

Government Oversight Committee

Topics for Consideration for OPEGA's Work Plan February 2011

The attached document lists the general topic area, the responsible agency, possible different areas the review could focus on (although there may also be others); and additional information gathered by OPEGA to date that may be relevant to GOC decision-making about the topic. We have attempted to update the information associated with all topics that were previously included in the On Deck list. We have also gathered as much information as possible, given the timeframe, about the new topics GOC members proposed at the February 4, 2011 meeting.

For some topics, OPEGA may also have other information available that has not been included in this document in the interest of keeping it as brief as possible. OPEGA is available to perform additional research on any topic the GOC might find valuable to its decision-making. The GOC may also desire to gather input from other legislators or policy committees, or request that the agency provide particular information, before making a decision on whether to put a topic on OPEGA's Work Plan or move it to the On Deck list.

The topics are arranged in categories as follows:

Section A (pages) – Topics currently under review or that were actively being considered by the GOC of the 124th Legislature at the time of its last meeting in September 2010

Section B (pages) – New topics proposed by the current GOC on February 4th

Section C (pages) - Topics currently on the GOC's On Deck list that appear appropriate for continued consideration

Section D (pages) – Topics currently on the GOC's On Deck list that could potentially be removed from On Deck.

OPEGA has also developed a matrix to use in identifying topics the current GOC is collectively most interested in considering for OPEGA's Work Plan at this time. That matrix is on the last pages of this package. It identifies the primary outcomes the Legislature might expect from a review of the topic area based on the current questions or potential areas of focus listed for the topic. Typically there are also secondary benefits derived from any review, but we did not endeavor to capture those all in this matrix. Please note that the expected benefits will also change as the scope of a review becomes more defined in terms of the specific questions to be asked about the topic.

The last column of the matrix is for each GOC member to use in ranking the level of interest in each topic. The scale of 0-4 is described on the top of the matrix. 0 = not interested and 4 = extremely interested. Since the goal of this process is to assure that OPEGA's resources are being spent on reviews that are of most value to the Legislature, GOC members may wish gather input from legislative colleagues in gauging the level collective interest in particular topics.

Please rank each topic on the matrix as agreed upon by the Committee and return the rankings to OPEGA Director Beth Ashcroft by Tuesday, March 1st so that results can be compiled for the next GOC meeting.

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Section A: Topics Currently Under Review or Actively Being Considered by Past GOC				
	Topic	Dept	Possible Areas of Focus	Additional Information
1	Cooperative Agreements	Various	<ul style="list-style-type: none"> • controls to assure the State is getting the best combination of price and quality • indirect cost rates included in budgets, and charged to the State • cost sharing between the parties • whether certain line item costs budgeted are appropriate and reasonable • appropriateness of the billing and payment structures for the type of service being provided • support for payments made and tying of payment to performance and/or deliverables. • controls to assure that the State is only billing for an appropriate share of contracted employees' time. 	<ul style="list-style-type: none"> • Statute provides waivers from competitive bidding requirements for services provided as part of cooperative projects between the State and the University of Maine or Maine Community College Systems. The contracts associated with these projects are known as Cooperative Agreements. • OPEGA had recommended a detailed review of Cooperative Agreements in its Sept 2008 report on State Contracting for Professional Services. OPEGA also identified further potential issues with these Agreements during work on the Special Project on Professional and Administrative Contracts for the AFA Committee in Feb 2010. • In the limited initial data pulled for the Special Project, there was \$15.8 million of FY09 expenditures for contracts with the University of Maine System. Approximately \$6.5 million of that total was from General Fund with another \$1 million from Other Special Revenue. • The Bureau of Purchases reports annually to the Legislature on the Cooperative Agreement activity. The Bureau reported that 126 cooperative agreements were awarded in 2010 with a total value of \$21.1 million. • The GOC of the 124th was in process of considering whether additional work by OPEGA should be undertaken to address some of potential issues as listed in the Possible Areas of Focus. • At present, DAFS has not proceeded with plans to renegotiate and update the General Policy agreement with UMS that governs Cooperative Agreements between the State and the University System. That effort could possibly address some of the potential issues identified. It is uncertain whether this effort will be a priority in the new Administration.
2	Governor's Training Initiative	DOL DECD	<ul style="list-style-type: none"> • achievement of goals and objectives; • efficiency and economical use of resources; • criteria for selecting recipients; • standards used to make funding decisions; and • coordination with other economic development programs. 	<ul style="list-style-type: none"> • GOC put the Governor's Training Initiative Program on OPEGA's Work Plan in July 2010. OPEGA has completed preliminary research on this topic and was preparing to make a recommendation on further project direction to the GOC for approval. • GTI provides reimbursement to companies for training new employees for jobs or training existing employees to upgrade skills. The review of GTI had been requested by the Labor Committee of the 124th Legislature. • Funding for this program has decreased over the past biennium and the program is proposed for elimination in the Governor's FY12-13 budget.

