

ROLE 5: ASSIST ELECTED OFFICIALS OR CITIZENS

Practice 5c. Assist external decision making: Assist external stakeholders in using performance information to make decisions.

Florida Office of Program Policy Analysis and Government Accountability (OPPAGA):

Program Evaluation and Justification Reviews: OPPAGA (www.oppaga.state.fl.us) is required to complete a “Program Evaluation and Justification Review” to the legislature of each state agency program that is operating under a performance-based program budget (PB²) and issue a report of each review to the legislature. In Florida, a legislatively-defined “program” in the budget is usually large (e.g., Medicaid Health Care Services). These reviews serve as performance reports on individual programs and as evaluations of specific program management and policy issues, and can include both recommendations for management improvements and for legislative action, and thus contribute to legislative decision making. OPPAGA has been conducting these reviews (now simply called “Justification Reviews”) since 1997, when several agencies progressed to their second year in the PB² system. More recently, the legislature has gone to a five-year cycle of close legislative review of all programs, which helps determine OPPAGA’s schedule. The justification reviews now represent about 40 percent of OPPAGA’s workload. Even at that level of effort, OPPAGA cannot maintain a strict five-year review cycle for every program. OPPAGA selects programs to review each year based on a combination of performance risk assessment and legislative policy priorities. Performance risk assessment includes, for example, the time since the last review and the extent of problems found in the past. This is balanced against programs that relate to policy issues of interest to the legislature, determined by OPPAGA in meetings with the legislative leadership and its staff. (OPPAGA reports to *both* a Joint Legislative Audit Committee *and* to the legislative leaders—the Speaker of the House and the President of the Senate.) A justification review often includes aspects of a performance audit (see 1a) and examination of performance and policy considerations that can help legislators make budget and policy decisions. Typically, justification reviews involve:

- Review of all performance measures reported to the legislature as part of PB² for *continuing* relevance and reliability (see 2a);
- Assessment of performance over time: In using performance data to assess performance, OPPAGA tends to examine longer-term trends (e.g., five years or longer) than agencies typically report to the legislature each year in the budget process;
- Review of internal performance reporting systems and non-financial management controls.
- Examination of specific management and policy issues based on assessment of management risk and legislative policy interests. In examining these issues, OPPAGA tries to answer:
 - Is the program doing a good job of achieving outcomes for the taxpayer?
 - Is there a better way to achieve these outcomes?
 - What cost-saving or operational streamlining opportunities are there for this program?
 - What emerging issues related to this program will the legislature need to pay attention to in the future?

Recent Medicaid budgeting experience illustrates one legislative use of these reviews. OPPAGA’s Medicaid Program Justification Review included an examination of rebates to the

State for volume purchases from the preferred drug list, including the Florida Agency for Health Care Administration (AHCA) practice of allowing some pharmaceutical companies to provide in kind services (e.g., providing information on disease management) in lieu cash rebates. OPPAGA found that the value of the in kind services did not equal the value of the rebates due. The Florida Senate subsequently passed a bill to ban this practice, while the House did not. The two chambers compromised by requiring the companies to guarantee \$16 million more in budget savings, and justify any non-cash-rebate savings in documentation reported to AHCA. The Medicaid budget was adjusted accordingly. The legislature has implemented various other justification review recommendations with budgetary impact over the years, including, for example, reducing unnecessary positions, raising fees (for programs such as professional licensure that are supposed to be self supporting), and automating claim processing systems.

Justification Review reports since 1997 are available from OPPAGA's Florida Monitor website (www.oppaga.state.fl.us).

Internet-based Public Information Related to Program Performance: OPPAGA maintains a website, the "Florida Monitor" (www.oppaga.state.fl.us) that includes a wide range of information about OPPAGA (including lists of all reports back to 1978 and downloadable reports back to 1995), about Florida's performance-based program budget (PB²) system, about School District Reviews, and about all State of Florida agencies and programs. Much of the information on about 300 agencies and programs is on the "Florida Government Accountability Report" (FGAR) portion of the website. For every state program, FGAR contains descriptive program summaries with links for more details (including links to related legislation), several years of program funding by source, summaries of program issues and OPPAGA evaluative comments (with links for more details for some issues), links to performance measures and standards for the program as approved by the legislature in the budget process, links to other OPPAGA reports on the program and to the program agency's website, and agency program contact people and phone numbers. While FGAR was designed to serve anyone with an interest in state government, OPPAGA particularly had in mind providing a readily accessible information resource to help new legislators learn about agencies and programs and their performance issues. Legislative committee staff help fulfill that function by printing out the FGAR program profiles and inserting them in briefing books for new legislative members.

In 2003, OPPAGA initiated the *Florida Monitor Weekly*, an e-mail newsletter for Florida public policy research, that anyone with an e-mail address can receive free by signing up for it at OPPAGA's Florida Monitor website. The *Florida Monitor Weekly* covers selected issues each week, and not only highlights related OPPAGA publications and other legislative and State of Florida reports, but goes beyond Florida information to include highlights of federal reports, related reports from other states, think tank research, website resources, and other sources for policy research and program evaluation. OPPAGA provides this weekly publication as an information service to bring attention to issues of interest to Florida policy makers. While still intended to be helpful to Florida legislators, OPPAGA also intends the *Florida Monitor Weekly* to be of interest to a broader audience of citizens interested in the issues featured each week. OPPAGA devotes 5,825 staff-hours annually to maintaining these Internet services.

Home pages or front pages of these three Internet services:

- Florida Government Accountability Report (FGAR): www.oppaga.state.fl.us/government
- Florida Monitor: www.oppaga.state.fl.us
- Florida Monitor Weekly: www.oppaga.state.fl.us/weekly