilitation.

Conclusions and Recommendations

The Rehabilitation Program's performance measures provide a limited yet accurate depiction of the VR component's ability to efficiently produce employment outcomes for its customers. The performance measures illustrate that VR has gained substantial ground in reducing case costs and increased the rate of employment outcomes. Conversely, the overall number of individuals placed in employment declined and the extent to which the program increased the wages of its customers is uncertain.

Improvements can be made to the proposed 1998-99 measures, providing the Legislature with a more complete and accurate view of the program's performance (summarized in Appendix C). Recommended changes include:

- revising measures which illustrate the timeliness of service, quantify recoveries from third-party payers, demonstrate the impact of the program on welfare recipients, and measure the performance of the BSCI component;
- adding measures for School-to-Work transitions, Centers for Independent Living, and customer satisfaction; and
- when practicable, substituting federal measure definitions for state measure definitions.

To ensure that the division provides the Legislature with reliable information about program performance, the division should implement the corrective actions

outlined by their Inspector General. Also, the division should adjust its baseline and standards when historical and comparable data become available.

Finally, to ensure the accuracy and usefulness of the Brain and Spinal Cord Injury components performance information, BSCI staff should participate in the performance-based program budgeting reporting process, verify the calculations of their own performance measures, and negotiate their own performance standards.

Agency Response

The Secretary of the Department of Labor and Employment Security generally agreed with our review and described actions being taken to implement our recommendations. However, he disagreed that reporting the “percentage of applications processed in compliance with federal law” should be the replacement measure used to illustrate federal compliance.

Also, where OPPAGA recommended that “the division should revise its cost measures to reflect the case costs of achieving an employment outcome – the cost of a successful rehabilitation” the agency responded:

“The Division disagrees. The cost measures for the VR and BSCI customers were defined to reflect the cost of serving all the Division's customers, not only those with a successful outcome. These are efficiency measures for all program services. The Division would consider adding a measure to report the average cost of a successful closure, if this additional information is useful.”

A copy of the Secretary's complete response is available on request.

OPPAGA provides objective, independent, professional analyses of state policies and services to assist the Florida Legislature in decision-making, to ensure government accountability, and to recommend the best use of public resources. Copies of this report in print or alternate accessible format may be obtained by telephone (850/488-0021 or 800/531-2477), by FAX (850/487-3804), in person (Claude Pepper Building, Room 312, 111 W. Madison St.), or by mail (OPPAGA Report Production, P.O. Box 1735, Tallahassee, FL 32302).

Web site: <http://www.oppaga.state.fl.us/>

Project supervised by: Debbie Gilreath 850/487-9278)

Project conducted by: Jonathan Swift (850/487-9214)
Janice Foley (850/487-9266)

Appendix A
Fiscal Year 1996-97 Performance-Based Program Budgeting
Measures for the Rehabilitation Program

