

Legislating for Results: Update of Spending on Evidence-Based Programming



NEW MEXICO DEPARTMENT OF
FINANCE & ADMINISTRATION



NEW MEXICO
LEGISLATIVE
FINANCE
COMMITTEE

What is the Accountability in Government Act?

More flexibility in return for more transparency

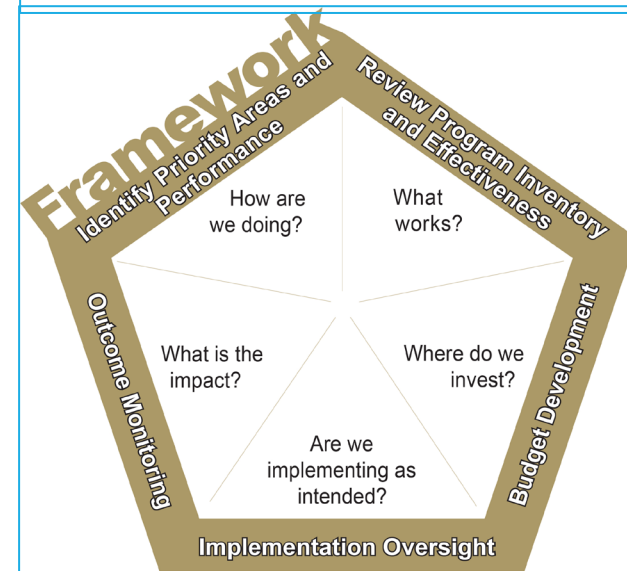
Formalizes process for:

- ✓ developing goals; measuring performance; understanding what we are doing well and where we need to improve

General Appropriations Act of 1996

STATE COMMISSION OF PUBLIC RECORDS:	
(a) Personal services	854.0
(b) Employee benefits	317.9
(c) Travel	8.0
(d) Maintenance and repairs	88.3
(e) Supplies and materials	5.6
(f) Contractual services	4.3
(g) Operating costs	150.1
(h) Other costs	
(i) Capital outlay	3.0
(j) Out-of-state travel	2.5
(k) Other financing uses	.9

*New Mexico follows the Legislating for results framework, which is consistent with best practices from the federal Government Accountability Office (GAO)





Purpose of the AGA

Hold government accountable for the use of public dollars

- What are we paying for? Is it working?

Promote continuous improvement and evidence-based decision making

- Are we spending taxpayer dollars as effectively as possible?

Integrate budget and performance

- More resources to expand effective programs?
- Restructure, scale-back, or eliminate ineffective programs?

Performance Measures

Output: measures “how much” was produced or provided

- ✓ Number of jobs created by the Economic Development Department

Efficiency: measures the relationship between the amount produced and the resources used

- ✓ Average regulatory cost per live race day at each racetrack

Quality: used to determine whether customer expectations are being met

- ✓ Average call center wait time to reach an agent

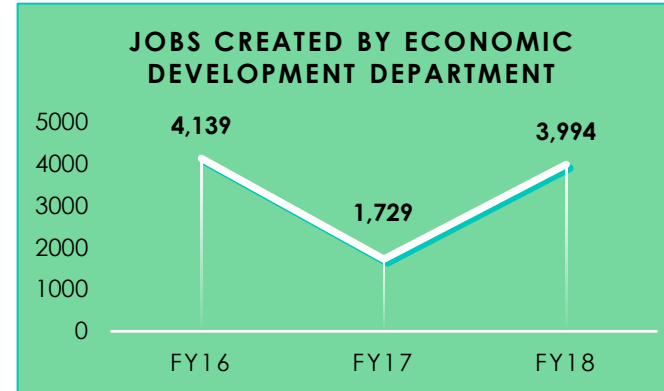
Explanatory: where agency only has a peripheral impact but the data is of high interest to the public

