

## Conclusions

The observations included in this section are not presented as final conclusions. Rather, these comments represent a starting point from which additional questions must be asked and analysis conducted.

The data provided by DMH was informative and provides some insight into the performance of its programs and activities. However, the data have not been independently verified. Consequently, it should be used with care to inform the Council and other stakeholders about the current state of DMH programs and activities. As noted in the 2005 "Benchmarking in the District of Columbia" Special Studies Report, staff needs to be trained when asked to participate in data collection and benchmarking efforts.

Areas where additional efforts are needed include the following:

- **Compensation:** To provide needed information, DMH should provide information that shows how Personal Services expenditures are distributed according to the categories defined in the Council legislation (i.e., Span of Control categories). Also, information provided regarding expenditures is often incomplete, with some but not all of the requested categories provided, or with only one or two of the requested fiscal years' data provided. For data that is available, changes in Personal Service budgets do not always appear to make sense when compared to changes in FTEs. For example, at times, FTEs attributed to a program are decreasing significantly while Personal Services budgets are increasing. Such inconsistencies suggest that FTEs and/or Personal Service expenditures are not accurately attributed to programs and activities.
- **Expenditures:** The allocation of expenditures according to the DMH FY 2006 activity structure should be reviewed for accuracy. In some cases, activities only include personal services expenditures, without corresponding expenditures for supplies and equipment. In the context of performance budgeting, it is important to accurately and consistently allocate expenditures to each activity or service to reflect (as much as practical) the full resource requirements to achieve activity or service performance targets. Without this information, it is not possible to ensure that budgeted resources are aligned with performance targets.
- **Beneficiaries and Services:** Only three DMH activities included Output data to illustrate the benefit of services to its recipients. Some activities reported Output Measures as a percentage rather than a number. These measures should be redefined to represent numbers (units) of Output produced or delivered. The lack of Output Measures for other activities makes it difficult to

determine whether existing measures are adequately reflecting the full scope of individuals served or service units provided and whether existing targets are realistic, which compromises a reader's ability to measure and understand the financial and performance trends as they relate to service delivery.

- **Efficiencies/Unit Costs:** DMH did not report costs (or expenditures) per beneficiary or service unit (i.e., Output). As the District continues to implement performance based budgeting, Efficiency Measures will become increasingly important. To obtain quality Efficiency information, DMH will need to resolve concerns around the allocation of expenditures across activities and/or services.
- **Benchmarks:** DMH provided one set of benchmarking data that applied to one Activity. While the measure was one recognized at the national level for Mental Health services, the data provided in this study did not appear to be an 'apples to apples' comparison of the same service recipients within the same time frames. DMH would benefit from the use of additional benchmark data to better understand the efficiency and effectiveness of its service delivery.

To improve the utility of its performance measurement, in addition to previously defined measures, DMH might consider including appropriate benchmarks in the Strategic Business Plan and using federally or nationally defined measures to track activity Outputs and Results. This approach has several advantages: first, DMH is already required to collect and report data on federally defined measures, so using these for performance budgeting may avoid additional measurement and reporting for locally defined measures; second, federally defined measures are collected by all states, providing readily available benchmark data for activity Outputs and Results; finally, many federally defined measures are used to allocate performance awards to the District and other jurisdictions, so focusing on and improving performance on these measures helps the District earn additional federal revenue. Some federal measures may not be appropriate for the District or DMH, and appropriateness needs to be taken into consideration when defining measures that will be useful for the District's performance based budgets.

The following databases and/or publications offer performance indicator information and potential benchmark measures for this purpose:

- Substance Abuse and Mental Health Services Administration, National Mental Health Information Center (<http://www.mhsip.org/>)
  - Mental Health Statistics Improvement Program
  - Sixteen State Indicator Project; and
- U.S. Department of Health and Human Services: Substance Abuse and Mental Health Services Administration/Center for Mental Health Services (SAMHSA), various publications

It may prove beneficial to obtain assistance with national benchmark research.

The agency should also consider benchmarking with other District agencies on comparable internal data from the Agency Management Program (e.g., personnel management expenditures per FTE, facility maintenance expenditures per square foot, etc.).

Finally, it is essential in presenting benchmarks that the data be comparable. Training in benchmarking skills might improve the Department's ability to realize more benefit from these comparisons.