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MAINE STATE LEGISLATURE
GOVERNMENT OVERSIGHT COMMITTEE

FUND FOR A HEALTHY MAINE: PROGRAMS, ALLOCATIONS & EXPENDITURES

On October 7, 2008 the Government Oversight Committee considered and unanimously approved a request from the Joint Standing Committee on Health and Human Services (HHS) for an OPEGA audit of programs funded from the Fund For A Healthy Maine (FHM).

In planning for this review OPEGA considered the HHS Committee's request that the review include:

- *A broad analysis of the efficacy, efficiency and accountability of all current programs funded by and expenditures from the Fund For A Healthy Maine, including examination of existing state and federal oversight and evaluation; and*

- *A comparison between Maine and other states in terms of the degree to which preventive health services are prioritized in the expenditure of funds from the master tobacco settlement agreement.*

OPEGA refined this request into the following questions which will be the focus of the review:

1. How does Maine compare to other states in terms of the degree to which preventive health services are prioritized in the expenditure of funds from the Master Tobacco Settlement Agreement?

2. Are existing managerial and oversight systems adequate to help ensure that activities supported by the Fund For A Healthy Maine:

   - are cost-effective and carried out in an efficient and economical manner[1]; and
   - have sufficient transparency and accountability for results and expenditures[2]?

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[1] **Cost-effective** is defined as economical in terms of tangible benefits produced by money spent, OR productive or effective in relation to its cost. **Efficient** is defined as acting or producing effectively with a minimum of waste, expense, or unnecessary effort. **Economical** is defined as thrifty in management; not wasteful or extravagant.

[2] **Transparency** is defined as the state of being transparent - free from pretense or deceit; easily detected or seen through; readily understood; and/or characterized by visibility or accessibility of information especially concerning business practices. **Accountability** is defined as the state of being accountable - subject to giving an account (answerable) and/or capable of being accounted for (explainable).

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To produce a timely result for the Legislature, the work related to Question 2 has been divided into two phases with distinct focuses:

> Phase I. Do current processes for developing Fund For A Healthy Maine budgets/allocations provide sufficient accountability and transparency for FHM-supported activities and take into consideration the cost-effectiveness of those activities?
>
> Phase II. Are existing financial and performance management processes adequate to help ensure that activities supported by the Fund For A Healthy Maine are cost-effective, efficient and economical, and have sufficient transparency and accountability with regard to expenditures and outcomes?

The final report for Question 1 and Question 2, Phase I is expected during the first quarter of 2009. Work on Question 2, Phase II will commence thereafter. An expected due date for that report has yet to be determined.