- ✓ Child poverty rate

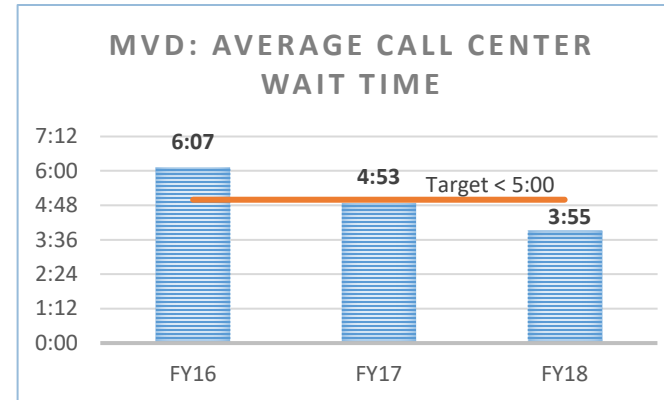
Outcome: used to measure the impact of a core function, product, or service in relation to the goals and objectives of a program

- ✓ Percent of eighth-grade students who achieve proficiency or above on the standards-based assessment in mathematics

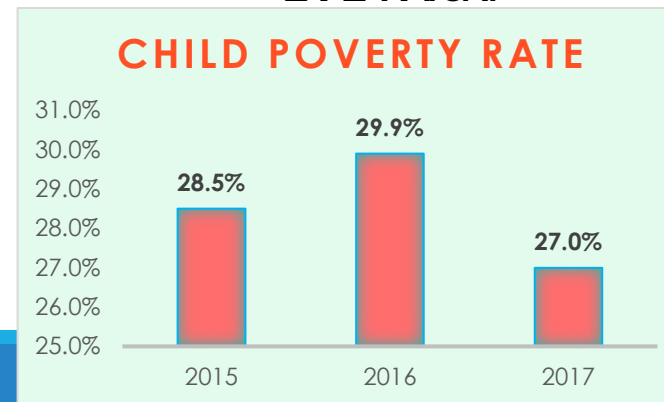
OUTPUT



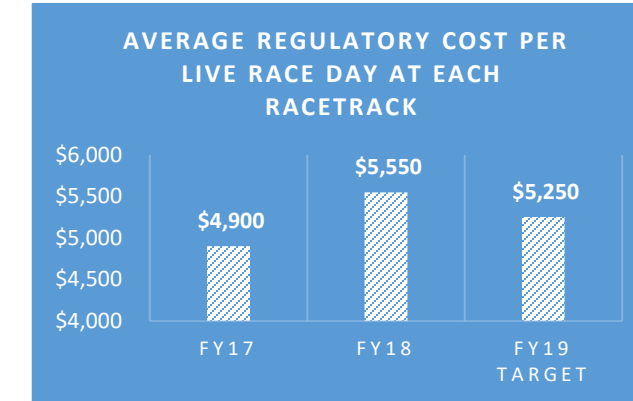
QUALITY



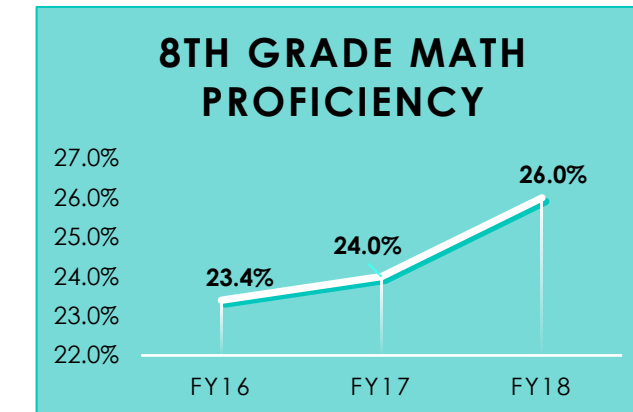
EXPLANATORY



EFFICIENCY

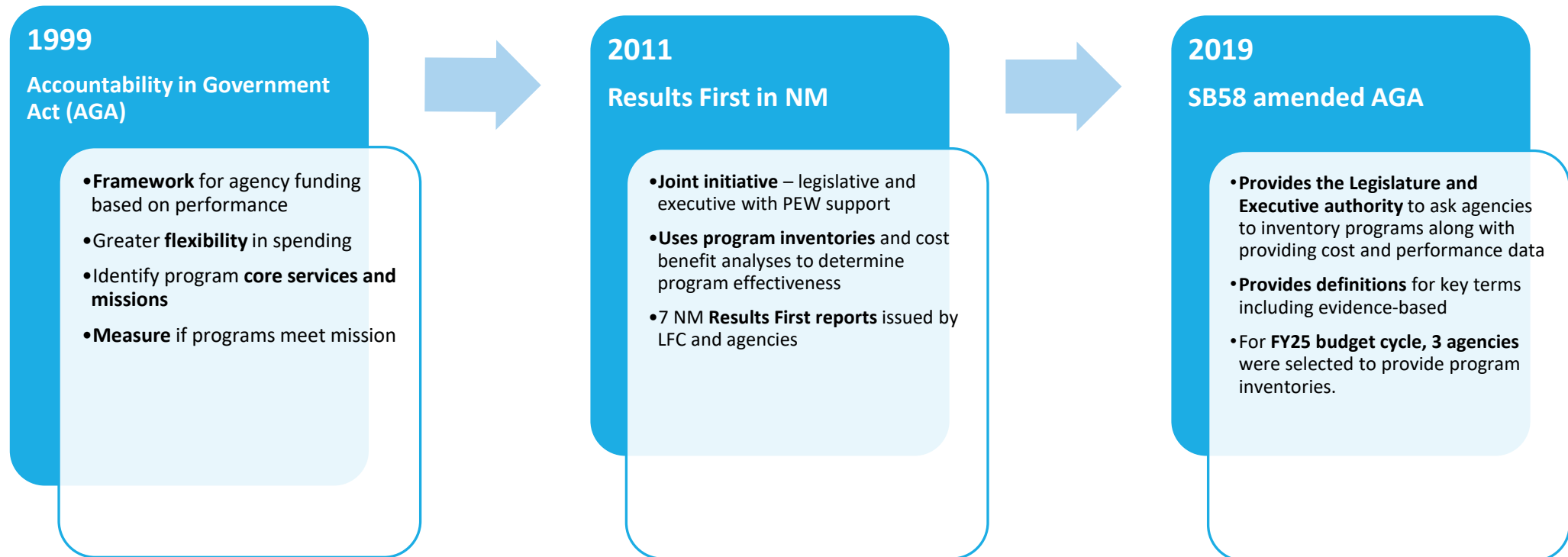


OUTCOME



New Addition to the AGA: Program Inventories

Senate Bill 58 of 2019 expanded the Accountability in Government Act to include program inventories for certain large agencies.



What does the AGA program inventory process do?

1. Avenue for the legislature and executive to collaborate on examining program information

2. Provides definitions of evidence

3. Helps unpack what programs agencies are funding versus the 3 categories provided in HB2

4. Outlines deliverables for agencies to submit with their budget:

- ✓ Results of the program inventory

- ✓ Summary of how the agency has prioritized evidence-based programs



New Mexico's Levels of Evidence Definitions

Statute Defines Three levels of evidence

Evidence-based: means that a program or practice: (1) incorporates methods demonstrated to be effective for the intended population through scientifically based research, including statistically controlled evaluations or randomized trials; (2) can be implemented with a set of procedures to allow successful replication in New Mexico; and (3) when possible, has been determined to be cost beneficial

Research-based: means that a program or practice has some research demonstrating effectiveness, but does not yet meet the standard of evidence-based;

Promising: means that a program or practice, based on statistical analyses or preliminary research, presents potential for becoming research-based or evidence-based

Agencies use the Evidence to Impact Collaborative Clearinghouse Database to determine categorization

