

Performance-Based Budget

DEPARTMENT OF HUMAN SERVICES

Part 1



About the Independent Fiscal Office

The Independent Fiscal Office (IFO) provides revenue projections for use in the state budget process along with impartial and timely analysis of fiscal, economic and budgetary issues to assist Commonwealth residents and the General Assembly in their evaluation of policy decisions. In that capacity, the IFO does not support or oppose any policies it analyzes, and will disclose the methodologies, data sources and assumptions used in published reports and estimates.

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The Independent Fiscal Office was created
by the Act of Nov. 23, 2010 (P.L.1269, No.120).

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INDEPENDENT FISCAL OFFICE

January 21, 2020

The Honorable Members of the Pennsylvania Performance-Based Budget Board:

Act 48 of 2017 specifies that the Independent Fiscal Office (IFO) shall "review agency performance-based budget information and develop an agency performance-based budget plan for agencies subject to a performance-based budget review." This review "shall be completed in a timely manner and submitted by the IFO to the board for review."

For the purposes of Act 48 of 2017, the Department of Human Services will be reviewed over a three-year period. This report contains the first part of the review for the department. All performance-based budget (PBB) reviews submitted to the Board contain the following content for each activity or service provided by the agency:

- a brief description of the activity, relevant goals and outcomes;
- a breakdown of agency expenditures;
- the number of full-time equivalent positions dedicated to the activity;
- select currently available metrics and descriptive statistics;
- any proposed metrics that the review recommends; and
- observations that should allow agencies to more effectively attain their stated goals and objectives.

The IFO submits this review for consideration by the PBB Board. The agency received a draft version of this review and was invited to submit a formal response. If submitted, the response appears in the Appendix to this review. The IFO would like to thank the agency staff that provided considerable input to this review. Questions and comments can be submitted to contact@ifo.state.pa.us.

Sincerely,

MATTHEW J. KNITTEL
Director

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Background and Methodology

Act 48 of 2017 is known as the Performance-Based Budgeting and Tax Credit Efficiency Act. The act requires the Independent Fiscal Office (IFO) to develop performance-based budget (PBB) plans for all agencies under the Governor's jurisdiction once every five years based on a schedule agreed to by the Secretary of the Budget and the Director of the IFO.¹ The act directs the IFO to evaluate and develop performance measures for each agency program or line item appropriation. As determined by the IFO to be applicable, the measures shall include the following: outcome-based measures, efficiency measures, activity cost analysis, ratio measures, measures of status improvement of recipient populations, economic outcomes or performance benchmarks against similar state programs or similar programs of other states or jurisdictions.

Most states use some form of PBB for at least a portion of their budget.² For many, that requirement implies that agencies merely compute and publish self-selected performance metrics on an annual basis. Those metrics may or may not be reviewed by policymakers. For Pennsylvania, the act requires the IFO to submit plans to the PBB Board for review and approval. The PBB Board reviews plans at a public hearing at which agency heads or their representative must attend to offer additional explanations if requested. The PBB Board has 45 days after submission to approve or disapprove plans. Per Act 48, approved plans shall be taken into consideration by the Governor and General Assembly during the annual budget development and implementation process. Disapproved plans will be returned to the IFO with recommended modifications.

Despite the extensive use of PBB across state governments, misconceptions still exist regarding the budget approach and the general goals it seeks to accomplish. For the plans submitted to the PBB Board, the approach can be characterized as follows:

- The explicit linkage of actual agency spending on activities to relevant outcome measures.
- An alternative budget framework that can be used to guide the allocation of state resources to improve outcomes for state residents.
- An approach that emphasizes program results and performance metrics to inform high-level budget decisions.

These definitions show that PBB is a broad-based budget approach that shifts emphasis from incremental budgeting to a results-based framework. Under incremental budgeting, policymakers use funding levels from the prior year and base funding decisions on any new demands placed upon an agency. For most agencies, performance metrics are not part of that process. A PBB approach considers performance metrics in making funding decisions. It is a top-down approach that focuses on goals and outcomes. Other efficiency initiatives such as Lean and Continuous Improvement are bottom-up approaches that focus on process improvement through streamlining operations, the elimination of redundancies and a focus on customer needs.

¹ See the Appendix for the PBB review schedule.

² For example, 31 states use PBB for some portion of their higher education budget. See "Performance-Based Budgeting in the States," NCSL Fiscal Policy Research, Vol. 24, No. 35 (September 2016).

The performance-based budget in this report differs from a traditional budget in several key respects. The main differences are summarized by this table:

Traditional versus Performance-Based Budget		
	Traditional Budget	Performance Budget
Organizational Structure	Line Items or Programs	Agency Activities
Funds Used	Appropriated Amounts	Actual Expenditures
Employees	Authorized Complement	Actual Filled Complement
Needs Assessment	Incremental, Look to Prior Year	Prospective, Outcome-Based

The PBB plans track agency funding based on activities because they can be more readily linked to goals and objectives, and therefore, ultimate outcomes. Activities are the specific services provided by an agency to a defined service population in order to achieve desired outcomes. The funds for agency activities include all actual expenditures used to deliver services: labor, benefits, operating and allocated overhead costs. The PBB plans track all expenditures regardless of funding source and provide data for the current year and five historical years so that policymakers can view recent trends. It is noted that data for the upcoming budget year (FY 2020-21) are not included in this report.

The plans submitted to the PBB Board include many types of measures. Plan measures include: inputs (funding levels, number of employees), outputs (workloads), efficiency (cost ratios, time to complete tasks), outcomes (e.g., recidivism), benchmark comparisons to other states and descriptive statistics. The final category includes a broad range of metrics that provide insights into the work performed by an agency and the services provided. Those metrics supply background, context and support for other metrics, and they may not be readily linked to efficiency or outcome measures. The inclusion of such measures supports the broader purpose of the PBB plans: to encourage a more informed discussion regarding agency operations and how they impact state residents. Descriptive metrics provide relevant information to policymakers that increase their general knowledge of agency operations. They also provide agencies a platform to discuss the work they do and the services they provide.

In general, the plans submitted to the PBB Board are best used (1) to monitor broad agency trends and cost drivers, (2) to evaluate agency performance over time and (3) to inform questions to agencies regarding their operations. The plans cannot identify optimum funding levels or provide a direct comparison of relative effectiveness across most programs.

Note on data: Unless otherwise noted, performance metrics used in this report were supplied by the agency under review. Those data appear as submitted by the agency and the IFO has not reviewed them for accuracy. For certain years, data are not available (e.g., due to a lag in reporting). In these cases, "--" denotes missing data. All data related to expenditures and employees are from the state accounting system and have been verified by the IFO and confirmed by the agency. Tables that use those data may not sum to totals due to rounding.

Department of Human Services Overview

Mission Statement

The mission of the Department of Human Services (DHS) is to improve the quality of life for Pennsylvania’s individuals and families. The department promotes opportunities for independence through services and supports while demonstrating accountability for taxpayer resources.

Services Provided

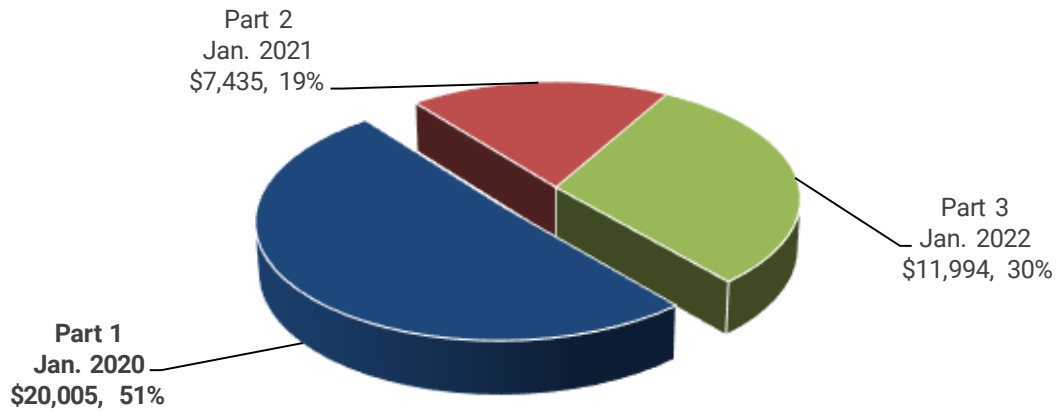
For this report, activities relating to the Office of Medical Assistance Programs (OMAP), the Medical Assistance portion of the Office of Mental Health and Substance Abuse Services (OMHSAS) and Office of Income Maintenance (OIM) are classified into 14 activities. Other services that DHS provides will be discussed in future reports.

Department of Human Services: Activities and Primary Services Provided	
Activity	Primary Service
1 Medical Assistance Eligibility.....	Determine Medical Assistance (MA) eligibility
2 Eligibility and Enrollment Systems.....	Operate IT systems related to applications and benefits
3 MA - Physical Health Services.....	Manage delivery of physical health services
4 MA - Behavioral Health Services.....	Manage delivery of behavioral health services
5 MA - Transportation Services.....	Provide transportation for MA recipients to appointments
6 Medical Management Information System.....	Operate IT system for claims and payments
7 Provider Enrollment.....	Enroll qualified providers
8 Health Information Exchange.....	Provide a secure health information exchange
9 TANF Eligibility and Benefits.....	Determine TANF eligibility and issue benefits
10 SNAP Eligibility and Authorize Benefits.....	Determine SNAP eligibility and authorize benefits
11 Employment Supports.....	Support services for individuals to gain employment
12 Child Support Enforcement.....	Enforce and collect child support
13 LIHEAP Eligibility and Benefits.....	Determine LIHEAP eligibility and issue benefits
14 Other Program Eligibility and Benefits.....	Determine other program eligibility and issue benefits

For FY 2018-19, highlights of recent agency activity include:

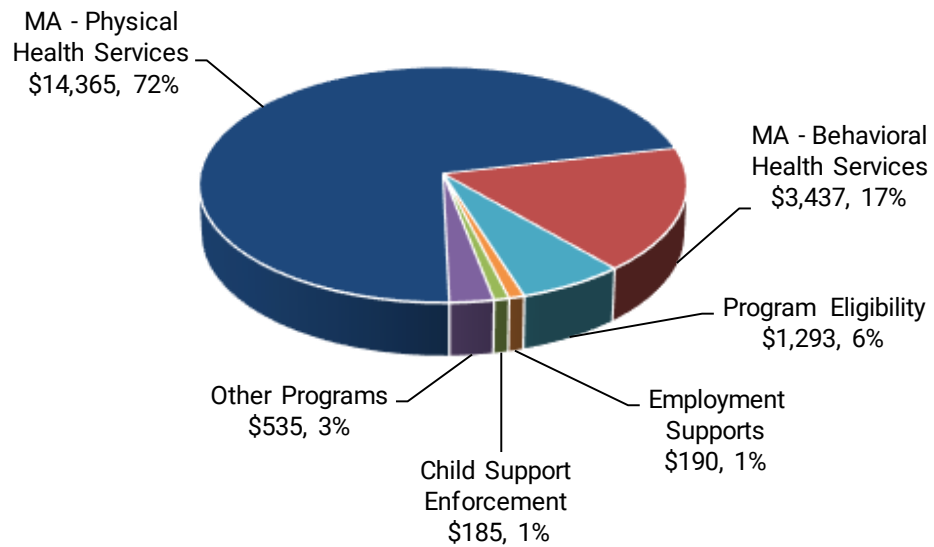
- There were 955,000 SNAP households that received benefits, serving 1.8 million adults and children.
- Approximately 115,000 individuals were enrolled in TANF, of which 31,000 were adults and 84,000 were children.
- Over 2.9 million adults and children were enrolled in Medical Assistance (MA), which includes the federal Medicaid program. Of the MA enrollees, 602,100 individuals received behavioral health services, including approximately 250,000 individuals diagnosed with a substance use disorder.