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Section B: New Topics Proposed by Current GOC on February 4, 2011				
	Topic	Dept	Possible Areas of Focus	Additional Information
3	BETR & BETE Economic Development Programs	DECD	<ul style="list-style-type: none"> the amount of money distributed via these programs that goes to companies primarily located out of state who employ only a handful of people in Maine 	<p>BETE - Business Equipment Tax Exemption:</p> <ul style="list-style-type: none"> Exemption No retail businesses of any size are eligible For property first subject to property tax assessment on or after April 1, 2008 Approximately 3,000 taxpayers are affected Estimated losses in state revenues arising from this program are \$14,500,000 in FY10 and \$17,500,000 in FY11 <p>BETR - Business Equipment Tax Reimbursement:</p> <ul style="list-style-type: none"> Reimbursement Retail businesses larger than 100,000 sq ft are ineligible For property first subject to property tax assessment on or after April 1, 1995 Approximately 2,000 taxpayers are affected Estimated losses in state revenues arising from this program are \$57,600,000 in FY10 and \$51,500,000 in FY11 <ul style="list-style-type: none"> The possible area of focus questions the amount of money distributed via these programs that goes to companies primarily located out of state that employ only a handful of people in Maine. This appears to be information that isn't currently available and, according to the BETR application, owning property that is taxed is the primary criteria, not location of business or number of jobs created.
4	BETR and TIF (Economic Development Program) Overlap	DECD	<ul style="list-style-type: none"> how companies access both programs whether is it possible for some companies to get more in rebates than they ever paid in 	<ul style="list-style-type: none"> MRS produces a report prepared for AFA and Taxation that looks at the overlap of BETR and TIF on the same certain assets of a business, but not the cumulative total of all TIF and BETR payments in comparison to total taxes paid. An examination of the current BETR instructions indicates that for property subject to tax assessment on or after April 1, 2008, the total of BETR reimbursement and any TIF financing cannot exceed the total property tax assessment on that property. However, it is possible for BETR and TIF reimbursements to exceed the total property tax assessment on the property as long as the property was first subject to property tax assessment before April 1, 2008.

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5	Certificate of Need	DHHS Div. of Licensing and Regulation	<ul style="list-style-type: none"> • Entities that regulate and oversee the certificate of need licensing process • the certificate of need process • where responsibility for the final decision regarding certificates of need lies, and how are those decisions made 	<ul style="list-style-type: none"> • 22 MRSA Chapter 103-A establishes the purpose of CON, projects requiring a CON, what must be included in the record, the application and review process including public hearing, the specific written findings the Commissioner must make to issue CON, and the reconsideration of decision process. • Rules implementing CON statute are DHHS 10-144 Chapter 503 and 10-149 Chapter 5 Sec. 71 • DHHS prepares an annual report on Certificate of Need Act activity. The 2009 Report, issued in February 2010, reported 24 hospitals, 13 nursing facilities, and 4 other reviews completed. • 2009 Fee Revenue: \$347,823. Revenue is used to offset CON Unit expenditures • 125th Session will consider a number of bills related to CON such as LD 360 An Act to Repeal the Maine Certificate of Need Act of 2002 and LD 582 An Act to Amend the Maine CON Act of 2002.
6	Child Development Services (CDS)		<ul style="list-style-type: none"> • adequacy of financial management • reasons for continuing deficits • potential variances in eligibility determination, services and/or costs in different regions. 	<ul style="list-style-type: none"> • 20-A MRSA §7209 establishes state intermediate education unit as separate entity overseen by Education Commissioner. • CDS serves children from birth to age 6. Services include child find (identify, locate and evaluate children with disabilities), early intervention and appropriate education services for eligible children. • There are 9 regional sites • In the FY11 Supplemental Budget \$5.7 million was transferred from General Purpose Aid and an additional \$2 million appropriated • On 2-9-11 AFA was briefed on CDS and learned of a further deficit in FY11 of over \$7 million.
7	Consolidation of Prison Facilities	Corrections	<ul style="list-style-type: none"> • impacts of prison consolidation on local property values 	<ul style="list-style-type: none"> •
8	Cost/Prisoner in the Department of Corrections	Corrections	<ul style="list-style-type: none"> • reasons why Maine's per prisoner costs are higher than those of many other states 	<ul style="list-style-type: none"> • According to the National Institute of Corrections, in 2008 Maine had the 7th highest cost per inmate in the nation. • DOC has an FY11 budget of \$144 million. • OPEGA currently has a review of Health Care Services in the Corrections System in progress that covers two of DOC's largest contracts for Health Care services. FY10 expenditures under these contracts totaled \$14.7 million.