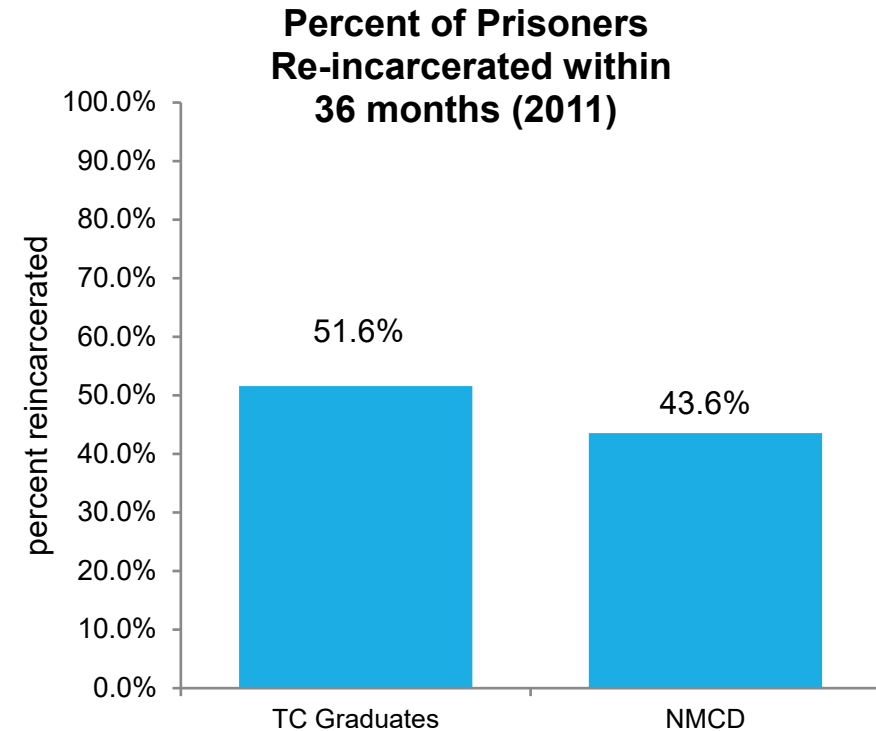
Program inventories also include additional categories:

- **Varied:** For some providers offering multiple programs that did not provide service level information
- **Lacking Evaluation:** Used when additional evaluation is needed, and
- **Unclassified:** Used when an agency did not categorize the level of evidence a program has.

New Mexico has seen success with examination of program outcomes

These include:

- Corrections committing to using 80 percent evidence-based programming after finding poor implementation of a SUD program;
- Prekindergarten outcomes and expansions;
- Continued expansion of home visiting; and
- New Mexico codifying differential response into law in 2019



Source: NMCD

Overview of Findings from 2023 Inventories

Of the 3 agencies and 6 divisions, there was \$1.8 billion in total spending

- 13% overall from selected agencies spent on evidence-based programming, 68% not classified

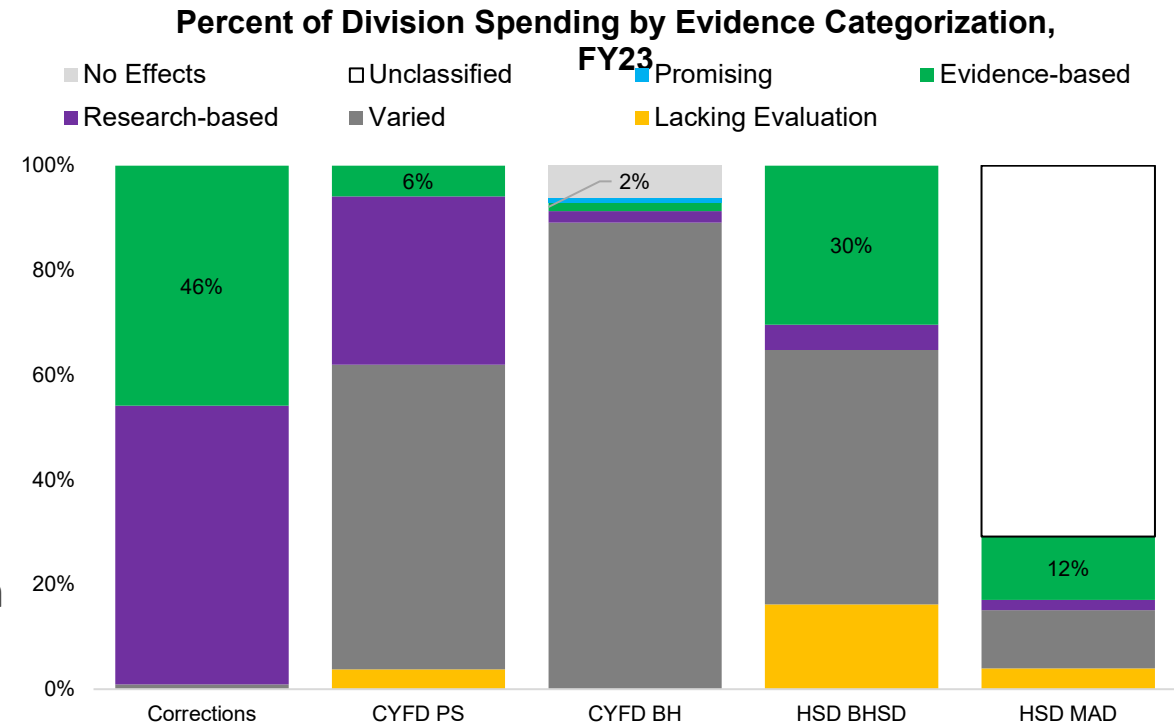
Corrections spent the highest proportion on evidence-based programs potentially due to them adopting program inventories early on

