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## ACCOUNTABILITY REPORT FISCAL YEAR 2002-2003

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**SOUTH CAROLINA DEPARTMENT OF  
ALCOHOL AND OTHER DRUG ABUSE SERVICES  
(DAODAS)**

**ACCOUNTABILITY  
REPORT**

**FISCAL YEAR 2002-2003**

# Section One

## Executive Summary

### Introduction

The use of alcohol, tobacco and other drugs affects South Carolinians of all ages and from all walks of life. Problems resulting from these substances surface in our homes and schools, on our roads and highways, and in our workplaces and criminal justice system. As a result, the social cost to South Carolinians in direct and indirect costs is approximately \$2.5 billion per year.

Recognizing the need for direct services for the general public, as well as for specific high-risk groups, the South Carolina Department of Alcohol and Other Drug Abuse Services (DAODAS) offers a wide array of prevention, intervention and treatment services through a community-based system of care. Although DAODAS subcontracts with 33 county alcohol and drug abuse authorities to provide the majority of direct services to citizens in all 46 counties of the state, the department also provides direct services for incarcerated youth, coordinates services for incarcerated youth when they are released back into the community, and coordinates direct services for the population of recovering healthcare professionals. Since the county alcohol and drug abuse authorities were created in 1973, they have provided intervention and treatment services to more than one million South Carolinians and touched the lives of millions of additional individuals and families through the many prevention activities coordinated and provided by this system.

DAODAS estimates that approximately 235,884 individuals in South Carolina are suffering from substance abuse problems that require immediate intervention and treatment. With a problem of this magnitude, the department must continue to ensure that individuals and families find the help they need through the vital services offered by DAODAS and the statewide system of county alcohol and drug abuse authorities (local provider network). During fiscal year 2003 (FY03), DAODAS and its provider network met this need for 48,818 South Carolinians.

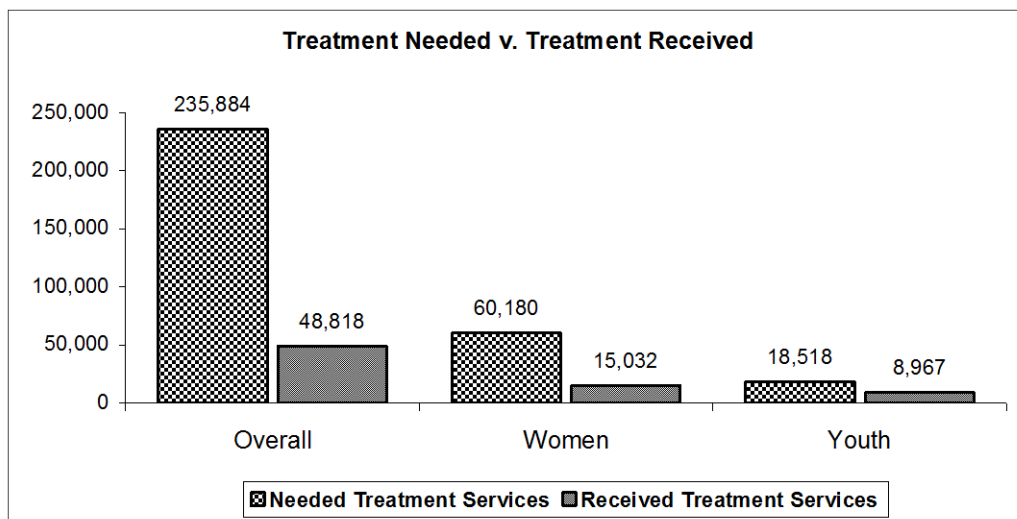


Figure 1. (Source: DAODAS Division of Programs and Governmental Affairs, Office of Management Information and Research; FY03 Unique Unduplicated Clients, DCSL Based, Special Demographics – Numbers based on definitions as included in the Diagnostic and Statistical Manual of Mental Disorders [(DSM-IV-TR)].

### Mission and Values

The DAODAS mission statement focuses on the citizen-client.

*“To ensure the provision of quality services to prevent or reduce the negative consequences of substance use and addictions.”*

At the heart of this statement are the agency’s core values of respect, integrity and dedication. The department adheres to guiding principles that outline how the agency and its employees conduct business. Among others, these principles include:

- the belief that addiction is a preventable and treatable disease and that DAODAS must provide statewide leadership on all substance use and addiction issues;
- the citizen-client is the priority;
- DAODAS will work collaboratively with both the public and private system of substance abuse providers; and
- DAODAS will collaborate more effectively with other state agencies to achieve positive outcomes for common citizen-clients.

### Key Strategic Goals

The overall strategic goal for DAODAS states that:

*“Clients in treatment will achieve sustainable recovery; and client attitudes and behaviors will change leading them to refrain from use (abstinence), refrain from abuse and reduce harm.”*

DAODAS will achieve the following strategic goals:

- 1) Improve the effectiveness of treatment and intervention programs;
- 2) Improve the effectiveness of prevention programs;
- 3) Improve the efficiency of the service-delivery system;
- 4) Ensure that all clients and the citizenry are stimulated and engaged;
- 5) Collaborate more effectively with service providers and stakeholders; and
- 6) Provide the necessary resources to improve the agency’s capacity to provide efficient and effective services.

### Opportunities and Barriers

DAODAS sees the implementation of the Malcolm Baldrige National Award Criteria as an opportunity to address a range of issues important to the delivery of alcohol and other drug (AOD) abuse services to the citizen-client, to include collaborating more effectively with the local provider network and increasing access to services for the Medicaid population, as well as identifying new customers. This opportunity also allows the department to link the strategic planning process more effectively with the needs of the citizen-client and the provider network, while also emphasizing management, accountability and performance.