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9	Cultural Agencies		<ul style="list-style-type: none"> • whether the four cultural agencies could be reorganized to realize efficiencies and/or increase effectiveness 	<ul style="list-style-type: none"> • Maine State Library, Maine State Museum, Maine Arts Commission and Maine Historic Preservation Commission. All are members of the Maine Cultural Affairs Council which also includes the Maine State Archives, the Maine Historical Society, and The Maine Humanities Council. • The Maine State Cultural Affairs Council, as established in Title 5, section 12004-G, subsection 7-A, shall ensure a coordinated, integrated system of cultural resources programs and projects and shall ensure the support of cultural heritage institutions and activities of the State. • Each of the four agencies is funded in part with General Fund dollars. The FY11 budget for all four agencies combined is about \$9.8 million of which about \$5.9 million is GF. • The State Controller's Office audited the agencies in 2007 for inappropriate activities and general internal controls. The Controller's follow up work found the report recommendations had been implemented.
10	Customer Service at Maine Revenue Services (MRS)		<ul style="list-style-type: none"> • quality of customer service associated with MRS audits and other contacts with taxpayers • consistency of interpretations of tax code across the organization 	<ul style="list-style-type: none"> • Current GOC members have mentioned constituent complaints about MRS' service.
11	DHHS Contracted Service Providers	DHHS	<ul style="list-style-type: none"> • number of providers around the state • how providers are monitored for effectiveness and efficiency • whether providers are delivering services efficiently 	<ul style="list-style-type: none"> • In FY11 the 13 DHHS offices have 2,268 active agreements with 908 different vendors. • These agreements are for a total of \$338,593,138, with \$123,589,006 from General Funds. Other sources of funding in FY11 are Federal, ARRA, Special Revenue and Other. • The Office of Child and Family Services has the most agreements – 611 with 250 different vendors. The Office of Multicultural Affairs has the least – 11 with 8 different vendors. • OPEGA has reviewed various DHHS contracts with service providers as part of five projects completed since July 2008. These reviews had a variety of focuses, some of which included understanding how providers are monitored. • The scope of this review would have to be more defined.