Challenges:

- Widespread contracting without accountability
- Potential implementation issues shown through some low completion rates

Positives:

- Agencies shifting towards contracting for programs shown to work and adding oversight



NMCD- Reentry and Inmate Management and Control

Spending

- Corrections expenditures:
 - FY23 = \$12.9M FY24 budget = \$16.5M FY25 request = \$17.3M
- 46% of divisions' programmatic spending (\$5.9 million) was on evidence-based programming;

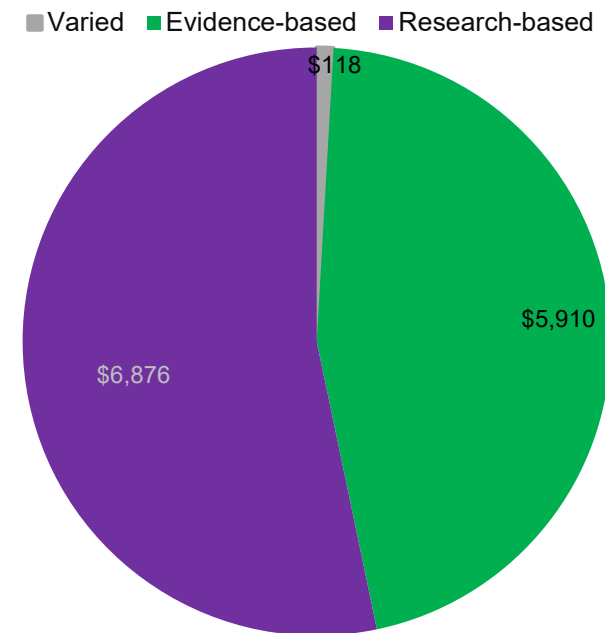
Program Summary

- Corrections reported spending the most on adult basic education, a research-based program
- It serves the most people in prison with the Residential Drug Abuse Program (RDAP), an evidence-based program

Challenges

- Persistent low completion rates for some programs including RDAP and Cognitive Behavioral Interventions

Corrections IMAC and Reentry Programmatic Expenditures by Evidence-Categorization, FY23
(in thousands)



Note: Programs under \$100 thousand were not reported in the inventory. These amounted to \$1.1 million.

CYFD- Protective Services Prevention and Intervention Services

Spending

- Protective Services prevention/intervention expenditures:
 - FY23 = \$10.2M FY24 budget = \$24.8M FY25 request = \$37.5M