<i>Outcome Measures</i>	<i>Explanation</i>	<i>Indicator of</i>
1. Rate and number of customers gainfully employed (rehabilitated) at least 90 days	The number of customers who are continuously employed (rehabilitated) for 90 days. The measure has a second component: the proportion of successfully rehabilitated individuals as a percentage of those unsuccessfully closed (not rehabilitated). This is the core measure of the VR component's success, revealing the ratio of successful to unsuccessful efforts.	VR Success
a. of VR severely disabled	This is one part of the above population. The severely disabled are one of two target populations of Vocational Rehabilitation.	VR Success
b. of VR most severely disabled	This is one part of the above population. The most severely disabled are one of two target populations of Vocational Rehabilitation.	VR Success
c. of BSCI customers referred to VR	This is one part of the above population. BSCI customers typically fall in the severely and most severely disabled categories. Note: this is a measure of the performance of Vocational Rehabilitation (not of the BSCI component). The BSCI component is not mandated to produce employment outcomes.	VR Success
d. of all other VR disabled	This is one part of the above population. This category includes non-severe customers. Vocational Rehabilitation is not mandated to serve the non-severely disabled.	VR Success
2. Rate and number of VR customers placed in competitive employment	Rate and number of rehabilitated VR clients placed in competitive employment. Competitive Employment refers to earning at or above the minimum wage. The state definition excludes work in a sheltered workshop, self-employment, or state-agency-managed business enterprise. This measure is a reflection of the quality of jobs obtained by VR clients.	VR Quality
3. Rate and number of VR customers retained in employment after one year	The number of customers employed one year following successful case closure divided by the total number of gainfully employed. This is an indicator of the quality of the rehabilitation process and the long-term success of the program.	VR Quality
4. Projected average annual earnings of VR customers at placement	The sum of weekly wages for all gainfully employed customers multiplied by 52 weeks, divided by the number of gainfully employed customers both full and part-time. This is an indicator of the quality of the employment outcome.	VR Quality
5. Average annual earnings of VR customers after one year	The average earnings of customers found gainfully employed in each quarter of follow-up data are multiplied by the number found employed for each quarter; the earnings found for each quarter is summed and divided by the total number of customers found in each quarter of the follow-up fiscal year. This is an indicator of the quality of the rehabilitation process and the long-term success of the program.	VR Quality
6. Rate (and number) of BSCI customers returned (reintegrated) to their communities at an appropriate level of functioning for their injuries	Appropriate level of functioning includes returning a child to school, home and living under the care and supervision of family members, to the workforce after completing the necessary rehabilitation and training or entering a group home to live as independently as possible while receiving assistance with daily living.	BSCI Success
7. Rate (and number) receiving temporary family assistance at VR closure:	This is a measure reflecting VR's role in moving individuals from reliance on public assistance to increasing their independence through gainful employment. VR does not target this population who make up only a small percentage of VR customers served.	VR
a. of gainfully employed	This is one part of the above population and includes only those gainfully employed at closure.	VR
b. of other VR closures	This is one part of the above population and includes only those who were not gainfully employed at closure.	VR
8. Percentage reduction in temporary family assistance (TFA) for gainfully employed VR customers at closure	This reflects the effects of gainful employment on the reliance on public assistance. VR does not target this population who make up only a small percentage of VR customers served.	VR
9. Percentage of case costs covered by third-party payers	Illustrates the extent to which the program has been successful in recovering costs from other programs and private sources. One element of this measure, comparable services and benefits, is estimated on a case by case basis and highly unreliable.	BSCI & VR Program Efficiency
10. Average cost of case life (to Division) for:	Illustrates the average unit cost by type of client served for both successful and unsuccessful closures regardless of whether there is a cost associated with the customer.	VR Cost Efficiency
a. severely disabled VR customers		VR Cost Efficiency
b. most severely disabled VR customers		VR Cost Efficiency
c. all other disabled VR customers		VR Cost Efficiency
d. brain injured BSCI customers		BSCI & VR Cost Efficiency
e. spinal cord injured BSCI customers		BSCI & VR Cost Efficiency

Appendix A (Continued)

Output Measures	Explanation	Indicator of
1. Number of Customers Reviewed for Eligibility	Reviews for eligibility of all determinations, both those in which the customer is determined eligible for services from VR or BSCI and customers who are determined ineligible.	BSCI & VR Services Delivered
2. Number of Individualized Written Plans for Services	The total number of plans to provide services to customer written by the counselor or case manager, after the individual has been determined to be eligible for services from the VR or BSCI component.	BSCI & VR Products Delivered
3. Number of Customers Served	This includes all applicants from referral to closure currently active within the program.	BSCI & VR Services Delivered
4a. Average time lapse (in days) between application and eligibility determination for VR customers.	This is a federally mandated requirement illustrating the timeliness of determination for the customer. This includes customers reviewed for eligibility whose eligibility determination was made during the time period assessed.	VR Timeliness
4b. Average time lapse (in days) between referral and eligibility determination for BSCI customers	There is no time requirement for BSCI eligibility determinations. This illustrates the timeliness of determination for the customer.	VR Timeliness
5. Average time lapse (in days) between eligibility determination for the VR program and the beginning of planned services	This illustrates the timeliness of providing planned services to the customer.	VR Timeliness
6. Customer caseload per counseling/case management team member	This illustrates the productivity of counselor, case manager, and rehabilitation technician positions	VR & BSCI Program Productivity

Source: OPPAGA analysis

Appendix B
Only a Few Measures Could Be Used to Assess Performance
For Most of Those Measures, Standards Were Not Reasonable

