

# Report Highlights

OPEGA Report No.  
SR-FHM-08

To get a copy of the full report, or for more information, visit the website listed at the bottom of this page or contact OPEGA at (207) 287-1901

October  
2009

## Fund for a Healthy Maine Programs - Frameworks Adequate for Ensuring Cost-Effective Activities but Fund Allocations Should be Reassessed; Cost Data and Transparency Can Be Improved



### What questions was this OPEGA review intended to answer?

Are existing managerial and oversight systems (frameworks) adequate to help ensure that activities supported by the Fund for a Healthy Maine (FHM):

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

### What was OPEGA's overall conclusion?

For the four FHM programs OPEGA reviewed in depth, adequate frameworks were in place for ensuring cost-effectiveness of specific activities. However, there does not appear to be a process for periodically reassessing Fund allocations to the various health-related efforts to assure the Fund as a whole is advancing the State's health vision and goals in the most cost-effective manner. The ability to have on-going, meaningful conversations regarding the Fund and the activities it supports is currently challenged by:

- an apparent reluctance to deviate from the agreement made 10 years ago regarding the original menu of activities and funding levels;
- lack of clarity as to which State entity is formally responsible for assuring the Fund as a whole is cost-effectively supporting State health goals and strategies;
- incomplete financial and performance data at the activity level (unless the activity is captured solely by one budgetary program or contract);
- general, vague and sometimes inaccurate descriptions of budgetary programs in budget documents submitted by the Governor to the Legislature; and
- poor alignment of financial and performance information between budgetary programs, the key activities within them, and the administrative functions that support them.

Some of these challenges are not unique to the Fund for a Healthy Maine. In fact, OPEGA has commented on similar weaknesses in the financial and performance information available to policy and decision-makers in several reports over the last four years.

### What actions has OPEGA suggested?

OPEGA suggested the Legislature consider taking action to:

- ⇒ Initiate an effort to assess whether the existing FHM allocations still make sense within the current health environment.
- ⇒ Formally assigning responsibility for periodically reassessing the Fund allocations to a specific State entity or entities.
- ⇒ Improve the alignment of budgetary programs and cost information with the State's health goals, efforts and related performance information.
- ⇒ Require agencies to provide certain desired information within the program descriptions that are submitted with the Governor's Budget.

OPEGA recommended that management take action to:

- ⇒ Develop and implement policies and procedures necessary to ensure budgetary program descriptions are as current, complete, specific and accurate as is practical.
- ⇒ Use the State's accounting system to track costs for the major activities associated with budgetary programs.