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12	Efficiency Maine	Efficiency Maine Board of Trustees	<ul style="list-style-type: none"> • processes and criteria used to distribute program funds • whether these processes and criteria maximize the value of the funds distributed • whether money is spent efficiently • whether the energy savings reported are actually being realized 	<ul style="list-style-type: none"> • Efficiency Maine was created in 2002 to promote more efficient use of electricity and help Maine businesses and residents reduce electric costs. It was administered within the Public Utilities commission. • On July 1, 2010 Efficiency Maine's mission expanded to all forms of energy and it became an independent trust overseen by a Board of Trustees. • The budget for FY11 is approximately \$99.5 million – this includes a significant amount of one time Federal ARRA money. • On-going funding sources include electric system benefit charges, Regional Greenhouse Gas Initiative carbon auctions and ISO New England's forward capacity market.
13	MaineCare	DHHS	<ul style="list-style-type: none"> • enrollment processes and practices • appropriateness of processes • timeliness of claims payments 	<ul style="list-style-type: none"> • In fall of 2010, DHHS transferred administration of MaineCare claims to a third party vendor.
14	Maine Quality Forum	A part of Dirigo Health Agency	<ul style="list-style-type: none"> • the responsibilities and accomplishments of the ME Quality Forum • how the funding for the Forum is spent 	<ul style="list-style-type: none"> • 24-A MRSA §6951 establishes MQF within Dirigo Health and it is funded in part by savings offset payments. • MQF's mission is to improve the value and quality of health care in Maine and help Maine people make informed health choices. MQF is forum where the various stakeholders work together on ways to improve health care quality. • The organizational chart for Dirigo Health shows 3 positions for the MQF: Director, Program Coordinator and a Research Associate. These three positions appear to support the Maine Quality Forum Advisory Council, which consists of 17 members appointed by the Gov and confirmed by the HHS Committee. • Rep. Pilon also mentioned the Advisory Council of Health Systems Development (ACHSD) in regard to this and that they had \$1 million in funding in the budget. The ACHSD guides the development of the State Health Plan, analyzes and reports on factors driving health care costs and makes reports to the Legislature regarding payment reform. The ACHSD is comprised of 20 members; 15 appointed by the Governor and 5 appointed by the Speaker, President and Minority Leaders of the House and Senate..

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15	Maine State Housing Authority	MSHA	<ul style="list-style-type: none"> • how MSHA's operations and mission fit with the rest of state government – whether mission has expanded and overlaps with others • whether MSHA is accomplishing its goals as efficiently as possible • reasonableness of operating expenses and employee compensation • governance structure compared with other state housing finance agencies • process for selecting bond underwriters • relationship of MSHA with FAME and DECD 	<ul style="list-style-type: none"> • MSHA is a quasi-governmental authority which helps people obtain and maintain decent, safe, affordable housing and appropriate services. • Homebuyer assistance, housing development, home improvement, rental assistance, energy assistance and homeless assistance programs • MSHA issues bonds to finance its homebuyer programs and receives Federal grants fund programs such as the Section 8 Rental Assistance Program and Low Income Home Energy Assistance Program. • \$378,000 in General Funds is budgeted for MSHA in FY11.
16	Property Tax Assessment	DAFS – Maine Revenue Services	<ul style="list-style-type: none"> • whether efficiencies could be realized by moving to a regionalized system of tax assessing • whether a regionalized system could result in more consistent and equitable assessments 	<ul style="list-style-type: none"> • The State trains assessor and establishes the regulations for municipal assessments and the reporting of municipal valuations to the State. • Local municipalities hire assessors. • Municipalities can be penalized in the amount of some State funding they receive if total local property valuations are substantially below the State valuations for that locale.
Section C: Topics Currently On Deck That Appear Most Appropriate for Continued Consideration				
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17	Beverage Container Recycling (Bottle Bill)	Agriculture MRS	<ul style="list-style-type: none"> • compliance with current law by initiators of deposit • current recycling rates for beverage containers; • current handling fees and bottler requirements of redemption centers; • continued need for current beverage container recycling laws; • opportunities to meet goals of beverage recycling laws via alternative models; • impact of potential changes to beverage container recycling laws on beverage container redemption facilities and initiators of deposit; 	<ul style="list-style-type: none"> • Proposed by a former GOC member. • Issues with the bottle bill have been raised for many years. During the 125th session the Legislature will consider LR 1974 an act to repeal the law and LR 1397an act to reduce fraud, among others. • Maine's handling fees may exceed that of most other states with bottle bills. • Expansion of redeemable beverages causes additional work for redemption centers despite attempts to mitigate costs via changes that allow commingling agreements. • There may be bottlers, particularly those from out of state, not in compliance with Maine's law.
18	Division of Financial and Personnel Services (Service Centers)	DAFS	<ul style="list-style-type: none"> • Potential for increased process efficiencies within Service Center and client agencies • Definition of roles/responsibilities between Service Center and client agencies • Staffing for financial processes and administration in Service Center and client agencies • Control environment and internal control systems • Change management • Achievement of expected savings from consolidation 	<ul style="list-style-type: none"> • OPEGA suggested this topic during 2007-2008 work plan development because centralization of key administrative functions affected most agencies and potential internal control weaknesses in financial processes were noted in some reviews. At the time there were also complaints from agencies about process inefficiencies and quality of customer service. In addition, Brookings had highlighted financial administration as an area of possible savings. • Since then, the State Controller's Internal Audit Division has reviewed internal controls in at least one Service Center and internal control training to all. Internal control plans have been submitted by most service centers. The Controller's Office has not completed its review of those plans.