**Department of Human Services
Part 1 PBB Schedule Review of FY 2019-20 Budgeted Expenditures**



Note: Expenditures in dollar millions. Part 2 includes institutions, developmental programs and children and youth programs. Part 3 includes long-term living, child development and early learning and other grant programs.

**Department of Human Services
FY 2019-20 Budgeted Expenditures: Part 1 Activities**

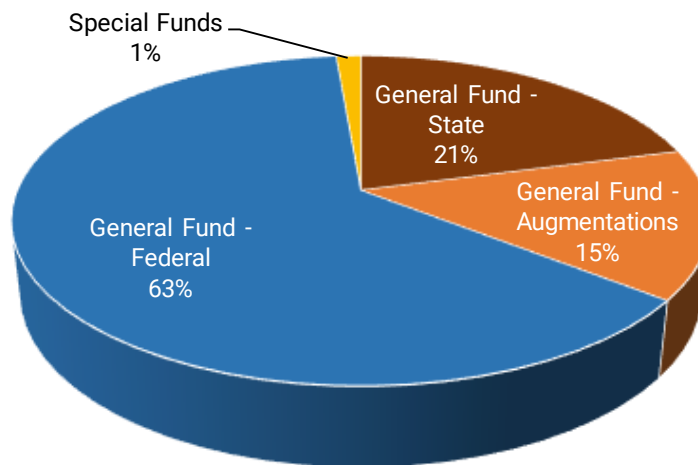


Note: Expenditures in dollar millions.

**Department of Human Services
Filled Full-Time Equivalent (FTE) Positions**

	14-15 Actual	15-16 Actual	16-17 Actual	17-18 Actual	18-19 Actual	19-20 Budget
Average Weekly FTE Positions by Activity						
Medical Assistance Eligibility	2,784	3,037	3,236	3,241	3,049	3,317
Eligibility and Enrollment Systems	303	294	294	38	38	38
MA - Physical Health Services	171	190	199	186	184	190
MA - Behavioral Health Services	75	78	78	73	72	75
MA - Transportation Services	1	1	1	1	1	1
Medical Management Information System	48	53	55	56	57	58
Provider Enrollment	15	20	17	18	17	17
Health Information Exchange	0	0	14	8	4	5
TANF Eligibility and Benefits	652	479	435	418	394	362
SNAP Eligibility and Authorize Benefits	2,581	2,610	2,482	2,407	2,654	2,421
Employment Supports	724	828	809	777	787	786
Child Support Enforcement	93	94	89	90	89	89
LIHEAP Eligibility and Benefits	268	263	304	323	257	256
Other Program Eligibility and Benefits	<u>95</u>	<u>89</u>	<u>86</u>	<u>41</u>	<u>51</u>	<u>51</u>
Total Part 1 FTEs	7,810	8,036	8,099	7,677	7,653	7,666
Part 2 and 3 FTEs	8,071	8,029	8,198	7,975	7,726	7,915
Agency Total	15,881	16,064	16,297	15,651	15,379	15,581
Part 1 Personnel Cost/FTE (\$ thousands)	\$84.7	\$89.3	\$90.7	\$88.5	\$93.5	\$100.7

**Department of Human Services
Part 1 Funding by Source for FY 2019-20**



Note: Special Funds include the Tobacco Settlement Fund and the Lottery Fund.

**Department of Human Services
Expenditures by Fiscal Year**

	14-15 Actual	15-16 Actual	16-17 Actual	17-18 Actual	18-19 Actual	19-20 Budget
Expenditure by Activity						
Medical Assistance Eligibility	\$282.7	\$313.9	\$350.7	\$340.6	\$331.5	\$388.5
Eligibility and Enrollment Systems	124.8	108.0	163.9	119.0	136.6	160.5
MA - Physical Health Services	11,610.0	13,590.0	16,171.1	13,417.6	15,317.7	14,364.9
MA - Behavioral Health Services	2,777.3	3,346.5	4,211.1	3,437.6	4,080.9	3,437.2
MA - Transportation Services	114.6	128.2	116.5	159.4	139.9	158.9
Medical Management Information System	46.1	48.7	45.5	43.8	41.7	130.0
Provider Enrollment	10.8	20.9	12.8	12.8	12.2	25.2
Health Information Exchange	46.8	44.8	42.9	44.0	31.4	60.7
TANF Eligibility and Benefits	321.8	277.6	251.1	226.3	209.5	217.2
SNAP Eligibility and Authorize Benefits	249.6	287.2	284.5	271.3	300.5	303.5
Employment Supports	127.8	139.7	134.7	139.6	134.7	189.8
Child Support Enforcement	167.6	168.2	169.7	177.6	192.4	185.1
LIHEAP Eligibility and Benefits	178.2	177.9	174.2	165.2	201.2	217.4
Other Program Eligibility and Benefits	<u>166.6</u>	<u>168.6</u>	<u>163.5</u>	<u>152.2</u>	<u>157.4</u>	<u>165.9</u>
Total	16,224.7	18,820.4	22,292.0	18,706.9	21,287.4	20,004.9
Expenditures by Object						
Personnel Services	\$661.2	\$717.6	\$734.9	\$679.7	\$715.2	\$771.7
Operational Expenses	316.9	306.3	367.3	353.6	399.6	535.9
Grants	15,127.7	17,688.4	21,048.5	17,486.4	20,007.2	18,516.3
Misc. Exp. Transfers	<u>118.9</u>	<u>108.1</u>	<u>141.2</u>	<u>187.3</u>	<u>165.3</u>	<u>181.0</u>
Total	16,224.7	18,820.4	22,292.0	18,706.9	21,287.4	20,004.9
Expenditures by Fund						
General Fund (State)	\$5,564.1	\$5,456.7	\$5,938.0	\$4,644.3	\$5,171.3	\$4,182.1
General Fund (Augmentations)	1,632.9	1,689.3	1,814.0	2,033.8	2,755.3	2,924.0
General Fund (Federal)	8,924.9	11,408.6	14,281.6	11,768.3	13,066.3	12,626.2
Tobacco Settlement Fund	98.6	264.3	256.3	256.3	291.4	269.1
Lottery Fund	<u>4.2</u>	<u>1.5</u>	<u>2.1</u>	<u>4.1</u>	<u>3.1</u>	<u>3.5</u>
Total	16,224.7	18,820.4	22,292.0	18,706.9	21,287.4	20,004.9

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded. FY 19-20 expenditures do not include estimated supplemental appropriations as of October 31, 2019.

Performance-Based Budget Plan: Key Metrics and Observations

This report includes numerous performance metrics, but certain metrics are critical to the overall operation of the agency. The agency has also undertaken various initiatives that should be monitored over time. For those initiatives, this report may include recommended performance metrics. Notable metrics (both current and recommended) that policymakers should monitor closely include the following:

Increases in utilization of electronic applications and processes should generate department-wide efficiencies. As electronic submissions increase, the processing time and administrative costs to process eligibility and provider applications should decrease. Over time, Pennsylvania has increased electronic submission rates, but there is still room for improvement. In January 2019, the Kaiser Family Foundation reported that 40 percent of eligibility applications were submitted online in Pennsylvania, compared to a national average of 50 percent. Increased usage of the COMPASS mobile app should improve efficiency by shifting some customer service operations to the app and allowing for online document uploads.

The uninsured rate and access to health care are important metrics to track over time. Since 2014, the Pennsylvania uninsured rate has dropped from 10.2 percent to 6.6 percent in 2018. A major factor in the drop is expanded Medicaid, which opened up eligibility to those with incomes up to 138 percent of the Federal Poverty Level. As the uninsured rate declines, department costs related to uncompensated care payments should continue to decline (i.e., reimbursements to providers for services that the patient cannot pay).

Initiation rates for substance use disorder (SUD) treatment are average, but engagement is strong amongst those that initiate treatment. In Pennsylvania, approximately 41 percent of MA patients newly diagnosed with a SUD initiated treatment within 14 days, nearly the same as the national average of 40 percent. However, Pennsylvania ranks first in the reporting states for engagement in SUD treatment programs once the patients initiate treatment. Engaging in a treatment program is attending at least two SUD treatment sessions within a certain amount of time from the initial session. Slightly over one-third of newly diagnosed SUD patients in Pennsylvania engaged in SUD treatment, compared to the national average of 15 percent.

A closer working relationship between DHS and the Department of Labor and Industry (L&I) could facilitate tracking outcomes related to TANF and employment training. This would create opportunities to track the average wage and the number of individuals that remain employed for more than 6 months after leaving TANF for employment. The department is currently taking steps to coordinate with L&I to collect this information.

Pennsylvania's child support enforcement program is one of the most effective in the nation and DHS collects many relevant performance measures. Pennsylvania ranks first in the nation in the percent of current child support paid, which was approximately 84 percent in recent years. The national average for the percent of current child support paid was 66 percent in 2018. DHS collects a large number of performance measures related to child support enforcement, which allows for detailed trends to be observed over time.

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Activity 1: Medical Assistance Eligibility

The Office of Income Maintenance (OIM) determines the initial and ongoing eligibility of individuals applying for the Medical Assistance (MA) program. Eligibility is based upon specific state and federal rules, which include income, resources, household composition, disability status and other conditions. The eligibility determination is made by staff at the county assistance office.

The primary goal of this activity is to make determinations timely and accurately to ensure that those who qualify for MA receive this service. The expected outcome is that eligible individuals will have access to needed health care services.

Resources

Medical Assistance Eligibility: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$244.98	\$278.86	\$307.33	\$298.03	\$290.65	\$341.99
Operational Expenses	37.36	34.73	42.82	42.18	40.29	46.08
Grants	<u>0.41</u>	<u>0.30</u>	<u>0.54</u>	<u>0.43</u>	<u>0.59</u>	<u>0.45</u>
Total	282.75	313.88	350.68	340.64	331.52	388.52
Expenditures by Fund						
General Fund (State)	\$141.85	\$179.00	\$184.32	\$148.61	\$127.25	\$137.44
General Fund (Federal)	<u>140.90</u>	<u>134.89</u>	<u>166.36</u>	<u>192.03</u>	<u>204.28</u>	<u>251.08</u>
Total	282.75	313.88	350.68	340.64	331.52	388.52
Average Weekly FTE Positions	2,784	3,037	3,236	3,241	3,049	3,317
Personnel Cost/FTE (\$ thousands)	\$88.0	\$91.8	\$95.0	\$92.0	\$95.3	\$103.1

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded.

Performance Measures

Medical Assistance Eligibility						
	14-15	15-16	16-17	17-18	18-19	19-20
Descriptive						
# MA enrollees (000s)	2,355	2,717	2,853	2,908	2,935	2,972
% MA population elderly	15.2%	13.1%	13.5%	11.9%	12.1%	12.1%
% MA population disabled	24.5%	17.2%	18.2%	17.3%	17.7%	16.6%
% MA population families	57.0%	46.0%	45.5%	44.2%	43.1%	44.8%
% MA population newly eligible ¹	3.4%	23.7%	22.8%	26.6%	27.1%	26.4%
Output						
# Applications (000s)	2,249	2,008	1,927	1,959	2,028	--
Outcome						
Avg. # days to process MA app. ²	15.3	11.8	10.6	10.5	11.0	--
Avg. # days to process waiver app. ²	12.3	10.7	10.8	13.6	13.5	--
Avg. # days to process nursing home app. ²	19.8	17.5	16.5	18.3	15.5	--
% Accurate eligibility long-term care	--	--	97.1%	97.6%	97.4%	--
% Accurate eligibility non-long-term care	99.7%	93.0%	100.0%	98.2%	98.0%	98.0%
Notes: App. is applications.						
1 Newly eligible refers to individuals that have incomes up to 138% of the Federal Poverty Level (FPL) that became eligible for MA services through Medicaid expansion.						
2 Data reported in June of each year.						

