



*Presentation to the
Performance-Based Budget Board*

**PBB Overview and
Agency Highlights**

**PennDOT
Human Services (Part 2)**

April 27, 2021

Performance-Based Budgeting (PBB)

Year 3 Agencies

- PennDOT | Human Services (Part 2)
- Pennsylvania State Police | Military and Veterans Affairs

Alternative budget framework driven by performance metrics

- Output | efficiency | outcomes | benchmarks | statewide indicators
- Link funding levels to outcome metrics
- What are the trends in output and efficiency?
- Are we making progress towards desired outcomes at given funding levels?
- How does PA compare to other states and U.S.?

Common Issues Across Reports

PBB reports reflect the significant impact of Covid-19

- Pandemic affected agency caseloads, staffing, operations and related performance data
- In some cases, Covid-19 affected available funding for agency activities (e.g., PennDOT MLF)

Agencies often lack data on outcomes related to county and municipal program grants

- Agencies cite the lack of authority to require data collection, insufficient resources
- IT systems are decentralized, outdated and do not support collection of outcome measures

Technology plays a key role in driving efficiency and improved outcomes

- DHS: Future Child Welfare Case Management system will replace eight separate systems
- PennDOT: mobile field technology, automated system to track DLC wait times

Common Issues Across Reports

Discrepancies exist at sub-state level for performance measures

- Breakdown by county, region or institution highlights factors that drive statewide results
- DMVA veterans homes - overall quality ratings range from 2 to 5 (vs. 3.1 average for all PA nursing homes)

Policymakers can monitor outcomes related to additional resources for new or existing programs

- PennDOT REAL ID program
- DMVA Keystone State ChalleNGe Academy

Pennsylvania Department of Transportation (PennDOT)

PennDOT Actual Spend and FTEs (FY 2019-20)

Activities	FTEs		Expenditures	
	Number	Share	Amount	Share
Highway and Bridge Maintenance	7,577	63.8%	\$1,595	20.9%
Highway and Bridge Construction	2,601	21.9	2,680	35.0
Driver and Vehicle Services	1,241	10.4	232	3.0
Administration	321	2.7	234	3.1
Highway and Safety Operations	75	0.6	37	0.5
Small Urban Public Transit	17	0.1	293	3.8
Commercial and Other Multimodal	16	0.1	248	3.2
Local System Construction and Maintenance	12	0.1	824	10.8
Large Urban Public Transit	3	0.0	1,407	18.4
Intercity Transit	3	0.0	52	0.7
Other	<u>20</u>	<u>0.2</u>	<u>47</u>	<u>0.6</u>
Total	11,885	100.0	7,649	100.0

Note: Includes all expenditures in \$ millions. Other includes Aviation and Broadband and Technology Initiatives.

PennDOT MLF Appropriations (FY 2020-21)

Appropriations	Highway & Bridge Maint.	Highway & Bridge Constr.	Local System Constr. & Maint.	Driver & Vehicle Services	Admin.	Other	Total
Highway Maintenance	\$831	--	--	--	--	\$9	\$841
Local Road Maint. & Constr. Payments	--	--	\$240	--	--	--	240
Highway Capital Projects (EA)	--	\$230	--	--	--	--	230
Driver and Vehicle Services	--	--	--	\$206	--	3	208
Highway and Safety Improvements	--	168	--	--	--	3	170
General Government Operations	--	--	1	--	\$62	0	64
Municipal Roads and Bridges	--	--	30	--	--	--	30
Payment to Turnpike Commission	--	--	--	--	28	--	28
Homeland Security - REAL ID	--	--	--	26	--	--	26
Other	<u>14</u>	<u>--</u>	<u>20</u>	<u>3</u>	<u>9</u>	<u>--</u>	<u>46</u>
Total	845	398	291	234	100	15	1,882

Note: Amounts in \$ millions. Other within the activities (horizontal axis) includes Highway and Safety Operations (\$12 million) and Broadband and Technology Initiatives (\$3 million).

PennDOT Metric Highlights

Pandemic likely has significant and long-term implications for the department

- Gasoline consumption is down by roughly 10%
- The department scaled back construction lettings in CY 2020 due to reduced revenues
- Public transit ridership and revenues down significantly

Rapid Bridge Replacement (RBR) program reduced state-owned bridges in poor condition

- Beginning in 2015, the RBR P3 program replaced 558 state-owned bridges over a three-year period
- From 2015 to 2019, PA reduced number of poor bridges in state and local system by 1,200 (-25.5%)

Driver and Vehicle Services staff increased by 180 FTE between FY 15-16 and FY 19-20 (17%)

- REAL IDs issued to 10% of driver's license and ID holders (Dec 2020)
- % Online transactions increased 20 percentage points
- Key Budget Measure: % Customers served in < 30 minutes

PennDOT Metric Highlights (cont.)