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	Topic	Dept	Possible Areas of Focus	Additional Information
19	Leased Office Space	DAFS	Costs and use of office space leased by the State	<ul style="list-style-type: none"> • OPEGA was in fieldwork phase on this review when GOC suspended it in October 2008. The review was looking at whether the State is leasing space at the best possible price, and if the space is fully utilized. • At the time of suspension, OPEGA had nearly completed the portion of the review covering general leased space processes and practices. With minimal additional fieldwork, OPEGA could issue a brief report on those processes and practices with recommendations for related improvements. • Due to the passage of time, our analysis of whether the State is getting best price would need to be redone and updated. OPEGA had not yet begun work on how well leased space is utilized. • In FY10 State agencies spent over \$26 million on leased office space. More than \$11 million in General Fund expenditures. • OPEGA planned to submit a proposed revised scope to GOC for consideration in 2009, however AFA was asking questions of BGS regarding leases and a decision was made to wait and see what AFA was going to do with this topic.
20	Long-term Care: Nursing Homes	DHHS	<ul style="list-style-type: none"> • Reducing costs and improving quality through possible changes to: <ul style="list-style-type: none"> ○ current payment rates and structure to incentivize reducing costs; ○ inspection system to reduce inefficiencies; ○ nursing services and care delivery approaches to better match them to patients' needs and wishes; and ○ coordination between hospitals and nursing homes. • Quality of care in relation to cost 	<ul style="list-style-type: none"> • Proposed by former GOC member. • Proposed FY12 Budget for Nursing Facilities (0148) is \$71,869,096 in General Fund, \$271,468,065 in Federal Funds and \$32,403,540 in Other Special Revenue Funds. • Medicaid expenditures are audited as part of the State Single Audit, but that work would not cover the items listed in Possible Areas of Focus.

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	Topic	Dept	Possible Areas of Focus	Additional Information
21	Medicaid Waiver - Mental Retardation	DHHS	<ul style="list-style-type: none"> • Rate setting • Differences in rates and hours of service by client • Cost differences in self-directed vs. agency-directed care • Costs per client • Program/service effectiveness and efficiency • Service and performance expectations for contractors • Alignment of contractor efforts with State goals and objectives • Need and appropriateness of services provided • Payments exceeding authorized amounts. 	<ul style="list-style-type: none"> • This topic was requested by a legislator in 2006 and subsequently placed on-deck. • DHHS has had on-going activity in this area to standardize rates, etc. to try to reduce costs. However, this program has recently been in a significant over budget situation that has required DHHS to implement strategies to curtail costs including limitations on services. • Proposed GF budget for FY12 is about \$88.2 million (program #'s 0987 and Z006) and \$88.3 million for FY13. • At GOC meeting on 2-13-09, the State Auditor discussed concerns with Medicaid MR Waiver related to payments to providers exceeding authorized amounts and lack of reasonable basis and support for rates being paid to providers in the Home and Community-based Services Waiver.
22	Pharmaceuticals (Prescription Drugs and Medicaid Drug Rebate)	DHHS	<ul style="list-style-type: none"> • Effectiveness of measures taken to contain costs • Effectiveness of internal controls in place to prevent fraud and abuse related to controlled substances. 	<ul style="list-style-type: none"> • GOC considered this topic during development of 2007-2008 work plan as other states had found savings in this area. • In 2009 the GAO reported on fraudulent, improper or abusive actions related to the prescribing and dispensing of controlled substances. • DHHS had made significant efforts to reduce costs in this area including establishing a preferred drug list. • In FY09, Federal and State expenditures on prescription drugs totaled approximately \$200 million. • The State Single Audit performed by the State Auditor includes a compliance audit of the Medicaid program including audit steps related to prescription drugs and drug rebates. Significant findings have been noted in the past.
23	Public Health Labs	DHHS	<ul style="list-style-type: none"> • Possible outsourcing of some lab work • User fees charged • Testing being conducted by multiple State agencies using different labs. 	<ul style="list-style-type: none"> • GOC considered this topic during development of its 2007-2008 work plan. Other states have found savings in this area. • It appears there are State agencies other than DHHS that also do laboratory work, i.e. Agriculture.