Measure	Fiscal Year 1995-96	Fiscal Year 1996-97	Performance Improvement in Fiscal Year 1996-97?	1996-97 GAA Standard	Standard Reasonable?
Outcomes					
1. Rate and number of customers gainfully employed (rehabilitated) at least 90 days	39.7% (8,850)	44.3% (8,208)	Mixed; absolute number decreased while rate improved	53% (7,957)	No. Number is too low. Percentage is too high.
a. of VR severely disabled	39.7% (2,726)	46.6% (2,833)	Yes	45% (1,710)	Mixed. Number is too low. Percentage is accurate.
b. of VR most severely disabled	37.5% (4,446)	40.2% (3,803)	Mixed; absolute number decreased while rate improved	55.9% (4,735)	No. Number and percentage are too high.
d. of all other VR disabled	47% (1,678)	53.1% (1,572)	Mixed; absolute number decreased while rate improved	58.6% (1,512)	No. Number is too low. Percentage is too high.
2. Rate and number of VR customers placed in competitive employment	96.4% (8,659)	96.5% (8,158)	Mixed; absolute number decreased while rate improved	97% (7,718)	Mixed. Number is too low. Percentage is reasonable.
3. Rate and number of VR customers retained in employment after one year	Not available	58.2 % (4,776)	Unknown; no historical data.	65% (5,183)	Unknown. No historical data.
4. Projected average annual earnings of VR customers at placement	\$12,319	\$12,865	Yes	\$12,800	Yes.
5. Average annual earnings of VR customers after one year	Not available	\$12,564	Unknown; no historical data.	\$12,950	Yes. The program estimated that, income at one year should be higher than at placement.
10. Average cost of case life (to Division) for:					
a. severely disabled VR customers	\$3,557	\$3,010	Yes	\$3,846	No. The historical trend moves in opposite direction.
b. most severely disabled VR customers	\$3,446	\$3,417	Yes	\$3,468	Yes.
c. all other disabled VR customers	\$308	\$401	No	\$1,201	No. The cost does not agree with historical information.

Source: OPPAGA analysis

Appendix C
Measures Should Be Added, Eliminated and Revised

<i>Action</i>	<i>Outcome Measure & Number</i>	<i>What Are the Difficulties?</i>	<i>How Can They be Corrected?</i>
Add	NEW MEASURE	Currently no performance measure exists which relates the idea of choice to the Vocational Rehabilitation component. However, consumer choice is a federally mandated part of the process and is perceived as an integral element in quality employment outcomes. There is some evidence that the extent to which VR customers perceive themselves as involved in determining their services and employment objectives, determines the quality of services and outcomes.	Report a measure of consumer satisfaction to reflect the impact of involving the individual in the rehabilitation process and selection of the vocational outcome. Include a measure of consumer satisfaction in the 1999-2000 LBR developed in partnership with the Florida Rehabilitation Advisory Council.
Align	1. Rate (and number) of customers gainfully employed (rehabilitated) at least 90 days	This is reported as a federal measure. Because the state excludes a small customer population, the agency must make a separate set of calculations to report for program-based performance budgeting. The difference is 110 cases.	Use the federal measures to eliminate additional calculations and reduce the potential for errors. This also allows comparability to other states.
Align	a. of Vocational Rehabilitation severely disabled	Same as measure 1.	Same as measure 1.
Align	b. of Vocational Rehabilitation most severely disabled	Same as measure 1.	Same as measure 1.
Eliminate	c. of BSCI customers referred	This is not a BSCI outcome. A measure of success for the BSCI component is return to work or reintegration into the community or referral to the VR component.	Eliminate as a separate measure. Outcome measure 6 "rate (and number) of BSCI customers returned (reintegrated) to their communities at an appropriate level of functioning for their injuries" includes those individuals referred to VR for employment.
Align	d. of all other Vocational Rehabilitation disabled	This is reported as a federal measure. However, this requires the agency to make a separate set of calculations to report for program-based performance budgeting.	Use the federal measures to eliminate additional calculations and reduce the potential for errors. This also allows comparability to other states.
Align	2. Rate (and number) of Vocational Rehabilitation customers placed in competitive employment	Due to change in federal measure definition, the state cannot use the federal measure without a change in the state measure definition.	Use the federal measures to eliminate additional calculations and reduce the potential for errors. This also allows comparability to other states.
Eliminate/ Replace	7. Rate (and number) receiving temporary family assistance at Vocational Rehabilitation closure:	The component purpose is aimed at serving all customers with disabilities with a barrier to employment and does not target this population. Therefore the results are only coincidental. The number of customers on Temporary Family Assistance (welfare) is not substantial.	Replace with measure of self-sufficiency: "percentage increase in rehabilitated customers self-sufficient at closure compared with self sufficiency of rehabilitated customers at application." Self-sufficiency information is readily available and reported to the federal government.
Eliminate/ Replace	a. of gainfully employed	Same as 7.	Same as 7.
Eliminate/ Replace	b. of other Vocational Rehabilitation closures	Same as 7.	Same as 7.
Eliminate/ Replace	8. Percentage reduction in Temporary Family Assistance for gainfully employed Vocational Rehabilitation customers at closure	Same as 7.	Same as 7.
Revise	9. Percentage of case costs covered by third-party payers	One number used in the calculation, comparable benefits, is based on a total of estimates of external case costs made by individual counselors for individual cases. The reliability is questionable not only because of the estimation, but because there is not agreement as to what external costs are to be included in each of the individual estimates.	Eliminate comparable benefits from the calculation and report measurable cash recoveries (i.e. SSDI reimbursements, subrogation recoveries) as an output rather than an outcome.
	10. Average cost of case life (to Division) for:		
Revise/	a. severely disabled Vocational	Measure is an average cost of all cases, whether successful or not. Value is in	Change to average cost of a successful case, which is

