



John E. Baldacci, Governor

Brenda M. Harvey, Commissioner

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November 20, 2009

To: Senator Deborah Simpson, Representative Dawn Hill, Chairs, Government Oversight Committee and members of the Committee

From: Brenda M. Harvey, Commissioner, DHHS

RE: Comments on the Final Report issued by OPEGA regarding the Fund for a Healthy Maine Programs.

The following is a summation of comments by Dr. Dora Anne Mills, director of the Maine Center for Disease Control and Prevention (Maine CDC), Guy Cousins, director of the Office of Substance Abuse (OSA), and their staff who worked closely with the OPEGA staff for a long period of time.

While we were assured this would be a very high-level review of the parts of FHM and would not take significant staff time, this review turned out to be very staff intensive for both the Maine CDC and OSA. As all of you are well aware, both offices are very short-staffed due to hiring freezes, retirement incentives, and having to redeploy many staff to H1N1 work. Dr. Mills estimates that in the Maine CDC staff alone spent about 50 hours, which includes reviewing and preparing materials, answering requests, and spending time with OPEGA staff.

I asked both the Maine CDC and OSA to read the final report and comment on accuracy, need for clarification, and possible difference in perspectives. While there are still many opportunities from the report to discuss different perspectives and make corrections, we did not think it was a good use of your time or ours to repeat edits we suggested that may not have been incorporated. Consequently I will address the four recommendations and some general areas of concern.

- 1. Recommendation 1: Allocation of FHM funds should be reviewed in context of changing health environment and goals.** We agree with this recommendation, and DHHS will take its lead from the legislature on how best to accomplish this.
- 2. Recommendation 2: Budgetary programs should be better aligned with state's health goals, efforts and related performance information.** There is a sentiment reflected by some involved in this process that the State Health Plan (SHP), which is in statute, and appropriate elements of the FHM should be aligned. The SHP priorities are determined to some degree by objective data, and primarily data that are collected in Maine as well as across the country, allowing for state and national comparisons. The priorities are also determined in part by participation from many stakeholders through District Coordinating Councils and the Advisory Council on Health System Development, the latter overseen by the Governor's Office. In other words, while we are committed to regularly looking at how we coordinate all of our work across our own offices and other state entities, we believe we have a structure in place to do that.

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The extensive task, however, of aligning the entire state budget is outside DHHS's scope, and requires a serious policy discussion with DAFS and the appropriate legislative committees.

3. **Recommendation 3: Budget descriptions should be updated and more specific.** We agree, and have worked carefully with DAFS to be certain our descriptions reflect the actual program work.
4. **Costs for major activities within budgetary programs should be tracked within the state's accounting system.** This is in the purview of DAFS and will require significant state resources. DHHS does have a budget/expenditure tracking system for all funding streams which is available on the intranet.

With regard to **evaluation**, there seems to be an on-going concern about the Maine CDC's evaluation efforts being adequately "independent". The Maine CDC has placed a strong priority on evaluation of all programs. The FHM evaluation is performed by a 3<sup>rd</sup> party entity that specializes in public health. Public health evaluation is often an integral part of program operations as in the case of tobacco cessation programs.

The functions of public health evaluation are more akin to that of a company when it performs a 360 evaluation, using tools such as employee and customer engagement with the evaluation.

Effective public health evaluation is done involving all stakeholders, including those involved with program operations. Dr. Mills is providing you with a link to and some highlights pasted in (in italics) from a 1999 article by US CDC on public health evaluation.

<http://www.cdc.gov/mmwr/preview/mmwrhtml/rr4811a1.htm>

The report references **conflict of interest**. Our staff views these remarks as questioning their integrity. The Maine CDC has very few employees overseeing FHM-funded programs. When \$25 million of FHM was originally allocated to the Maine CDC 10 years ago, 5 new positions were created in Maine CDC. One of those was eliminated from Maine CDC several years ago, leaving 4 positions overseeing most of these funds and dozens of contracts. We have encouraged staff to be active in their communities, but not to sit on boards that their programs fund.

The report states that "*Relationships that develop when State contract managers and providers work together over a long period of time and which can lead to bias on the part of contract managers.*" If we did not have some long term relationships, we would have frequent turnover and be criticized for not having consistency. The vast majority of FHM funds are put out to bid regularly, and contractors do change as a result of this process. Contract management has also changed since we've had quite a bit of turnover of these staff in recent years.

**OSA Activity: Intervention (Page 29)**, the bottom right text box indicates: "The prescription monitoring program cost approximately \$188,000 in FY 08 and was funded solely by the Fund for Healthy Maine". This was corrected in a previous draft. The documentation in the paragraph outlines that there is other funding that the PMP gets, but is not reflected in the highlighted box.

These are important issues that warrant a dialogue rather than written comments. As you all know, we are facing a growing challenge in addressing the deficit in the supplemental budget. I am unable to appear today because I must join the Governor as he announces the next phase in addressing this on-going challenge. Dr. Mills and her staff is working all day every day managing the H1N1 pandemic. Our absence should not be interpreted as disinterest, and both of us are happy to appear before you later in the session, along with our staff, to address questions you may have about our management, accountability and transparency.

Thank you for your consideration of my input.

Respectfully,

A handwritten signature in cursive script that reads "Brenda Harvey". The signature is written in black ink and is positioned above the printed name and title.

Brenda M. Harvey  
Commissioner  
Maine Department of Health and Human Services