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24	Revenue Collected through the Courts	JUD	<ul style="list-style-type: none"> • Internal controls over collection, deposit, accounting and safeguarding of revenue • Effectiveness and timeliness of collections efforts, i.e. are all funds due the State being collected timely 	<ul style="list-style-type: none"> • OPEGA suggested this topic because it had not been audited for some time and had a potential fiscal impact. • The State Controller's Internal Audit Division is currently completing some work on the tracking and collecting of overdue accounts and will be issuing a report. • According to the Revenue Forecasting Committee's December 2010 report, budgeted revenues through the Judicial Department for fines, forfeitures and penalties were \$32,853,721 and are forecast to be underbudget at \$31,133,161. Revenues from fines are primarily from judicial collections. • Previously the Forecasting Committee has noted that major factors affecting this revenue source are the number of violators being prosecuted, the ability of violators to pay fines and the collection effort implemented by the Judicial Branch.
25	State Lottery	DAFS Bureau of Alcoholic Beverages and Lottery Operations	<ul style="list-style-type: none"> • Reasonableness of administrative and operating expenses; • Revenue maximization; • Cost of goods sold; • Safeguarding of assets 	<ul style="list-style-type: none"> • This topic was put on OPEGA's 2007-2008 work plan as a possible area of savings based on a survey of other states done by OPEGA. • The Lottery is an enterprise account which transfers about \$50 million a year to the General Fund. Allocated expenses of about \$5 million per year do not include expenses for costs of goods sold. Cost of goods sold expenses do not get reviewed by Legislature as part of appropriations process.
26	State Publications	Various	<ul style="list-style-type: none"> • Resources used in preparing and distributing reports and publications • Statutorily required reports: continued need for, usefulness of or less costly means of providing • Opportunities to reduce publication costs. 	<ul style="list-style-type: none"> • This topic was put on OPEGA's 2007-2008 work plan as a possible area of savings from a survey of other states done by OPEGA. • According to a query of the State's financial data warehouse, FY10 expenditures on publishing, printing, binding, photocopying, etc. is approx. \$6.9 million with over half from GF. These costs do not include state employee time. • Believe there is likely some effort to purchase materials as inexpensively as possible through bulk purchasing • A more defined scope for this review would be helpful. Depending on scope, this may be a topic that interns could assist with.

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27	Substance Abuse Treatment Programs in Prison System (Correctional Recovery Academy and Intensive Outpatient Program)	DOC OSA	<ul style="list-style-type: none"> effectiveness and/or cost-effectiveness of programs in rehabilitating participants and reducing recidivism 	<ul style="list-style-type: none"> The Correctional Recovery Academy (CRA) program is a 9 month residential intensive substance abuse treatment program that has the goal of reducing prisoner's dependency on drugs and alcohol. The Intensive Outpatient Program (IOP) is a 16 week outpatient group therapy program for the treatment of drug and alcohol abuse. These programs are a collaboration of the Department of Corrections (MDOC) and DHHS' Office of Substance Abuse (OSA). MDOC and OSA contract for these services with Spectrum Health Systems, Inc. The current contract for \$698,820 expires on 6/30/2011. DOC funding is a combination of federal (\$121,000) and General Fund (\$469,668) dollars. OSA's portion is from Other Special Revenue funds (\$108,152). In June 2006, the Muskie School of Public Service performed an evaluation of the Correctional Recovery Academy and a companion program. The evaluation resulted in some recommendations, including that DOC and OSA may want to consider conducting an evaluation to assess actual program effectiveness.
28	Tax Collection (income, sales, use, fuel, cigarette)	MRS	<ul style="list-style-type: none"> Timely collection and deposit of taxes (including efforts to collect overdue taxes) Effective efforts to assure credits, etc. taken to reduce taxes owed are valid 	<ul style="list-style-type: none"> Other states have found savings in this area. The State offered a Tax Amnesty program in 2003 to collect overdue taxes. The State Auditor audits the various State revenue streams using high level analytics across years and a review of internal financial controls. OPEGA understands that those audits do not include a review of cash flow within a particular year or the quality and effectiveness of collection efforts or audits performed by Maine Revenue Service.