Activity 2: Eligibility and Enrollment Systems

The Office of Income Maintenance (OIM) operates two IT systems to manage the application process for benefits and maintain current information on clients enrolled in benefit programs. The Commonwealth of Pennsylvania Application for Social Services (COMPASS) is DHS' human services application system that allows individuals to apply for DHS benefits online. OIM also manages the Client Information System (CIS), which tracks all individuals enrolled in DHS benefit programs and includes relevant demographic information on clients.

The primary goals and outcomes of this activity are as follows:

- Allow easy access for individuals to apply for benefits and create an administratively efficient process for eligibility determinations using COMPASS. The intended outcome is that the online electronic application process will improve access to needed services and improve the efficiency (time-liness and resources used) to make an eligibility determination.
- Maintain an accurate, complete database of information on all current clients enrolled in a benefit program using CIS. The intended outcome is to ensure benefits are issued timely to eligible recipients and ongoing eligibility is properly monitored.

Resources

Eligibility and Enrollment Systems: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$32.59	\$33.06	\$32.79	\$3.69	\$3.85	\$4.01
Operational Expenses	<u>92.20</u>	<u>74.97</u>	<u>131.06</u>	<u>115.34</u>	<u>132.74</u>	<u>156.53</u>
Total	124.79	108.04	163.85	119.03	136.59	160.54
Expenditures by Fund						
General Fund (State)	\$28.16	\$22.90	\$33.85	\$29.12	\$26.12	\$58.10
General Fund (Federal)	<u>96.63</u>	<u>85.14</u>	<u>130.00</u>	<u>89.91</u>	<u>110.47</u>	<u>102.44</u>
Total	124.79	108.04	163.85	119.03	136.59	160.54
Average Weekly FTE Positions	303	294	294	38	38	38
Personnel Cost/FTE (\$ thousands)	\$107.6	\$112.5	\$111.5	\$97.2	\$101.4	\$105.4

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded.

Performance Measures

Eligibility and Enrollment Systems						
	14-15	15-16	16-17	17-18	18-19	19-20
Descriptive						
# Mobile app. installations	--	--	--	--	189,490	169,381
Avg. daily mobile app. log-ins ¹	--	--	--	1,921	6,223	8,754
Output						
# Applications submitted online	864,554	755,245	782,671	874,703	885,425	895,647
Avg. daily # mobile app. doc. uploads ¹	--	--	--	557	1,497	2,630
Outcome						
% Applications submitted online	30.4%	33.2%	35.2%	39.5%	42.3%	44.8%
% Recipients that use the mobile app.	--	--	8.0%	33.0%	36.0%	40.0%
Mobile app. savings (\$ millions) ²	--	--	--	--	\$29.3	--
Notes:						
1 Measured in August of each year.						
2 Savings is cumulative from 2016 to 2019 and includes direct and indirect savings.						

State Benchmarks

Eligibility and Enrollment Systems (2019)				
	% App. Submitted Online ¹	Rank (39 states) ¹	Allows Scan and Upload Documents Online ²	Account Access on Mobile App.
New York	95%	1	Yes	No
Delaware	64%	11	No	No
New Jersey	51%	20	No	No
West Virginia	48%	21	No	No
Pennsylvania	40%	25	Yes	Yes
Maryland	--	--	Yes	Yes
Ohio	--	--	Yes	No
U.S.	50%	--	35 states total	6 states total
Notes:				
1 Data reported from 39 states and the District of Columbia. Nevada reported 30-40% of applications submitted online, but is not included in ranking because a range was provided.				
2 Allows individuals to scan and upload documents online, such as renewal documents for eligibility purposes.				
Source: Kaiser Family Foundation, <i>Medicaid and CHIP Eligibility, Enrollment, Renewal, and Cost Sharing Policies as of January 2019: Findings from a 50-State Survey</i> .				

Activity 3: MA – Physical Health Services

The Office of Medical Assistance Programs (OMAP) oversees the delivery of physical health (PH) and pharmacy services for all eligible MA beneficiaries. These services are provided through the fee-for-service (FFS) and mandatory managed care delivery systems. Most beneficiaries receive coverage through the managed care delivery system known as HealthChoices. In HealthChoices, OMAP contracts through a competitive procurement process with at-risk, Pennsylvania-licensed PH insurers known as managed care organizations (MCOs). OMAP monitors these PH-MCOs for access to care, service provisions and quality-based health outcomes. In FFS, OMAP pays each provider that delivers services to MA recipients enrolled in the FFS program. This activity does not include Community HealthChoices, which manages the delivery of physical health services for those that are dually eligible for Medicare and Medicaid. Community HealthChoices will be included in Part 3 of the DHS Performance-Based Budget.

The primary goal of this activity is that MA beneficiaries receive timely access to medically necessary services. The intended outcome is that beneficiaries will be able to live healthy lives and manage their chronic physical health conditions.

Resources

MA - Physical Health Services: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$16.81	\$19.33	\$20.62	\$19.57	\$19.97	\$21.51
Operational Expenses	45.50	41.75	53.00	54.63	74.02	67.86
Grants	11,430.98	13,422.45	15,958.32	13,157.86	15,060.14	14,097.85
Non-Expense Items	<u>116.67</u>	<u>106.50</u>	<u>139.13</u>	<u>185.52</u>	<u>163.61</u>	<u>177.68</u>
Total	11,609.96	13,590.03	16,171.07	13,417.58	15,317.74	14,364.89
Expenditures by Fund						
General Fund (State)	\$3,745.82	\$3,663.45	\$4,206.65	\$3,401.08	\$3,748.90	\$3,120.60
General Fund (Augmentations)	1,449.39	1,508.54	1,373.12	1,443.10	2,058.97	2,091.04
General Fund (Federal)	6,316.17	8,153.76	10,335.05	8,317.06	9,218.48	8,884.12
Tobacco Settlement Fund	<u>98.57</u>	<u>264.27</u>	<u>256.26</u>	<u>256.34</u>	<u>291.38</u>	<u>269.12</u>
Total	11,609.96	13,590.03	16,171.07	13,417.58	15,317.74	14,364.89
Average Weekly FTE Positions	171	190	199	186	184	190
Personnel Cost/FTE (\$ thousands)	\$98.3	\$101.7	\$103.6	\$105.2	\$108.5	\$113.2

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded. FY 19-20 expenditures do not include estimated supplemental appropriations as of October 31, 2019.

Performance Measures

MA - Physical Health Services						
	14-15	15-16	16-17	17-18	18-19	19-20
Output						
# Enrollees (000s) ¹	2,355	2,717	2,853	2,908	2,935	2,972
Outcome						
% Potentially preventable admissions ^{1,2}	11.6%	9.6%	11.7%	10.4%	11.9%	--
% Receiving postpartum care	62.2%	64.1%	68.1%	67.7%	67.7%	--
% 6+ Well child visits in first 15 mo. of life ^{1,3}	65.2%	69.5%	68.7%	69.9%	71.6%	72.0%
% Diabetics w/ poor control A1c ^{1,4}	38.1%	37.5%	36.4%	34.7%	34.7%	35.5%
% Controlled high blood pressure ^{1,5}	61.7%	61.0%	63.2%	64.4%	66.4%	--
Statewide Indicators						
Uninsured rate	10.2%	7.6%	6.8%	6.6%	6.7%	--
% Not seeing doctor due to cost	11.8%	11.6%	11.1%	10.4%	9.4%	--
51 State rank	15	22	18	9	8	--
% With no personal doctor	15.1%	13.2%	14.2%	14.5%	15.1%	--
51 State rank	6	6	6	6	8	--
Notes:						
1 Data from PA Department of Human Services.						
2 Potentially preventable admissions is the percentage of inpatient acute care discharges with subsequent readmission to inpatient acute care within 30 days of the initial discharge. A lower percentage is better.						
3 Percent of children receiving 6+ well child visits in their first 15 months of life. Data only include Medicaid.						
4 Percent of diabetics with poor control of hemoglobin A1c (>9%). A lower percentage is better.						
5 Percent of individuals age 18-85 diagnosed with hypertension whose blood pressure was adequately controlled.						
Sources: U.S. HHS, CMS; Kaiser Family Foundation analysis of the Center for Disease Control and Prevention's Behavioral Risk Factor Surveillance System (BRFSS) 2013-2017 Survey Results.						

State Benchmarks

MA - Physical Health Services

Benchmark	Pennsylvania	U.S.	Rank (# states)
Federal matching rate (FMAP) (2018)	51.8%	--	35 (51)
% State general funds of total Medicaid spend (2018)	30.5%	27.5%	19 (50)
% Receiving postpartum care (2017) ¹	67.7%	61.3%	5 (37)
% 6+ Well-child visits in first 15 mo. of life (2017) ^{1,2}	70.1%	63.2%	11 (46)
% Diabetics w/ poor control A1c (2017) ^{1,3}	34.7%	39.8%	7 (27)
% Adequate control of high blood pressure (2017) ^{1,4}	64.4%	57.8%	6 (28)
% Residents enrolled in Medicaid (2018) ⁵	23.2%	22.2%	22 (51)
% Uninsured (2017)	6.6%	10.2%	13 (51)
% Not seeing doctor due to cost (2017)	10.4%	13.5%	9 (51)
% With no personal doctor (2017)	14.5%	22.5%	6 (51)

Notes:

1 Data measured on a calendar year basis.

2 Percent of children receiving 6+ well child visits in their first 15 months of life. Data include Medicaid and CHIP.

3 Percent of diabetics with poor control of hemoglobin A1c (>9%). A lower percentage is better.

4 Percent of individuals age 18-85 diagnosed with hypertension whose blood pressure was adequately controlled.

5 Includes Medicaid and CHIP recipients. Data for June 2018. Data from U.S. HHS, CMS preliminary June 2018 *Medicaid & CHIP Application, Eligibility, and Enrollment Data*.

Sources: U.S. HHS, CMS; Kaiser Family Foundation analysis of the Center for Disease Control and Prevention's Behavioral Risk Factor Surveillance System (BRFSS) 2013-2017 Survey Results; NASBO 2018 *State Expenditure Report Fiscal Years 2016-2018*; U.S. Census Bureau.

County Benchmarks

Uninsured Rate by County (2017)

County	Rate	Rank	County	Rate	Rank
Top 10			Bottom 10		
Butler	4.56%	1	Susquehanna	7.85%	58
Montgomery	4.67	2	Bradford	7.89	59
Washington	4.81	3	Crawford	7.98	60
Allegheny	4.86	4	Philadelphia	8.25	61
Beaver	4.92	5	Sullivan	8.63	62
Westmoreland	4.93	6	Lebanon	8.68	63
Bucks	5.25	7	Snyder	8.71	64
Elk	5.29	8	Juniata	8.78	65
Cambria	5.39	9	Mifflin	9.22	66
Delaware	5.55	10	Lancaster	12.01	67

Source: U.S. Census Bureau, 2017 Small Area Health Insurance Estimates.

Number and Percent of MA Recipients by County

June 2014			June 2018		
County	# Receiving MA	% Population	County	# Receiving MA	% Population
Top 10			Top 10		
Philadelphia	525,537	33.6%	Philadelphia	670,198	42.3%
Fayette	35,133	26.2%	Fayette	42,336	32.5%
Cameron	1,139	23.6%	Cameron	1,418	31.6%
Erie	63,628	22.8%	Erie	78,390	28.8%
McKean	9,243	21.7%	Luzerne	89,105	28.1%
Blair	26,532	21.2%	McKean	11,157	27.2%
Venango	11,250	21.1%	Blair	33,132	27.0%
Clearfield	16,982	21.0%	Greene	9,803	26.9%
Jefferson	9,152	20.5%	Lackawanna	56,270	26.7%
Greene	7,704	20.4%	Lawrence	22,783	26.4%
Bottom 10			Bottom 10		
Perry	5,911	12.9%	Snyder	6,664	16.4%
Forest	918	12.3%	Forest	1,127	15.5%
Adams	11,823	11.7%	Adams	15,533	15.1%
Butler	21,067	11.3%	Butler	27,935	14.9%
Union	4,901	10.9%	Cumberland	33,551	13.3%
Cumberland	23,475	9.6%	Montgomery	109,698	13.2%
Montgomery	78,038	9.6%	Bucks	81,600	13.0%
Bucks	58,671	9.4%	Union	5,670	12.7%
Chester	39,979	7.8%	Chester	55,190	10.6%
Centre	11,816	7.4%	Centre	14,623	9.0%
Statewide	2,229,152	17.4%	Statewide	2,892,070	22.6%
U.S. Total¹	66,112,314	20.8%	U.S. Total¹	72,591,378	22.2%

Notes: Data for MA recipients measured in June of each year. MA enrollment may not match other reported enrollment figures due to different measurement periods. In 2015, Pennsylvania expanded Medicaid to cover individuals up to 138% of the Federal Poverty Level.