Appendix C (Continued)

Action	Outcome Measure & Number	What Are the Difficulties?	How Can They be Corrected?
Align	Rehabilitation customers	measuring the cost of success.	already reported to the federal government.
Revise/ Align	b. most severely disabled Vocational Rehabilitation customers	Same as measure 10 a.	Same as measure 10 a.
Revise/ Align	c. all other disabled Vocational Rehabilitation customers	Same as measure 10 a.	Same as measure 10 a.
Revise	d. brain injured BSCI customers	Measure is an average cost of all cases, whether successful or not. Value is in measuring the cost of success.	Report the average cost of a successful Brain Injury case to the BSCI component.
Revise	e. spinal cord injured BSCI customers	Same as measure 10.d.	Report the average cost of a successful Spinal Cord Injury case to the BSCI component.
Action	Output Measure & Number	What Are the Difficulties?	How Can They be Corrected?
Add	NEW MEASURE	Vocational Rehabilitation provides approximately 43% of the public funding for 13 Centers for Independent Living (CILs) across the state. These CILs serve approximately 9,000 individuals a year. There are no measures that relate the activities of CILs to budgetary decision-making.	The division, in cooperation with the Florida Independent Living Council, should develop measure(s) to introduce a level of accountability for CILs and relate their work back to the self-sufficiency objective of the Rehabilitation Program.
Add	NEW MEASURE	In 1996-97, the division served 6,238 customers through School-to-work transition. There are no measures that relate the activities of School-to-work transition to budgetary decision-making.	Report the "number of individuals served through the school-to-work program" (from applicant status through closure).
Align	3. Number of Customers Served	Includes all contacts whether they apply for services or not.	Align with federal measure which reports only those who applied for services.
Revise	4a. Average time lapse (in days) between application and eligibility determination for Vocational Rehabilitation customers	The way in which compliance is reported-an average number of days-is inappropriate. An average fails to demonstrate compliance because compliance can be met in several ways.	The program should report the "percentage of applications processed in compliance with federal law."
Eliminate	4b. Average time lapse (in days) between referral and eligibility determination for BSCI customers	The measure definition reflects eligibility for Vocational Rehabilitation Services, not eligibility for Brain and Spinal Cord Injury services. In addition, Federal regulations allow certain clients to be placed in extended evaluation prior to eligibility determination or to agree to an extension which would increase the time lapse without affecting client services.	Eliminate measure.
Eliminate	5. Average time lapse (in days) between eligibility determination for the Vocational Rehabilitation component and the beginning of planned services	There is no element in the database or consistent definition of "planned services" which would allow the program to measure the "average time lapse between eligibility determination for the Vocational Rehabilitation component and the beginning of planned services."	Eliminate measure.

Source: OPPAGA analysis