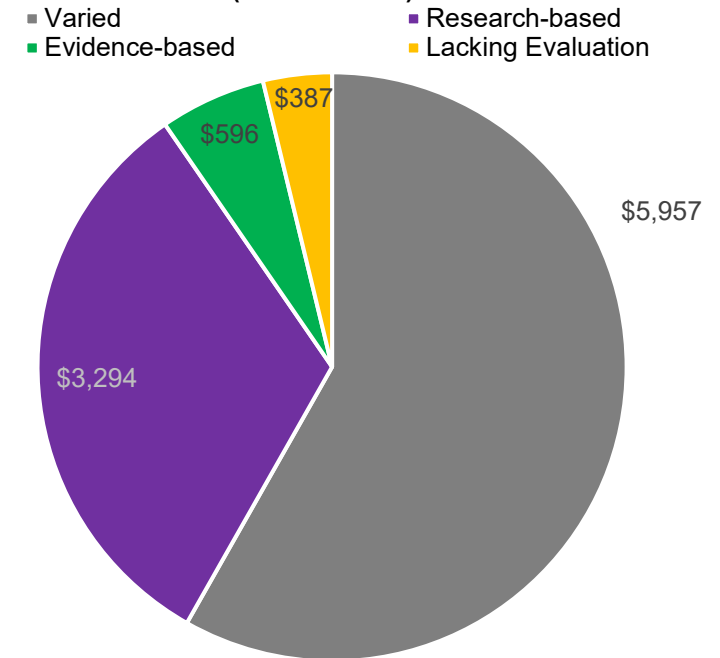
Program Summary

- Protective Services spent the most (\$5.8M) on their Community Based Prevention, Intervention and Reunification Programming (CBPIR), an assortment of services, or curricula, with varying levels of evidence. This program did not capture expenditure and participation data at the intervention level.

Challenges

- For FY23, the agency did not have data regarding expenditures and family participation within each curriculum under the CBPIR umbrella. Data collection requirements for contractors are being modified to allow for analysis at a more granular level.
- In FY24, Protective Services made it a contractual requirement that providers must use curricula categorized as promising or higher in the Evidence to Impact Collaborative Clearinghouse Database and developed an electronic health record platform designed specifically for participating behavioral health organizations.

CYFD Protective Services Prevention and Intervention Expenditures by Evidence-Categorization, FY23
(in thousands)



CYFD- Behavioral Health

Spending

- CYFD-BH programmatic expenditures:
 - FY23 = \$23.1M FY24 budget = \$24.7M FY25 request = \$24.7M
- \$20.6M, or 89% of FY23 programmatic expenditures went towards programs not capturing expenditure and participation data at the intervention level.

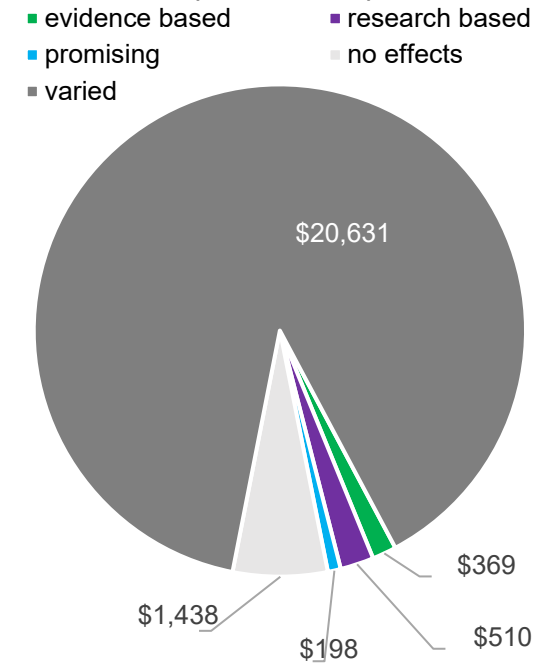
Program Summary

- Domestic Violence Survivor Services, a varied program, was CYFD-BH's largest programmatic area in FY23, with expenses totaling \$13.4M.

Challenges

- Much of BH's programming was categorized as varied since expenditure and participation data is not captured at the intervention level by providers.

**CYFD-Behavioral Health
Programmatic Expenditures by
Evidence-Categorization, FY23
(in thousands)**



HSD- Medical Assistance Division

Spending

- HSD-Medical Assistance Division's programmatic expenditures:
 - FY23 = \$1.7B FY24 budget = NR FY25 request = NR
- 12% of MAD's programmatic spending (\$241 million) was on evidence-based programming.
- 71% of MAD's programmatic spending (\$1.2 billion) was on unclassified Medicaid services.