1 Includes Medicaid and CHIP recipients. Data from U.S. HHS, CMS preliminary June 2014 and June 2018 *Medicaid & CHIP Application, Eligibility, and Enrollment Data*.

Source: Pennsylvania MA recipients from the PA Department of Human Services. Population data from U.S. Census Bureau.

Activity 4: MA – Behavioral Health Services

The Office of Mental Health and Substance Abuse Services (OMHSAS) manages the delivery of behavioral health Medicaid services to MA consumers. OMHSAS sets specific standards and criteria for how these services are to be delivered. Two methods are used to manage this program. First, county governments are provided the first opportunity to enter into a capitated agreement with the Commonwealth. Subject to the department's approval, a county may implement the agreement directly or enter into a contract with a private sector behavioral health MCO. Second, if a county is unable to meet the HealthChoices Behavioral Health Program standards and requirements or chooses not to participate in this initiative, the department will select a primary contractor through a competitive process resulting in a direct contract with a qualified private sector MCO. In some specific cases, MA consumers receive their services outside of the managed care delivery system through fee-for-service.

If a county is in a capitated agreement with the Commonwealth, the county receives a per person amount of funding from the state. If a county can provide behavioral health services at a lower cost than the state provided grants, the county may reinvest up to 3 percent of the funds into county-specific programs. These programs must be approved by DHS and spent on human services related areas.

The primary goal of this activity is to improve the accessibility, continuity and quality of behavioral health services for MA recipients, while controlling the program's rate of cost increases. The intended outcome is that service recipients will be able to live healthy and productive lives.

Resources

MA - Behavioral Health Services: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$8.12	\$8.83	\$9.09	\$8.82	\$8.67	\$9.21
Operational Expenses	4.19	4.92	5.74	6.37	4.99	9.11
Grants	2,764.94	3,332.31	4,195.08	3,421.71	4,066.50	3,418.02
Fixed Assets Expense	<u>0.00</u>	<u>0.50</u>	<u>1.21</u>	<u>0.73</u>	<u>0.72</u>	<u>0.84</u>
Total	2,777.26	3,346.54	4,211.12	3,437.63	4,080.87	3,437.18
Expenditures by Fund						
General Fund (State)	\$1,210.90	\$1,165.17	\$1,083.82	\$657.26	\$841.87	\$450.64
General Fund (Augmentations)	172.80	168.53	431.23	579.80	685.57	818.07
General Fund (Federal)	<u>1,393.55</u>	<u>2,012.85</u>	<u>2,696.07</u>	<u>2,200.57</u>	<u>2,553.44</u>	<u>2,168.48</u>
Total	2,777.26	3,346.54	4,211.12	3,437.63	4,080.87	3,437.18
Average Weekly FTE Positions	75	78	78	73	72	75
Personnel Cost/FTE (\$ thousands)	\$108.3	\$113.2	\$116.5	\$120.8	\$120.4	\$122.8

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded. FY 19-20 expenditures do not include estimated supplemental appropriations as of October 31, 2019.

Performance Measures

MA - Behavioral Health Services						
	14-15	15-16	16-17	17-18	18-19	19-20
Descriptive						
Reinvestment by counties (\$ millions) ¹	\$52.6	\$75.0	\$63.3	\$20.8	\$7.7	--
Output						
# Receiving services	531,912	570,175	600,000	601,050	602,100	603,155
% MA eligible receiving services	22.6%	21.0%	21.0%	20.7%	20.5%	20.3%
# MA recipients with SUD	175,996	220,629	235,748	245,000	250,000	255,000
Efficiency						
Avg. cost for services provided ²	\$5,198	\$5,844	\$6,992	\$5,693	\$6,754	\$5,667
Outcome						
% Plans meeting value-based spending req.	--	--	--	--	100.0%	--
% New SUD initiate treatment ³	--	--	--	41.1%	41.9%	--
% New SUD engage in treatment ⁴	--	--	--	33.7%	28.4%	--
% SUD patients receive follow-up care ⁵	69.0%	62.0%	65.0%	73.0%	74.0%	75.0%
% Psychiatric patients receive follow-up care ⁶	58.0%	63.0%	63.0%	63.0%	65.0%	66.0%
Notes: SUD is substance use disorder.						
1 Reinvestment refers to a maximum of 3% of MA funding that counties can reinvest into approved county-specific programs.						
2 Calculated as total grant funding divided by the number receiving services.						
3 Number of persons who initiated treatment within 14 days of a SUD diagnosis. Data from U.S. HHS, CMS.						
4 Number of persons who initiated treatment and had two or more additional SUD treatment services within 34 days of the initial visit. Data from the U.S. HHS, CMS.						
5 Percent of patients age 21-64 discharged from SUD hospital setting with follow-up services 7 days from discharge.						
6 Percent of patients discharged from psychiatric inpatient setting with follow-up service 7 days from discharge.						

State Benchmarks

MA - Behavioral Health Services (CY 2017)

	Pennsylvania	U.S. Median	Rank (# states)
% New SUD initiate treatment	41.1%	40.0%	14 (34)
% New SUD engage in treatment	33.7	14.5	1 (34)
% Follow-up for SUD emergency dept. ¹	15.3	11.7	11 (30)
% Follow-up for mentally ill hospitalizations ²	34.9	38.0	25 (43)

Notes: SUD is substance use disorder.

1 Percent of emergency department visits for patients age 18-64 diagnosed with a SUD with a follow-up visit within 7 days of the visit.

2 Percent of hospitalizations for patients age 21-64 with a mental illness with a follow-up visit within 7 days of discharge.

Source: U.S. HHS, CMS.

MA Recipients Diagnosed with a SUD by Type of Disorder (2017)

	PA	OH	NJ	NY	WV	U.S. Total
Type of SUD						
Tobacco	51.1%	66.8%	55.2%	60.1%	51.5%	56.7%
Opioids	39.2	28.4	34.4	28.6	44.9	28.5
Polysubstance	28.9	30.3	22.7	32.7	24.1	27.0
Alcohol	18.7	17.6	22.7	25.3	13.4	21.0
Cannabis	13.2	16.0	12.0	19.2	6.9	13.0
Stimulants	10.8	9.6	6.4	12.6	6.8	11.4
Other ¹	11.0	9.5	11.9	11.1	11.1	9.6

Notes: SUD is substance use disorder. Percentages may not sum to 100% because patients may be diagnosed with more than one substance use disorder.

1 Includes caffeine, hallucinogens, sedatives, hypnotics, anxiolytics, inhalants and unspecified or unknown SUD.

Source: U.S. HHS, *T-MSIS Substance Use Disorder (SUD) Data Book, Treatment of SUD in Medicaid, 2017*.

County Benchmarks

County Reinvestment by Program

Type of Program	14-15	15-16	16-17	17-18	Total
Total	\$52.4	\$75.2	\$59.1	\$12.8	\$199.6
Housing	11.3	20.4	9.2	4.0	45.0
Non-Hospital Drug and Alcohol	3.8	5.1	5.6	1.4	15.9
Joint Planning Team ¹	0.0	3.3	1.8	2.0	7.1
Community Treatment ²	2.4	2.9	0.0	0.0	5.3
Other Mental Health	19.5	24.6	29.0	3.8	76.8
Other Drug and Alcohol	10.9	13.7	7.5	0.8	32.9
Other Programs ³	4.4	5.3	6.0	1.0	16.6

Notes: Amounts in dollar millions. The spending for FY 17-18 is low due to a change that allows contractors to increase the amount of funds put into reserves.

1 Joint Planning Team is a wraparound model designed to provide individualized supports for youth and families.

2 Community Treatment includes assertive community treatment, community treatment team and dual diagnosis treatment team.

3 Other programs includes employment-related, behavioral health/physical health integration, long-term residence/adult outpatient, psychiatric rehabilitation services and certified recovery specialists.

Activity 5: MA – Transportation Services

The Office of Medical Assistance Programs (OMAP) administers the Medical Assistance Transportation Program (MATP), which provides non-emergency transportation to MA-covered medical appointments and services for MA beneficiaries. The MATP is a federally-required component of the state’s Medicaid program. The MATP is delivered through a mix of brokered, direct contract and county operated models, which are accountable to OMAP. OMAP monitors these providers to ensure that services comply with state and federal rules.

The primary goal of this activity is to ensure that MA beneficiaries have transportation, so they can physically get to and access their MA-covered medical care. The intended outcome is that MA beneficiaries will be able to obtain necessary medical care and attend medical appointments, and in doing so lead healthier lives, which in turn reduces the fiscal impact on the MA program.

Resources

MA - Transportation Services: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$0.05	\$0.05	\$0.05	\$0.07	\$0.05	\$0.06
Operational Expenses	0.03	0.03	0.02	0.04	0.03	0.04
Grants	<u>114.54</u>	<u>128.09</u>	<u>116.38</u>	<u>159.31</u>	<u>139.79</u>	<u>158.86</u>
Total	114.61	128.17	116.45	159.42	139.87	158.95
Expenditures by Fund						
General Fund (State)	\$53.96	\$58.31	\$52.20	\$68.44	\$85.10	\$69.69
General Fund (Federal)	56.41	68.33	62.16	86.90	51.63	85.76
Lottery Fund	<u>4.24</u>	<u>1.52</u>	<u>2.09</u>	<u>4.07</u>	<u>3.14</u>	<u>3.50</u>
Total	114.61	128.17	116.45	159.42	139.87	158.95
Average Weekly FTE Positions	1	1	1	1	1	1
Personnel Cost/FTE (\$ thousands)	\$45.0	\$51.0	\$48.0	\$70.0	\$51.0	\$55.0

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded.

Performance Measures

MA - Transportation Services						
	14-15	15-16	16-17	17-18	18-19	19-20
Descriptive						
% MA recipients eligible for transport svcs.	96.7%	94.9%	94.9%	94.6%	98.4%	--
Output						
# Unique clients	109,868	114,396	114,037	97,942	107,288	--
% Unique clients of eligible MA recipients	3.8%	3.6%	4.8%	4.1%	4.5%	--
# One-way trips (000s)	8,683	8,698	8,824	8,584	8,153	--
Avg. # trips per client	79.0	76.0	77.4	87.6	76.0	--
Efficiency						
Cost per trip	\$12.13	\$14.45	\$15.53	\$16.04	\$16.91	--
Cost per client	\$959	\$1,099	\$1,202	\$1,406	\$1,285	--
Outcome						
% Adults getting needed care ¹	--	--	--	87.0%	--	--
Note:						
1 Percent of adults getting needed care right away. Data from the PA 2018 Adult Consumer Assessment of Healthcare Providers and Systems (CAHPS) Rate Chart.						

County Benchmark

MA - Transportation County Data (FY 2018-19)							
County	# Clients	Avg. # Trips/Client	Cost per Trip	County	# Clients	Avg. # Trips/Client	Cost per Trip
Lowest Cost				Highest Cost			
Fayette	2,221	68	\$10.36	Schuylkill	1,260	31	\$39.69
Philadelphia	47,936	86	11.04	Forest	99	40	42.87
Allegheny	15,781	59	11.58	Venango	767	34	45.72
Lawrence	1,192	67	14.65	Clinton	576	30	46.14
Luzerne	2,248	40	15.96	Bradford/Tioga	863	43	50.57
Bedford	679	45	16.08	McKean	553	23	51.60
Bucks	950	149	16.33	Carbon	490	28	52.69
Crawford	1,388	36	17.10	Elk	436	32	54.64
Washington	2,790	44	18.15	Cameron	98	37	55.59
Monroe	955	41	18.60	Potter	489	32	57.05
Note: Philadelphia's transportation program uses a broker model.							