Section D: Topics That Could Potentially Be Removed From On Deck

	Topic	Dept	Possible Areas of Focus	Additional Information
29	Boat Launch Programs in Dept of Conservation and Department of IF&W	DOC IF&W	<ul style="list-style-type: none"> potential similarities in the programs and opportunities for combining them cost-effectiveness of the programs appropriateness, reasonableness and necessity of expenditures 	<ul style="list-style-type: none"> DOC's boat launch program purchases, builds and maintains state-owned public launching sites and assists in the development and maintenance of locally-owned boat launching sites available to the public. The program also marks navigation hazards in 2 dozen selected lakes, and provides grants to lake associations and others for marking another 2 dozen lakes. The proposed FY12 and 13 budgets are about \$2 million. All funding is from Other Special Revenue. IF&W's boat access sites program acquires and develops access sites to Maine public waters following an approved long-range plan. The current budget for this program is \$967,674. The proposed FY12 and 13 budgets are about \$1 million. Funding is about 59% federal funds with remainder from Other Special Rev.

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30	Dirigo Health Program (Insurance Portion)	Dirigo Health Insurance	<ul style="list-style-type: none"> • Original legislation and amendments and policies and rules that have been implemented; • Program expenses; • Estimate of coverage cost for previously uninsured that are enrolled in the program; • Whether State funds would be saved by privatization; • cost of insurance from out of state providers; • policyholder responsibilities for interactions with their providers; and • co-payments. 	<ul style="list-style-type: none"> • Dirigo Health Fund has increased revenues and paid back advances provided by the State. Enrollment caps have been removed and enrollments are increasing. • The FY11 budget for Dirigo Health is \$84,626,547 including \$4,441,791 million from the Fund for Healthy Maine. • The Governor's proposed FY12 & 13 biennial budget did not eliminate Dirigo Health, but reduces revenue for the program by eliminating FHM funding and phasing out insurance carrier assessments over time until the federal health care act begins in 2014.
31	Economic Development Programs (A specific individual program or group of programs as selected by the GOC)	DECD Various	<p>Reducing Overlaps and Administrative Costs</p> <ul style="list-style-type: none"> • Potential overlap among programs; • Opportunities to reduce administrative costs by combining or eliminating programs; • Other opportunities to reduce administrative costs <p>Selected Individual Programs</p> <ul style="list-style-type: none"> • Effectiveness, efficiency, relevancy, overlap with other programs <p>Tax incentive economic development programs as a group</p> <ul style="list-style-type: none"> • Effectiveness, efficiency, relevancy, overlap with other programs 	<ul style="list-style-type: none"> • OPEGA issued the report from its Performance Audit of Economic Development Programs in Maine in December 2006. That report recommended that the Legislature consider further evaluation in the areas listed as possible areas of focus. • A defined scope for further review would need to be selected preferably a specific program or group of programs. • GOC put the Governor's Training Initiative Program on OPEGA's Work Plan in July 2010. Funding for this program has recently decreased and is proposed for elimination in the Governor's FY12-13 budget. • November, 2010 DAFS Task Force issued report to AFA on ways to increase transparency and assess impact of tax expenditure programs such as BETR. There is an LR filed in the current legislative session to implement recommendations from this report but it currently has only a bill title.