Performance measures for local system construction and maintenance funds are not tracked

- In FY 18-19, PennDOT disbursed \$847 million statutorily mandated funds to municipal and county govts.
- Department inspects more than 6,600 bridges on the local system | receives no performance data on most of the 78,000 miles of locally-controlled roads

Act 44-2007 requires transit agencies to report key metrics to PennDOT

- Trips per hour | operating cost per hour | operating revenue per hour | operating cost per trip
- Goals for metrics established and compared to similar transit agencies
- Funding can be withheld if progress towards goals is not made

Department of Human Services (DHS)

Part 1 (2020): MA, SNAP, TANF, Child Support (50%)

Part 2 (2021): Mental Health, Developmental Programs, Youth (20%)*

Part 3 (2022): Long-Term Living, Child Development, Administration, Other (30%)

* Note: MA Physical Health Services was also included in Part 2

DHS Actual Spend and FTEs (FY 2019-20)

Activities (Year 2 Only)	FTEs		Expenditures	
	Number	Share	Amount	Share
State Hospitals	3,425	47.4%	\$451	1.7%
State Centers	2,619	36.3	281	1.1
Youth Centers and Camps	608	8.4	70	0.3
MA - Physical Health Services	162	2.2	18,642	70.6
Community ID/Autism Waivers	121	1.7	3,974	15.0
Licensing	79	1.1	11	0.0
County Child Welfare	74	1.0	1,634	6.2
Child Abuse Clearances	63	0.9	8	0.0
ChildLine	42	0.6	6	0.0
County Mental Health Programs	27	0.4	704	2.7
Private ICFs (ID/Autism)	3	0.0	373	1.4
County ID/Autism Programs	1	0.0	215	0.8
SWAN	==	==	44	0.2
Total	7,224	100.0	26,411	100.0

Note: Includes all expenditures in \$ millions.

DHS GF Appropriations (FY 2020-21)

Activities	ID - Community Waiver Prog.	County Child Welfare	Mental Health Services	ID- Community Base Prog.	ID- ICF	ID- State Centers	Other	Total
ID Community-Based	\$1,645	--	--	--	--	--	\$33	\$1,679
County Child Welfare	--	\$1,123	--	--	--	--	4	1,127
County-Based MH	--	--	\$569	--	--	--	61	630
Operate State Hospitals	--	--	256	--	--	--	--	256
ID County-Based Programs	--	--	--	\$144	--	--	--	145
Private ICFs	--	--	--	--	\$135	--	--	135
Operate State Centers	--	--	--	--	--	\$101	--	102
SWAN	--	44	--	--	--	--	--	44
YDC/YFC	--	--	--	--	--	--	35	35
Other	--	--	--	--	--	--	9	9
Total	1,645	1,166	825	144	135	101	144	4,161

Note: Amounts in \$ millions. Excludes MA – Physical Health Services (total = \$2,295 million).

DHS Metric Highlights

MA Physical Health Services – P4P measures focus on preventative services and chronic conditions to lower costs and improve outcomes

- MCOs that meet quality measure goals receive incentive payments
- 5 out of 12 quality measures in the MA Physical Health Services pay-for-performance initiative met or exceeded goals in measurement year (MY) 2019
- ED utilization decreased from 74.0 visits per 1,000 member months (MY 2015) to 66.1 (MY 2019)

Counties not required to track and report outcomes related to state funds received

- Traditional focus on compliance
- Difficult to assess program effectiveness for child welfare, ID/autism services, MH programs

DHS Metric Highlights (cont.)

Child welfare services shift towards prevention services instead of out-of-home care

- The foster care rate has declined from 6.1 (FY 15-16) to 5.3 (FY 19-20)
- Children in congregate care has also declined from 15.5% (FY 15-16) to 11.3% (FY 19-20)
- Key budget measure: Total state spending on evidence-based prevention services

Costs of ID waivers have flattened although utilization increased

- Large increase of individuals served under the capped Community Living Waiver (+3,294 from FY 15-16 to FY 20-21) instead of the uncapped Consolidated Waiver (+727)
- Decline in number of individuals on waitlist from 13,812 (FY 15-16) to 12,634 (FY 19-20)
- Decline in average number of years waiting for services from 4.1 (FY 15-16) to 2.3 years (FY 20-21)