Activity 6: Medicaid Management Information System

The Office of Medical Assistance Programs (OMAP) manages the operation of the Medicaid Management Information System (PROMISE). This system is responsible for all MA claims adjudication and payments to providers in the MA fee-for-service (FFS) program (including home and community-based waivers) and capitation payments to the MA managed care plans. In addition, this system receives all encounter data from the MA managed care plans, which allows the department to track delivery and payment of services provided to consumers in managed care.

The primary goal of this activity is to ensure timely and accurate payments to Medicaid providers and managed care plans. The expected outcomes of this activity are (1) the department only makes payments to providers for eligible MA consumers receiving Medicaid covered services delivered per state and federal rules and (2) Medicaid dollars are used efficiently to deliver needed medical services.

Resources

Medicaid Management Information System: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$4.70	\$5.30	\$5.63	\$5.84	\$6.08	\$6.56
Operational Expenses	41.44	43.40	39.86	37.91	35.62	123.49
Grants	<u>0.01</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total	46.15	48.71	45.49	43.75	41.70	130.05
Expenditures by Fund						
General Fund (State)	\$11.45	\$12.63	\$11.63	\$10.84	\$11.15	\$20.35
General Fund (Federal)	<u>34.70</u>	<u>36.08</u>	<u>33.86</u>	<u>32.91</u>	<u>30.55</u>	<u>109.70</u>
Total	46.15	48.71	45.49	43.75	41.70	130.05
Average Weekly FTE Positions	48	53	55	56	57	58
Personnel Cost/FTE (\$ thousands)	\$97.9	\$100.1	\$102.4	\$104.3	\$106.7	\$113.0

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded.

Performance Measures

Medicaid Management Information System Performance Measures						
	14-15	15-16	16-17	17-18	18-19	19-20
<u>Descriptive</u>						
Total approved FFS payments (\$ millions)	\$9,650	\$10,268	\$10,882	\$11,336	\$10,356	--
Total managed care payments (\$ millions)	\$11,165	\$13,773	\$16,830	\$16,327	\$20,248	--
<u>Output</u>						
# FFS claims processed (000s)	41,028	40,744	42,311	42,092	37,132	--
# Managed care encounters (000s) ¹	87,716	104,703	105,065	105,406	118,599	--
<u>Efficiency</u>						
Avg. cost per FFS claim	\$235	\$252	\$257	\$269	\$279	--
Avg. cost per managed care encounter	\$127	\$132	\$160	\$155	\$171	--
Approval rate for FFS claims	65%	65%	65%	64%	68%	--
<u>Outcome</u>						
% Claims processed within 11 days ²	--	--	--	99.9%	99.9%	99.9%

Notes: FFS is fee-for-service.

1 Encounters are claims processed by DHS for a recipient covered by managed care.

2 The department is required to process 90% of claims within 11 days, 99% of claims within 71 days and 100% of claims within 345 days.

Activity 7: Provider Enrollment

The Office of Medical Assistance Programs (OMAP) manages the delivery of Medicaid physical health (PH) and pharmacy services for eligible MA beneficiaries. OMAP ensures the delivery of all Medicaid services across the Commonwealth by enrolling qualified providers in the MA program.

The primary goals of this activity are as follows:

- Enroll all qualified providers that seek to provide services for MA beneficiaries in the fee-for-service (including home and community-based waivers) and managed care delivery systems.
- Screen every provider according to requirements of the Patient Protection and Affordable Care Act (ACA).
- Continue to maintain and periodically revalidate providers in the MA program.

Resources

Provider Enrollment: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$1.45	\$2.06	\$1.79	\$1.93	\$1.82	\$1.96
Operational Expenses	9.34	18.85	10.97	10.83	10.36	23.19
Grants	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total	10.79	20.91	12.76	12.76	12.18	25.15
Expenditures by Fund						
General Fund (State)	\$5.23	\$10.19	\$6.13	\$6.04	\$5.86	\$12.22
General Fund (Federal)	<u>5.56</u>	<u>10.71</u>	<u>6.63</u>	<u>6.72</u>	<u>6.31</u>	<u>12.93</u>
Total	10.79	20.91	12.76	12.76	12.18	25.15
Average Weekly FTE Positions	15	20	17	18	17	17
Personnel Cost/FTE (\$ thousands)	\$96.7	\$102.8	\$105.3	\$106.9	\$106.8	\$115.1

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded.

Performance Measures

Provider Enrollment

	14-15	15-16	16-17	17-18	18-19	19-20
Output						
# Applications	--	--	64,581	111,151	89,021	90,000
# Provider revalidation applications	--	25,400	21,189	5,422	7,140	--
Efficiency						
# Applications per FTE	--	--	3,799	6,175	5,237	5,294
Avg. days to process application ¹	--	--	15.1	15.9	18.8	17.0
Outcome						
# Providers (legal entities)	83,308	85,551	92,024	86,903	104,345	109,560
# Providers (service locations)	186,962	207,571	242,471	208,980	298,052	339,845
% Applications submitted electronically	--	--	59.1%	65.3%	87.2%	90.0%

Note:

1 For FY 16-17, the average number of days is calculated from December through June. This measure increases in FY 18-19 due to training for consolidated enrollment processes into OMAP from other offices.

Enrolled Providers by Type (2016)

Type of Provider	Number	Type of Provider	Number
Total Enrolled Providers	167,415	Extended Care Facility	806
Physician	115,471	Transportation	782
Therapist	11,750	Nutritionist	703
Dentist	9,231	Case Manager	635
Optometrist	4,625	Public Schools	569
Certified Registered Nurse Anesthetist	4,522	Audiologist	516
Pharmacy	3,328	Nurse	516
Psychologist	2,517	Home Health	362
Podiatrist	1,816	Renal Dialysis Center	333
Certified Registered Nurse Practitioner	1,772	Funeral Director	327
Clinic	1,297	Certified Nurse Midwife	255
Inpatient Facility	1,271	Ambulatory Surgical Center	173
Chiropractor	1,139	Hospice	170
Mental Health / Substance Abuse	984	Vendor	133
DME / Medical Supplies	899	Other ¹	513

Notes: Provider enrollment as of September 26, 2016. DME is durable medical equipment.

1 Other includes laboratory, residential treatment facility, home and community habilitation, community residential rehabilitation, x-ray clinics, school corporations, tobacco cessation and certain other providers.

Activity 8: Health Information Exchange

The Office of Medical Assistance Programs (OMAP) manages the eHealth Partnership, which provides a secure health information exchange, known as the Pennsylvania Patient & Provider Network, or P3N. This includes certification of Health Information Organizations (HIOs) connecting to the P3N “hub,” maintenance of the patient opt-out and opt-back-in registry, and administration of grant programs to facilitate connections of health care providers to HIOs.

The primary goals and outcomes of this activity are as follows:

- Engage all providers in robust health information exchange.
- Increase the speed and accuracy of diagnosis for individuals and populations.
- Alert providers and care teams to an admission of a patient.
- Reduce readmissions and redundant tests by sharing patient information and care plans with other providers and payers who care for the same patient.
- Increase patient satisfaction by reducing their time spent in the health care system and eliminating frustrating duplication.

Resources

Health Information Exchange: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$0.00	\$0.00	\$0.83	\$0.37	\$0.56	\$0.63
Operational Expenses	0.94	0.82	2.15	2.09	2.57	4.39
Grants	45.91	44.02	39.95	41.46	28.16	54.60
Non-Expense Items	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.04</u>	<u>0.07</u>	<u>1.10</u>
Total	46.85	44.84	42.92	43.96	31.36	60.72
Expenditures by Fund						
General Fund (State)	\$0.08	\$0.05	\$1.92	\$1.64	\$1.90	\$2.81
General Fund (Augmentations)	0.00	0.00	0.26	0.31	0.82	0.47
General Fund (Federal)	<u>46.77</u>	<u>44.79</u>	<u>40.74</u>	<u>42.01</u>	<u>28.65</u>	<u>57.44</u>
Total	46.85	44.84	42.92	43.96	31.36	60.72
Average Weekly FTE Positions	0	0	14	8	4	5
Personnel Cost/FTE (\$ thousands)	--	--	\$59.0	\$45.9	\$140.5	\$126.6

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded.

Performance Measures

Health Information Exchange						
	14-15	15-16	16-17	17-18	18-19	19-20
<u>Descriptive</u>						
# HIOs in exchange ¹	--	5	5	4	5	5
Total # HIOs ¹	--	6	6	5	5	5
<u>Output</u>						
# Monthly inbound patient queries processed ²	--	--	--	209,736	271,746	--
<u>Outcome</u>						
Cumulative # ADTs (000s) ¹	--	--	--	78	1,436	4,000
% HIOs in exchange	--	83%	83%	80%	100%	100%
Patient linking rate	--	7.6%	18.7%	15.8%	19.2%	25.0%
% Providers and health systems participating	--	--	51.0%	72.0%	75.0%	--
Notes: HIO is health information organization. ADT is admission, discharge or transfer notification messages.						
1 Measured in January of each year.						
2 Measured in February of each year.						

Activity 9: TANF Eligibility and Benefits

The Office of Income Maintenance (OIM) determines the initial and ongoing eligibility for the Temporary Assistance for Needy Families (TANF) program, which provides cash assistance and other supports to low-income households that include children or pregnant women. Eligibility is based upon specific state and federal rules, which include income limits, resource limits and household composition. The eligibility determination is made by staff at the county assistance office.

TANF is primarily a federally funded program. In FFY 2018, of \$1.2 billion in total TANF funds used, Pennsylvania was awarded approximately \$717 million in federal TANF dollars. Funding requires a state Maintenance of Effort (MOE), a minimum spending-level of state funds for benefits and services or federal funding can be reduced in subsequent years. States have discretion regarding the programs on which to spend state dollars for the MOE requirement. In FFY 2018 over 80 percent of state MOE expenditures were related to child care, Head Start, and early learning.³ The programs with a larger share of state General Fund TANF dollars will be reviewed in DHS Parts 2 and 3.

The primary goal of this activity is to make eligibility determinations timely and accurately. The intended outcome is to ensure that those who qualify receive assistance and are able to move towards self-sufficiency.

Resources

TANF Eligibility and Benefits: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$53.67	\$41.57	\$39.83	\$37.07	\$36.09	\$35.96
Operational Expenses	8.24	5.55	5.74	5.59	5.17	5.05
Grants	<u>259.94</u>	<u>230.49</u>	<u>205.48</u>	<u>183.64</u>	<u>168.19</u>	<u>176.16</u>
Total	321.85	277.61	251.05	226.31	209.46	217.17
Expenditures by Fund						
General Fund (State)	\$59.25	\$28.39	\$34.22	\$24.80	\$6.88	\$4.13
General Fund (Federal)	<u>262.60</u>	<u>249.22</u>	<u>216.84</u>	<u>201.51</u>	<u>202.58</u>	<u>213.04</u>
Total	321.85	277.61	251.05	226.31	209.46	217.17
Average Weekly FTE Positions	652	479	435	418	394	362
Personnel Cost/FTE (\$ thousands)	\$82.4	\$86.8	\$91.6	\$88.6	\$91.6	\$99.3

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded.

³ See U.S. Department of Health and Human Services, Office of Family Assistance, "TANF and MOE Spending and Transfers by Activity, FY 2018 (Contains National & State Pie Charts)", <https://www.acf.hhs.gov/ofa/resource/tanf-and-moe-spending-and-transfers-by-activity-fy-2018-contains-national-state-pie-charts>.