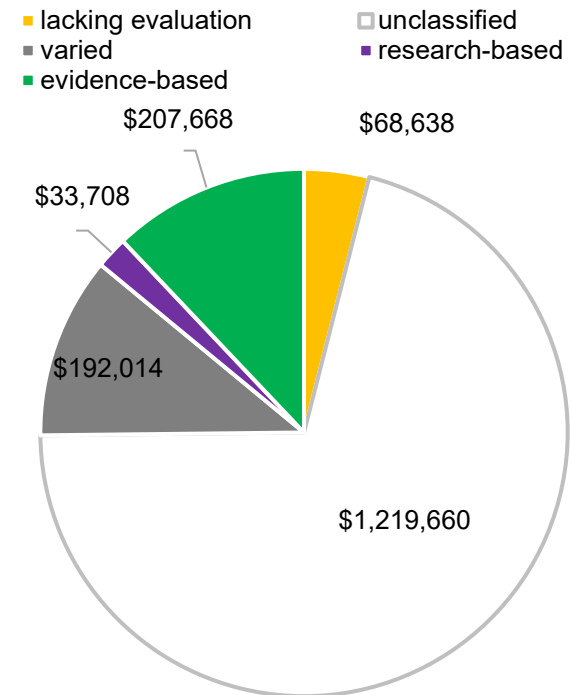
Program Summary

- MAD reported expending the most on psychotherapy, an unclassified program, reported as multiple different Medicaid service codes and accounts for at least \$900 million dollars of expenditures,
- MAD served the most people through various therapy billing codes

Challenges

- The agency did not classify 76 of the 92 (83%) Medicaid services provided, which accounts for \$1.2 billion in total expenditures (71%).
- The agency does not have service specific data for 3 programs included in the inventory, and so MAD should amend contracts to better collect data on types services provided within programs.

**HSD Medical Assistance Division
Programmatic Expenditures, FY23
(in thousands)**



Source: LFC analysis of BHSD data

HSD- Behavioral Health Services Division

Spending

- HSD-BHSD expenditures:
 - FY23 = \$40M FY24 budget = NR FY25 request = NR
- 30% of BHSD's programmatic spending was on evidence--based programming
- 49% of BHSD's programmatic spending was on programming that does not capture expenditure or participant data at the intervention level

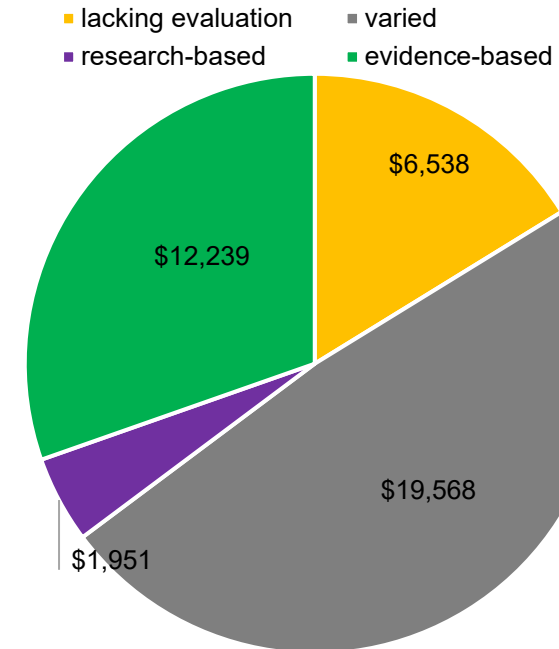
Program Summary

- BHSD spent the most on Adult Accredited Residential Treatment Centers, which do not provide intervention level information.
- The agency serves the most people through Certified Peer Support programs, which also does not provide intervention level information.

Challenges

- The agency does not have service specific data for 16 of the 36 programs BHSD included, and so BHSD should amend contracts to better collect data on types services provided within programs.
- Clients may use services for various lengths of time so HSD should determine appropriate metrics for program completion or client progress or outcomes.

BHSD Programmatic Expenditures by Evidence-Categorization, FY23
(in thousands)



Source: LFC analysis of BHSD data

Next steps

Agencies are making progress in categorizing and reporting programmatic data to comply with the AGA.

To continue making progress...

Agencies delivering programs via contracted providers should improve contracting oversight by:

- 1) Ensure HSD and CYFD BH follow CYFD PS and Corrections in writing into their Require implementing programs that have some type of research behind them
- 2) Corrections, HSD, and CYFD BH should require reporting of service level data
 - For health information, build provider capacity to track types of services provided along with outcome information.

Agencies and the Legislature should consider how to continue to support rigorous and consistent evaluation of state programming

Continue annual inventory and reporting for current SB58 agencies. Target adding one to two more agencies/divisions each year.

Integrate these data into Legistat and the budget hearing process