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Section D: Topics That Could Potentially Be Removed From On Deck				
	Topic	Dept	Possible Areas of Focus	Additional Information
32	Personal Use of State Assets: recreational vehicles (ATVs, boats, snowmobiles, etc.); airplanes and helicopters; houses and camps	Various	<ul style="list-style-type: none"> • Policies in place regarding personal use of assets • Compliance with policies and how compliance is monitored • Appropriateness of current or past personal use of significant State assets 	<ul style="list-style-type: none"> • This topic is based on a request directed to OPEGA through a legislator by an individual who requested confidentiality. OPEGA conducted minor research in preparation for putting this topic before the GOC for consideration. Research included collecting inventories of these assets from Departments that have them as well as policies governing the use of these assets. • Six departments have assets of this type with the substantial majority being in Departments of Marine Resources, Inland Fisheries & Wildlife and Conservation. Most departments reported that no personal use was allowed, but did not provide written policies that expressly communicate this. IF&W reported that assets (other than airplanes) were available for limited personal use and provided written policies to that affect. • This is a fairly broad topic and would need a more defined scope for OPEGA to complete work in a timely manner.
33	State Administration Staffing	Various	<p>Whether opportunities exist to reduce costs by:</p> <ul style="list-style-type: none"> • altering State organizational structure – layers and spans of control • adjusting total compensation packages for certain categories of employees 	<p style="text-align: center;">◊ <i>Topic originated with a prior OPEGA Report</i></p> <ul style="list-style-type: none"> • OPEGA issued the report from its Fiscal Opportunity Study of State Administration Staffing in May 2008. That report recommended that the Legislature direct the Executive Branch to obtain and provide information that could be used to assess the State's organizational structure and adequacy of total compensation packages. • DAFS contracted for a market study of compensation and the development of standardized organizational charts for the Executive Branch. • OPEGA continues to follow up on actions taken on this report. • OPEGA discussed this with GOC as part of follow-up during 2010 interim.

**OPEGA Work Plan - Topics for Consideration
February 2011**

Section D: Topics That Could Potentially Be Removed From On Deck				
	Topic	Dept	Possible Areas of Focus	Additional Information
34	State Boards, Committees, Commissions and Councils	Various	<p>Opportunities to reduce costs and/or increase efficiencies and State employee productivity by freeing up employee time through:</p> <ul style="list-style-type: none"> • Eliminating Inactive Boards • Eliminating Boards with many vacant seats or reducing the number of members • Eliminating advisory boards • Consolidating regulatory board administration Under OLR • Reducing facility rental and refreshment costs • Standardizing board compensation 	<p style="text-align: center;">◇ Topic originated with a prior OPEGA Report</p> <ul style="list-style-type: none"> • OPEGA issued a report from its Fiscal Opportunity Study of State Boards, Committees, Commissions and Councils in February 2008. The report recommended the Legislature consider seven identified fiscal opportunities. Six of them have not been fully considered. • OPEGA continues to monitor actions on this report to update the GOC. Some items may not be acted on without further work and more specific recommendations although a specific scope would need to be identified for any further OPEGA work. • OPEGA's Director briefed the State and Local Government Committee on this report on March 11, 2009. To OPEGA's knowledge the Committee has not considered the recommendations further.
35	Use of Federal USDA Funds Available to State for Food Stamp Employment and Training 100%	DHHS	<ul style="list-style-type: none"> • Determination of whether any current State activities qualify to be supported by this federal program that the State is not currently drawing from 	<ul style="list-style-type: none"> • Proposed by a former GOC member. • A federal audit conducted in 2008 found that the State had not been correctly capturing DHHS' efforts expended on "Food Stamp Employment and Training 100%. Consequently Maine claimed federal reimbursement of \$63,138 from an available budget of \$1,620,833 - leaving \$1,557,695 unclaimed. • It appears from the auditor's report that employees' time spent on Food Stamp Employment and Training 100% was not being attributed to the program. It is unclear whether the time was being charged to another federal program and reimbursed or whether federal reimbursement was not being sought at all. • OPEGA obtained explanation on them from DHHS and let the interested legislator know we were prepared to share the answer. Legislator did not follow up and OPEGA has not discussed it further with GOC. • According to DHHS, the specific issue raised in the federal audit has been corrected. However, Maine has not and will not be taking full advantage of this federal grant as Maine is not required to run a program and there is not enough need for the service to justify adding more DHHS resources to run one. Services that are required are being provided on an as needed basis and grant funds are accessed for this.