Performance Measures

TANF Eligibility and Benefits						
	14-15	15-16	16-17	17-18	18-19	19-20
Output						
# Applications annually	79,129	82,253	83,252	82,268	75,322	--
Avg. monthly TANF enrollment	185,992	167,019	148,305	131,758	115,384	--
# Adults receiving TANF	51,918	48,476	42,127	36,554	31,289	--
# Children receiving TANF	134,074	118,543	106,178	95,204	84,095	--
Avg. monthly TANF benefit per household ¹	\$314	\$312	\$317	\$314	\$322	--
Outcome						
Avg. # days to process application	12.5	10.9	9.7	9.5	9.5	9.5
% Applications completed in 30 days or less	97.5%	99.1%	99.4%	99.6%	98.9%	98.0%
Payment Accuracy ²	99.1%	97.8%	96.3%	99.4%	98.2%	98.0%
# TANF cases closed annually ³	93,980	91,024	88,271	81,834	69,732	--
% Closed due to employed/voluntary/transition ⁴	27.0%	27.2%	25.0%	24.0%	24.4%	--
% Closed due to missed appointment	17.7%	18.3%	19.0%	19.7%	21.9%	--
% Closed due to other reason	55.3%	54.5%	56.0%	56.3%	53.7%	--
% Cases leave TANF for employment and do not return within 1 year ²	47.0%	46.0%	47.0%	48.0%	49.0%	--
% Households on TANF > 5 years ⁵	--	--	--	17.5%	17.3%	--
% Births to unmarried mothers ⁶	41.0%	41.2%	40.7%	41.0%	40.8%	--
Statewide Indicators						
% Families below poverty level ⁷	9.4%	9.1%	8.6%	8.1%	8.1%	--
Unemployment Rate	5.5%	5.3%	5.2%	4.6%	4.1%	4.0%
Notes:						
1 Data from the U.S. HHS, <i>OFA Characteristics and Financial Circumstances of TANF Recipients</i> (FFY 2015-2018). Data measured on a federal fiscal year basis.						
2 Measured in June of each year.						
3 The total number of TANF cases closed each state fiscal year. This number is not comparable to average monthly enrollment as people often receive TANF for a short time.						
4 The TANF cases that are closed due to full-time employment, voluntary withdrawal or transitional cash assistance.						
5 Rules provide for a hardship exemption that allows up to 20% of families to receive assistance beyond the 5-year limit.						
6 One of the goals listed in the purpose of the TANF program is to "prevent and reduce the incidence of out-of-wedlock pregnancies," Social Security Act Title IV, Sec. 401. Data from U.S. HHS, Centers for Disease Control and Prevention. Includes all births in Pennsylvania.						
7 Data from American Community Survey, 1-Year Estimates, U.S. Census Bureau.						

State Benchmarks

Percent of Population Receiving TANF (FFY 2018)

State	Percent	State	Percent
Top 5		Bottom 5	
California	2.00%	Texas	0.20%
District of Columbia	1.88%	Indiana	0.19%
New Mexico	1.26%	Illinois	0.18%
Delaware	1.08%	Idaho	0.17%
New York	1.06%	Kansas	0.15%

Source: U.S. HHS, OFA; U.S. Census Bureau 2018 Population Estimates. IFO computation.

Average Monthly TANF Cash Benefit for Households (FFY 2018)

State	Avg. Monthly \$	State	Avg. Monthly \$
Top 5		Bottom 5	
New Hampshire	\$707	Indiana	\$198
Alaska	607	Illinois	195
New York	601	Tennessee	168
Hawaii	590	Arkansas	153
California	547	Mississippi	137

Note: Georgia and North Carolina data reported with errors.

Source: U.S. HHS, OFA, *Characteristics and Financial Circumstances of TANF Recipients Fiscal Year (FY) 2018*.

Border State Comparison for Population and Average TANF Benefits (FFY 2018)

State	Percent of Population Receiving TANF	Avg. Monthly \$
Delaware	1.08%	\$244
New York	1.06%	601
Pennsylvania	0.91%	314
Ohio	0.79%	360
West Virginia	0.73%	297
Maryland	0.73%	542
New Jersey	0.30%	307
U.S.	0.69%	423

Source: U.S. HHS, OFA, *Characteristics and Financial Circumstances of TANF Recipients Fiscal Year (FY) 2018*.

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Activity 10: SNAP Eligibility and Authorize Benefits

The Supplemental Nutrition Assistance Program (SNAP) is a federally-funded program administered by the Office of Income Maintenance (OIM). SNAP provides nutrition benefits to supplement the food budget of low-income families so they can purchase healthy food and move towards self-sufficiency. DHS must follow the rules and regulations of the United States Department of Agriculture, Food and Nutrition Service (FNS) in the administration of SNAP. The SNAP eligibility determination is made by staff at the county assistance office.

The primary goal of this activity is to ensure SNAP eligibility determinations are made both timely and accurately. All SNAP applications are reviewed for expedited SNAP benefits, which are issued within 5 days of application, and an ongoing SNAP eligibility determination is made within 30 days of receipt of an application. In addition, the department has set a goal that 98 percent of all SNAP eligibility determinations are completed accurately. The intended outcome is to ensure all eligible Pennsylvanians have access to nutritious, healthy food through SNAP that will lead to self-sufficiency and improved health.

Resources

SNAP Eligibility and Authorize Benefits: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$212.66	\$226.52	\$227.39	\$213.28	\$243.07	\$240.51
Operational Expenses	35.61	32.90	33.86	32.62	35.54	35.08
Grants	<u>1.34</u>	<u>27.79</u>	<u>23.24</u>	<u>25.43</u>	<u>21.85</u>	<u>27.93</u>
Total	249.60	287.20	284.50	271.32	300.46	303.52
Expenditures by Fund						
General Fund (State)	\$118.96	\$127.18	\$133.88	\$121.71	\$135.57	\$131.39
General Fund (Augmentations)	2.15	2.27	2.54	2.48	2.15	2.32
General Fund (Federal)	<u>128.49</u>	<u>157.76</u>	<u>148.09</u>	<u>147.13</u>	<u>162.74</u>	<u>169.82</u>
Total	249.60	287.20	284.50	271.32	300.46	303.52
Average Weekly FTE Positions	2,581	2,610	2,482	2,407	2,654	2,421
Personnel Cost/FTE (\$ thousands)	\$82.4	\$86.8	\$91.6	\$88.6	\$91.6	\$99.4

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded.

Performance Measures

SNAP Eligibility and Authorize Benefits						
	14-15	15-16	16-17	17-18	18-19	19-20
Descriptive						
# Households receiving benefits (000s) ¹	923	957	958	965	955	--
# Persons receiving benefits (000s) ¹	1,834	1,880	1,863	1,842	1,784	1,759
Total program cost (\$ millions) ¹	\$2,700	\$2,729	\$2,673	\$2,592	\$2,310	--
Avg. benefit/household/mo. ¹	\$245	\$239	\$234	\$226	\$242	--
Output						
# Applications annually (000s) ²	991	1,000	1,028	1,035	1,023	--
# SNAP Fair Hearings held annually ^{1,2}	--	--	--	28,665	22,931	--
Efficiency						
SNAP total admin. costs/case/mo.	\$22.54	\$25.00	\$24.74	\$23.43	\$26.23	--
Avg. # days to process SNAP application ²	10.9	7.7	7.3	7.1	7.1	7.1
Outcome						
% SNAP Fair Hearing decisions upheld ^{1,2,3}	--	--	--	71.9%	75.8%	--
# Recipient fraud investigations ¹	21,795	27,936	--	--	--	--
% Fraud prevented before dollar loss ¹	84.8%	84.0%	--	--	--	--
% Fraud detected after certification ¹	15.2%	16.0%	--	--	--	--
% Accuracy for expedited application ²	100.0%	98.4%	91.2%	98.3%	95.5%	--
CAO authorization accuracy ²	97.5%	97.8%	95.5%	94.1%	93.8%	--
% App. completed in 45 days or less ²	96.0%	98.8%	99.2%	99.2%	98.0%	98.0%
Payment error rate ¹	--	--	5.08%	6.51%	--	--
Statewide Indicators						
% Households food insecure ⁴	11.3%	12.4%	12.5%	12.1%	11.1%	--

Notes: CAO is county assistance office. App. is applications.

1 Data measured on a federal fiscal year basis.

2 Data from PA Department of Human Services.

3 The majority of Fair Hearing requests result in a withdrawal of the appeal. For FY 17-18, 84% of requested hearings were withdrawn and 604 hearings ended in a ruling by a judge. For FY 18-19, 90% of requested hearings were withdrawn and 520 hearings ended in a ruling by a judge. This measure only includes hearings with a ruling by a judge, which is a small subset of all Fair Hearings.

4 Measured as a two-year moving average from 2012-2018. Food insecure households have reported food acquisition problems and reduced diet quality as a result of lack of resources.

Source: USDA, Food and Nutrition Service; USDA Economic Research Service. Calculations by IFO.

State Benchmarks

SNAP Eligibility and Authorize Benefits

	Pennsylvania	U.S.	Rank (51 states)
% Eligible participating in SNAP (2016)	99.0%	85.0%	8
SNAP avg. monthly benefit/household (2019)	\$242.43	\$259.92	34
SNAP payment error rate (2018)	6.51%	6.80%	26
State application processing timeliness (2017)	98.7%	--	2
State administrative cost per case (2016)	\$28.31	\$29.98	25
% Households food insecure (2018) ¹	11.1%	11.7%	25
% Households w/ very low food security (2018) ¹	4.2%	4.6%	19

Notes: Data measured on a federal fiscal year basis with the exception of food insecurity measures.

¹ Measured as a two-year moving average from 2012-2018. Food insecure households have reported food acquisition problems and reduced diet quality as a result of lack of resources. Households with very low food security have reported reduced food intake and disrupted eating patterns due to inadequate resources for food.

Source: USDA, FNS.

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Activity 11: Employment Supports

Low-income individuals receiving TANF or SNAP benefits are subject to federal work requirements to maintain eligibility for benefits with certain exceptions. Participation in certain employment or training programs can satisfy these requirements. The Office of Income Maintenance (OIM) funds local workforce agencies that provide support to working age adults (TANF and SNAP recipients) looking for permanent employment. This occurs through grants or contracts to local agencies and OIM monitors these providers to ensure adherence to program standards and outcomes. Referrals to and coordination with workforce services and supports are made by staff at the county assistance office.

The primary goal of this activity is to provide the necessary infrastructure for working age, non-exempt TANF and SNAP recipients to access employment and training programs. Upon receipt of these services, the intended outcome is that an individual will find and maintain employment that allows the individual to become self-sufficient.

Resources

Employment Supports: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$54.01	\$70.52	\$62.83	\$66.42	\$74.05	\$76.84
Operational Expenses	2.67	3.17	3.16	3.19	3.40	4.07
Grants	69.15	65.00	68.47	69.33	56.58	108.25
Non-Expense Items	<u>1.95</u>	<u>1.03</u>	<u>0.25</u>	<u>0.64</u>	<u>0.64</u>	<u>0.64</u>
Total	127.77	139.72	134.71	139.57	134.67	189.79
Expenditures by Fund						
General Fund (State)	\$28.35	\$27.17	\$35.57	\$25.52	\$18.94	\$19.04
General Fund (Federal)	<u>99.42</u>	<u>112.56</u>	<u>99.14</u>	<u>114.06</u>	<u>115.73</u>	<u>170.76</u>
Total	127.77	139.72	134.71	139.57	134.67	189.79
Average Weekly FTE Positions	724	828	809	777	787	786
Personnel Cost/FTE (\$ thousands)	\$74.6	\$85.2	\$77.7	\$85.5	\$94.1	\$97.8

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded.

Performance Measures

Employment Supports						
	14-15	15-16	16-17	17-18	18-19	19-20
Descriptive						
# TANF adults ¹	51,918	48,476	42,127	36,554	31,289	--
# TANF adults work eligible	--	--	--	12,863	11,081	--
Output						
# In employment/training program ²	--	--	--	8,171	7,072	--
% TANF in employment/training program ²	--	--	--	89.9%	87.8%	--
% SNAP in employment/training program ²	--	--	--	10.1%	12.2%	--
Efficiency						
Avg. cost of services per participant ³	--	--	--	\$17,082	\$19,043	--
Outcome						
# TANF cases closed annually ⁴	93,980	91,024	88,271	81,834	69,732	--
% Closed due to employed/voluntary/transition ⁵	27.0%	27.2%	25.0%	24.0%	24.4%	--
% Cases leave TANF for employment and do not return within 1 year	47.0%	46.0%	47.0%	48.0%	49.0%	--
% Maintaining employment > 6 months	-- Recommended Performance Measure --					
Statewide Indicators						
Unemployment rate	5.5%	5.3%	5.2%	4.6%	4.1%	4.0%
Benchmark: 51 State Rank						
TANF work participation rate ⁶	--	39	42	39	40	--
Notes:						
1 Average monthly adult TANF enrollment.						
2 Measured in June of each year.						
3 Calculated as total activity cost divided by total number of people enrolled in an employment/training program.						
4 The total number of TANF cases closed each state fiscal year. This number is not comparable to average monthly enrollment as people often receive TANF for a short time.						
5 The TANF cases that are closed due to full-time employment, voluntary withdrawal or transitional cash assistance.						
6 Includes all TANF families and excludes separate state programs work participation rates. Measured on a federal fiscal year basis. Data from U.S. HHS, OFA, <i>TANF Work Participation Rates and Engagement in Work Activities</i> , FFY 2016-2018.						

State Benchmarks

TANF Work Participation Rate (FFY 2018)

State	All Families Participation Rate	Rank (51 states)	Two Parent Families Participation Rate	Rank (26 states)
Ohio	44.4%	14	50.5%	10
West Virginia	36.9%	23	--	--
Maryland	28.0%	33	--	--
New Jersey	27.8%	34	94.4%	1
Delaware	27.0%	36	--	--
Pennsylvania	23.2%	39	38.9%	15
New York	22.9%	40	--	--
U.S.	31.4%	--	39.1%	--

Note: Data excludes work participation rates from separate state programs.

Source: U.S. HHS, OFA, *TANF Work Participation Rates and Engagement in Work Activities*, 2018.

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Activity 12: Child Support Enforcement

The Bureau of Child Support Enforcement (BCSE) in the Office of Income Maintenance (OIM) administers the Pennsylvania Child Support Enforcement Program. The Pennsylvania Rules of Civil Procedure as well as state and federal laws govern how child support orders are established and enforced. BCSE works directly with the Courts of Common Pleas Domestic Relation Sections that are the local entities charged with child support establishment and enforcement operations.

The mission of the Child Support Enforcement Program is to improve the quality of life for children and families. This is primarily accomplished by locating absent parents, establishing paternity, establishing support orders, enforcing support obligations and providing other related services.

The primary goals of this activity are (1) improve the cost effectiveness of the IV-D program⁴ at the state and county levels, (2) maintain Pennsylvania as the national leader in Child Support program performance, (3) utilize technology to streamline program services and (4) increase awareness of the Pennsylvania Child Support Enforcement Program. The intended outcome is to maximize the amount of financial contributions secured for custodial parents and dependent children.

Resources

Child Support Enforcement: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$8.46	\$9.03	\$8.85	\$9.08	\$9.42	\$9.69
Operational Expenses	30.30	35.82	31.20	36.79	49.50	49.30
Grants	128.53	123.30	129.08	131.40	133.14	125.38
Fixed Assets Expense	<u>0.33</u>	<u>0.08</u>	<u>0.61</u>	<u>0.34</u>	<u>0.31</u>	<u>0.75</u>
Total	167.63	168.23	169.74	177.61	192.37	185.12
Expenditures by Fund						
General Fund (State)	\$10.88	\$11.74	\$11.95	\$12.76	\$18.36	\$16.30
General Fund (Augmentations)	8.51	10.00	6.86	8.15	7.78	12.09
General Fund (Federal)	<u>148.23</u>	<u>146.49</u>	<u>150.93</u>	<u>156.71</u>	<u>166.23</u>	<u>156.74</u>
Total	167.63	168.23	169.74	177.61	192.37	185.12
Average Weekly FTE Positions	93	94	89	90	89	89
Personnel Cost/FTE (\$ thousands)	\$91.0	\$96.1	\$99.4	\$100.9	\$105.8	\$108.9

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded.

⁴ The IV-D program refers to cases where the custodial parent receives assistance from a state child enforcement office. Assistance may include locating the non-custodial parent, paternity establishment, enforcement of a child support order and collecting child support.

Performance Measures

Child Support Enforcement						
	14-15	15-16	16-17	17-18	18-19	19-20
Output						
Total caseload	395,940	380,439	370,004	359,081	348,727	--
Caseload with support orders	356,096	345,295	335,378	324,369	313,342	--
Efficiency						
Cases per FTE ¹	148.1	148.8	148.1	145.8	142.8	--
Collections per FTE ¹	\$466,486	\$485,322	\$485,728	\$487,151	\$490,183	--
Outcome						
Total child support collections (\$ millions)	\$1,247	\$1,240	\$1,213	\$1,199	\$1,197	--
% To MA/TANF/Foster Care recipients ³	52.2%	54.8%	56.6%	58.2%	59.7%	--
% To families never receiving assistance ⁴	47.8%	45.2%	43.4%	41.8%	40.3%	--
Avg. collections per case (annual)	\$3,503	\$3,593	\$3,618	\$3,698	\$3,433	--
% Support paid timely	84.1%	84.3%	84.1%	84.3%	84.2%	--
CSPIA cost effectiveness ⁵	\$5.10	\$5.43	\$5.02	\$4.78	\$4.49	--
NEON referrals cost effectiveness ^{2,5}	--	\$3.19	\$3.27	\$3.14	\$3.15	\$3.20
# TANF cases closed w/ child support received	7,890	7,732	7,379	6,685	6,283	--
Statewide paternity establishment rate	99.6%	95.6%	99.8%	95.8%	97.8%	--

Notes: CSPIA is Child Support Performance and Incentive Act. NEON is New Opportunities for Noncustodial Parents. Data measured on a federal fiscal year basis except where noted.

1 Includes county staff.

2 Data from PA Department of Human Services. Data measured on a state fiscal year basis.

3 Percent of collections to families that are currently or formerly receiving TANF, Foster Care assistance or MA.

4 Percent of collections to families that have never received TANF, Foster Care assistance or MA.

5 Cost effectiveness measures the child support dollars collected for every dollar spent.

Source: U.S. HHS, ACF.

State Benchmarks

Child Support Benchmarks (FFY 2018)			
	Pennsylvania	U.S.	Rank (# states)
% Support paid timely	84.3%	65.8%	1 (51)
% Cases in arrears currently paying	84.3%	64.6%	1 (51)
CSPIA cost effectiveness	\$4.78	\$5.12	31 (51)
Statewide paternity establishment rate	95.8%	92.9%	9 (32)

Note: CSPIA is Child Support Performance and Incentive Act.

Source: PA Department of Human Services; U.S. HHS, ACF.

Activity 13: LIHEAP Eligibility and Benefits

The Low-Income Home Energy Assistance Program (LIHEAP) is administered by DHS and consists of three components: (1) cash benefits to help eligible households purchase home-heating fuel or pay a utility bill, (2) crisis payments to restore heat or prevent loss of heat and (3) energy conservation and weatherization measures to address the home-heating problems and repair heating-related equipment of low-income households. Energy Conservation and Weatherization services and certain related crisis payments are provided by the Department of Community and Economic Development.

Cash assistance includes cash payments made directly to the heating vendor (utility company or deliverable fuel vendor) on behalf of households in the form of a one-time payment. Crisis assistance includes payments typically made directly to the heating vendor in order to restore heat or prevent the loss of heat. Households receiving crisis assistance may also receive cash assistance payments and in most cases, a household receives LIHEAP cash benefits first and crisis assistance second and only if needed.

The Office of Income Maintenance (OIM) determines eligibility for the LIHEAP program. Eligibility is based upon income criteria for a household. The eligibility determination is made by the staff at the county assistance office.

The primary goals of this activity are to efficiently manage the LIHEAP block grant and make eligibility determinations timely and accurately. The intended outcome is to improve the quality of life and provide life-sustaining access to heat for low-income Pennsylvanians by ensuring heating assistance is accessible and to reduce their energy burden.

Resources

LIHEAP Eligibility and Benefits: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$18.74	\$17.06	\$12.01	\$13.06	\$18.69	\$19.50
Operational Expenses	5.93	6.63	5.07	4.04	3.50	9.15
Grants	<u>153.49</u>	<u>154.19</u>	<u>157.08</u>	<u>148.07</u>	<u>179.01</u>	<u>188.77</u>
Total	178.16	177.88	174.16	165.18	201.20	217.42
Expenditures by Fund						
General Fund (Federal)	<u>\$178.16</u>	<u>\$177.88</u>	<u>\$174.16</u>	<u>\$165.18</u>	<u>\$201.20</u>	<u>\$217.42</u>
Total	178.16	177.88	174.16	165.18	201.20	217.42
Average Weekly FTE Positions	268	263	304	323	257	256
Personnel Cost/FTE (\$ thousands)	\$70.0	\$64.8	\$39.5	\$40.4	\$72.7	\$76.2

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded.

Performance Measures

LIHEAP Eligibility and Benefits						
	14-15	15-16	16-17	17-18	18-19	19-20
Descriptive						
# Income-eligible households ¹	1,046,795	1,031,823	1,020,677	1,003,683	973,876	--
# Households receiving energy cash benefits ²	390,121	345,233	348,680	344,008	345,974	346,221
% Vulnerable heating recipient households ^{1,3}	--	77.4%	77.1%	76.9%	77.2%	--
Funds used for carryover (\$ millions) ^{1,4}	\$19.5	\$12.7	\$17.1	\$12.5	\$15.4	--
Output						
# Annual applications ²	556,411	493,596	527,672	549,877	549,716	550,000
Avg. cash benefit per participant ¹	\$243	\$297	\$334	\$262	\$276	--
Avg. crisis benefit per participant ¹	\$377	\$423	\$385	\$352	\$389	--
Efficiency						
Avg. # days to process cash assist. application ²	18.1	12.5	13.3	13.7	15.2	--
Avg. # days to process crisis assist. application ²	2.6	2.9	3.2	4.0	4.0	--
Administrative cost ratio ^{1,5}	9.0%	9.7%	7.6%	8.0%	9.4%	--
Outcome						
# Utility service restored/termination prevented ^{2,6}	130,349	89,735	87,681	109,112	95,509	97,434
% Income-eligible population served ¹	37.3%	33.5%	34.2%	34.3%	33.8%	--
% Avg. reduction in household energy burden ^{1,7}	--	20.4%	21.1%	18.2%	17.4%	--
% Income used for energy in eligible households ^{1,8}	--	33.4%	32.3%	33.3%	33.6%	--
Notes:						
1 Data reported on a federal fiscal year basis.						
2 Data from PA Department of Human Services.						
3 Vulnerable recipient households are recipient households with a member 60 or older, a child 5 or younger, or a member with a disability.						
4 Funds unused at the end of the year that may be carried over to the next year's program.						
5 Total administrative cost over the total cost for LIHEAP.						
6 Number of households that had utility service restored or utility termination prevented due to cash or crisis benefits.						
7 Average percent reduction in energy burden for households after LIHEAP benefits.						
8 Average percent of annual income used for energy bills for high-energy burden households.						
Source: U.S. HHS, ACF, LIHEAP Performance Management.						

State Benchmark

LIHEAP Average Benefits per Household (FFY 2018)

State	Avg. Cash Payment	Rank (51 states)	Avg. Crisis Payment	Rank (51 states)
Delaware	\$1,345	1	\$0	28
Maryland	680	10	0	28
New York	469	23	465	10
Illinois	420	26	420	14
West Virginia	285	39	200	25
Pennsylvania	262	43	352	18
New Jersey	261	44	360	17
Ohio	210	47	306	22
Michigan	183	50	307	21
U.S. Average	397	--	248	--

Note: Average cash and crisis payments are only heat-related payments.

Source: U.S. HHS, ACF, LIHEAP Performance Management.

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Activity 14: Other Program Eligibility and Benefits

DHS administers several other benefit programs that include, but are not limited to State Supplementary Payment, General Assistance, State Blind Pension and Refugee Cash Assistance. Major program descriptions are provided below:

- State Supplementary Payment (SSP): Additional cash assistance provided to individuals that have limited income, few resources and are age 65 or older, blind or disabled. The SSP is 100 percent state funded.
- General Assistance (GA): Individuals may be eligible for GA benefits for reasons including a medically verified disability, treatment in a drug or alcohol program, victim of domestic violence or certain other qualifying circumstances. GA benefits were statutorily terminated in 2012, but reinstated by the Pennsylvania Supreme Court in 2018. On August 1, 2019, the GA program was statutorily terminated again. The GA program is 100 percent state funded.
- State Blind Pension (SBP): Provides pension benefits to adults that meet vision requirements and have limited income and resources. The SBP program is 100 percent state funded.
- Refugee Cash Assistance (RCA): Provides cash assistance for up to eight months for refugees that do not meet TANF eligibility requirements. The RCA program is 100 percent federally funded.

The primary goal of this activity is to provide specific populations with cash assistance.

Resources

Other Program Eligibility and Benefits: Expenditures and Filled FTE Positions						
	14-15	15-16	16-17	17-18	18-19	19-20
	Actual	Actual	Actual	Actual	Actual	Budget
Expenditures by Object						
Personnel Services	\$4.98	\$5.42	\$5.90	\$2.43	\$2.28	\$3.27
Operational Expenses	3.13	2.79	2.66	2.02	1.93	2.54
Grants	<u>158.49</u>	<u>160.45</u>	<u>154.91</u>	<u>147.73</u>	<u>153.22</u>	<u>160.07</u>
Total	166.60	168.65	163.47	152.17	157.43	165.88
Expenditures by Fund						
General Fund (State)	\$149.26	\$150.48	\$141.84	\$136.52	\$143.37	\$139.42
Cash Grants	15.58	17.66	12.34	10.59	19.96	15.54
Supplemental Grants	133.45	132.09	129.15	125.66	123.12	123.60
General Fund (Federal)	<u>17.34</u>	<u>18.17</u>	<u>21.62</u>	<u>15.65</u>	<u>14.06</u>	<u>26.46</u>
Total	166.60	168.65	163.47	152.17	157.43	165.88
Average Weekly FTE Positions	95	89	86	41	51	51
Personnel Cost/FTE (\$ thousands)	\$52.6	\$61.1	\$68.8	\$59.3	\$44.7	\$64.3

Note: Expenditures in dollar millions. Actual expenditures are listed in the year the expenditure was recorded.

Performance Measures

Other Program Eligibility and Benefits						
	14-15	15-16	16-17	17-18	18-19	19-20
Descriptive						
# Receiving SSP	380,355	375,912	372,080	367,858	362,612	361,429
# Age 65+	24,409	24,220	24,120	24,402	24,666	24,898
# Blind	1,980	2,004	2,042	2,084	2,118	2,137
# Disabled	353,966	349,688	345,918	341,372	335,828	334,395
# Receiving SBP	185	166	151	137	129	121
# Receiving GA ¹	387	374	457	125	5,415	25
# Receiving RCA ²	1,024	1,124	998	272	247	--
Output						
Avg. annual SSP per recipient	\$325	\$325	\$325	\$325	\$325	\$325
Avg. annual SBP per recipient	\$1,173	\$1,175	\$1,175	\$1,181	\$1,171	\$1,180
Avg. annual GA per recipient	\$33	\$35	\$7	\$21	\$3,150	--
Avg. annual RCA per recipient	\$701	\$768	\$782	\$581	\$631	--
Outcome						
Savings from SSP (\$ millions) ³	\$49.3	\$48.2	\$47.6	\$48.6	\$49.0	\$51.8

Notes: SSP is State Supplementary Payment, which is the state supplement to Supplemental Security Income. SBP is State Blind Pension. GA is General Assistance. RCA is Refugee Cash Assistance.

1 GA benefits terminated in 2012 except for a small number of individuals. In 2018, the GA program was reinstated. On August 1, 2019, the GA program was terminated again.

2 Data measured on a federal fiscal year basis.

3 Savings from SSP occurs because Pennsylvania directly pays recipients instead of the federal government, which creates efficiencies for Pennsylvania.

Appendix

Performance-Based Budgeting and Tax Credit Review Schedule

Year		Performance-Based Budgets				
1	Corrections	Board of Probation and Parole	PA Commission on Crime & Delinquency	Juvenile Court Judges' Commission	Banking and Securities	General Services
2	Economic & Community Development	Human Services – Part 1	Health	Environmental Protection	PA Emergency Management Agency	State
3	PennDOT	Human Services – Part 2	State Police	Military & Veterans Affairs		
4	Education	Human Services – Part 3	Aging	PA Historical & Museum Commission	Agriculture	Labor and Industry
5	Drug and Alcohol Programs	Insurance	Revenue	Executive Offices	Environmental Hearing Board	Conservation and Natural Resources
Year		Tax Credits				
1	Film Production	New Jobs	Historic Preservation Incentive			
2	Research and Development	Keystone Innovation Zones	Mobile Telecom and Broadband	Organ and Bone Marrow		
3	Neighborhood Assistance	Resource Enhancement and Protections (REAP)	Entertainment & Economic Enhancement	Video Game Production	Keystone Special Development Zones	
4	Educational Tax Credits	Coal Refuse and Reclamation	Mixed Use	Community-Based Services		
5	Resource Manufacturing	Brewers'	Computer Data Center	Manufacturing and Investment	Waterfront Development	Rural Jobs and Investment



Agency Response



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF HUMAN SERVICES

December 19, 2019

Dear Director Knittel:

I want to thank you and your staff for the comprehensive work you have done in completing DHS's first phase of a performance-based budget review. We appreciate the level of detail in this plan and how it shows where DHS is improving the lives of Pennsylvanians and the opportunities that exist for improvement.

At DHS, we emphasize performance management through regular meetings, called PeopleStat, where DHS staff review performance data. These meetings provide me and other DHS executives an objective view of how our programs are operating, opportunities for improvement, where program success is occurring, and progress towards DHS and the Wolf Administration's goals. We will, where possible, include the measures and observations in this report as part of our ongoing PeopleStat meetings and appreciate the opportunity to broaden the work happening through those meetings.

The report highlights the important impact that Medicaid expansion has had on decreasing the uninsured rate in Pennsylvania to what is believed to be at its lowest level ever. The ability to provide individuals access to this coverage has been important to increase access to preventative care. For example, in 2017 almost 80,000 women covered by Medicaid expansion in Pennsylvania received a cervical cancer screening. Of those, 843 were diagnosed and able to access treatment.

The effects of Medicaid expansion extend further than just helping people lead healthier lives. Uncompensated care costs experienced by hospitals can drive rising health care costs for all patients and payers. From 2001 to 2014, the amount of uncompensated care increased each year. However, this trend was reversed in the first year of Medicaid expansion, when uncompensated care costs experienced by hospitals in Pennsylvania fell by \$92 million. Uncompensated care has continued to decline each year since Medicaid expansion was first implemented. This has resulted in a 30 percent or \$317 million reduction from 2014 through 2018. As we in Pennsylvania and states around the nation look for opportunities to bend the health care cost curve for government, hospitals and health systems, self-funded employers, and people in the private insurance market, Medicaid expansion has been extremely impactful for hospitals' financial stability, especially in rural communities.

With Medicaid, we are also taking active steps to ensure we are cost effective, with a focus on quality and health outcomes, in the administration of the program. As part of the Medicaid managed care rate setting process, DHS reviews encounter data submitted by the managed care plans (MCOs) for inefficient service cost. Using established data mining software, DHS identifies inefficient services within the managed care programs, and DHS then approves the removal of the claims/encounters and costs from the MCOs' cost base. This results in an efficient cost basis for future year capitation rate payments. Current efficiencies focus on preventable inpatient admissions, readmissions, low-acuity emergency department use, pharmacy services, and behavioral health services. These efficiency adjustments incentivize the MCOs to tailor their internal policies to reduce inefficient services in their programs.

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DHS also has a significant focus on the quality of health care services in the Physical Health and Behavioral Health HealthChoices programs, employing several strategies designed to improve quality. These strategies include Value Based Purchasing (VBP), which seeks to link provider payment to improved quality of services. DHS requires its Physical Health HealthChoices MCOs to have VBP strategies in place with their providers that account for 50% of their medical expenditures in calendar year 2020. DHS requires its Behavioral Health HealthChoices MCOs to have VBP strategies in place with their providers that account for 20% of their medical expenditures in calendar year 2020. The Physical Health MCOs all participate in a pay-for-performance program, which includes financial incentives and disincentives that either reward or penalize an MCO for its performance in quality metrics. MCOs can earn additional funding or be penalized for their performance related to national performance benchmarks, state established benchmarks or for improving year-over-year performance.

We also agree with the recommendation for DHS to work with the Department of Labor and Industry on tracking outcomes for employment. We have recently entered into a data sharing agreement with the Department of Labor and Industry that will improve our ability to track the work outcomes of those we serve. This will be critical as we look to implement our employment and training programs redesign. Following conversations with stakeholders and program participants and reviews of program outcomes, DHS is redesigning its TANF Employment and Training programs to improve long-term outcomes for TANF participants. The goal of the redesign is to provide a broader range of services that meets the participants where they are and recognizes the interrelated factors that can impact a person's ability to attain economic independence. Based on an analysis of research, participant feedback, and stakeholder engagement, the redesign will incorporate more individualized services, expand access to education and training, and increase flexibility for barrier remediation. There will be a stronger focus on credential attainment and retention services to better support a successful, long-term transition into the workforce. DHS is also updating program evaluation measures and performance payments to incentivize long-term outcomes. DHS will track and evaluate outcomes after implementing changes in order to inform a competitive procurement for fully redesigned TANF program services to be in place in July 2023.

The report also contains important data and information on the Supplemental Nutrition Assistance Program (SNAP). As the report shows, there are currently more than 1.7 million individuals enrolled in SNAP. What is important to know about this number is who is receiving this benefit. SNAP provides critical food assistance to almost 700,000 children, 690,000 people with disabilities, and about 300,000 older adults. With the federal government proposing to make significant changes to the SNAP program, it is important to look at data to understand the potential adverse impacts this will have on vulnerable populations, such as children and seniors.

SNAP is a critical lifeline for these 1.7 million Pennsylvanians, but the impact goes even farther. A large body of research shows it reduces poverty, improves food security among low-income households, and has positive impacts on the health of seniors and long-term benefits for children who receive it. And, research is beginning to show the connection between SNAP participation and lower health care costs, something DHS is paying close attention to as we continue to look for ways to contain Medical Assistance costs. Additionally, SNAP brings more than \$4.7 billion to Pennsylvania's economy each year. More than 10,000 authorized retailers – including grocers and small businesses – participate in the SNAP program, and many of


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Pennsylvania's growers and producers provide products to SNAP retailers. For every \$22,000 in SNAP dollars spent, one job is created. These benefits have a greater economic stimulus impact than most government spending because they broaden the purchasing power of low-income people and families.

We appreciate the work of the IFO and look forward to the next few years as we construct a performance-based budget for the remainder of DHS.

Sincerely,



Teresa D. Miller
Secretary

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