Several challenges arose during FY03 that the department addressed, in conjunction with managing state budget cuts. First, the agency and its local provider network came into compliance with the Health Insurance Portability and Accountability Act (HIPAA) of 1996,

which mandated that all agencies receiving federal funds implement national standards for electronic healthcare transactions and code sets. In addition, DAODAS was named a lead agency in implementing gambling addiction services funded by unclaimed prize money from the South Carolina Education Lottery. If these funds are awarded, the department will be responsible for implementing a plan to distribute the funds and treat this new population.

The department also addressed nicotine dependence during FY03 and funded local providers to begin emphasizing nicotine dependence as part of the substance abuse continuum of service. Local providers, who were awarded \$10,000 each per a request for proposal process (RFP), now have plans in place to implement smoke free campuses as well as provide smoking cessation services to its client population.

*Budget Cuts.* Specifically, DAODAS began FY03 having suffered a combined 28.49 percent state funding cut (May 2001 – June 2002, plus FY03) for a total cut of \$3.44 million. During mid-FY03, the agency suffered two additional cuts totaling 8.73 percent, or \$862,296. The total \$4.30 million cut brought the agency's total state funding to \$10.08 million, which represented the lowest level of state appropriations received by the department since the decade of the 1990s, as agency funding was static throughout most of that period. No new recurring dollars were received until fiscal year 2000. For FY04, the agency suffered an additional 12.97% state budget cut, or \$1,196 million. Since May of 2001, the agency has been cut 50.19% from its base budget totaling \$5,502,594.

The department and its providers have received the largest proportional state funding cuts of any state agency. The Institute for Research, Education and Training in Addictions has reported that for every dollar invested in addictions treatment, the taxpayer saves at least \$7.46 in costs to society. Therefore, conservatively, South Carolina could have saved approximately \$41 million in costs to society, including costs of incarceration, drug related crime, hospitalizations and other societal ills, if these cuts had not been taken by the department and its providers.

In spite of these severe reductions, the agency remains mission-focused as it attempts to maintain existing services while partnering to develop new strategies to provide services and to include an emphasis on management, accountability and performance. To manage these state funding reductions and to plan for potential future cuts, DAODAS has focused on efficiency and effectiveness. The department again restructured its organization to better meet the needs of our customers and along with maintaining a 17 percent vacancy rate, implemented voluntary separation, a retirement incentive program and a reduction in force (RIF), impacting 15 employees. The agency continues to spread duties among existing staff and reduce miscellaneous grant awards. The department has also reduced expenses by freezing out-of-state travel, decreasing its cell phone inventory, reducing its fleet of vehicles, and holding most trainings in Columbia. Additionally, since the size of the staff at DAODAS has been reduced, the agency was able to change its leasing arrangement and thus decrease the fixed cost of rent.

The department, in partnership with the local provider network and other state agencies, continues to achieve its overarching goal of delivering prevention, intervention and treatment services to the citizen-client. To accomplish sustainable recovery for the citizen-client, the agency works to identify and tap alternative funding sources to meet its mission of providing

quality services to prevent or reduce the negative consequences of substance abuse and addiction. This includes recently applying for a \$5 million grant to address co-occurring disorders through the Center for Substance Abuse Treatment. The department has also worked to better manage stable funding streams and has increased Medicaid billing for the fifth consecutive year, thereby increasing access to services for the citizen-client. The following two charts reflect the increases in Medicaid revenues and number of Medicaid clients.

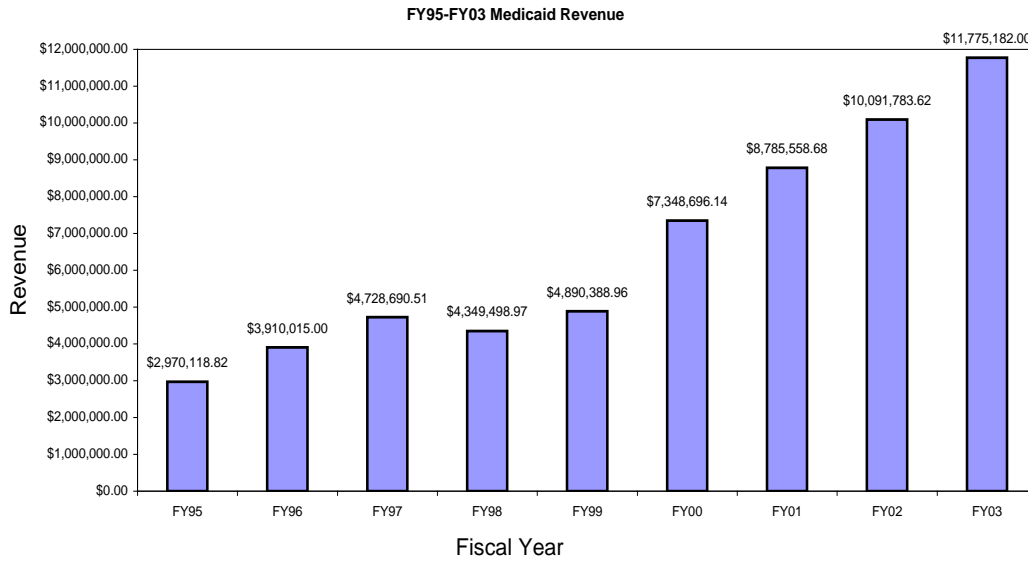


Figure 2 (Source: DAODAS Division of Finance and Operations / South Carolina Department of Health and Human Services Report; FY95-03; Total Medicaid Billing.)

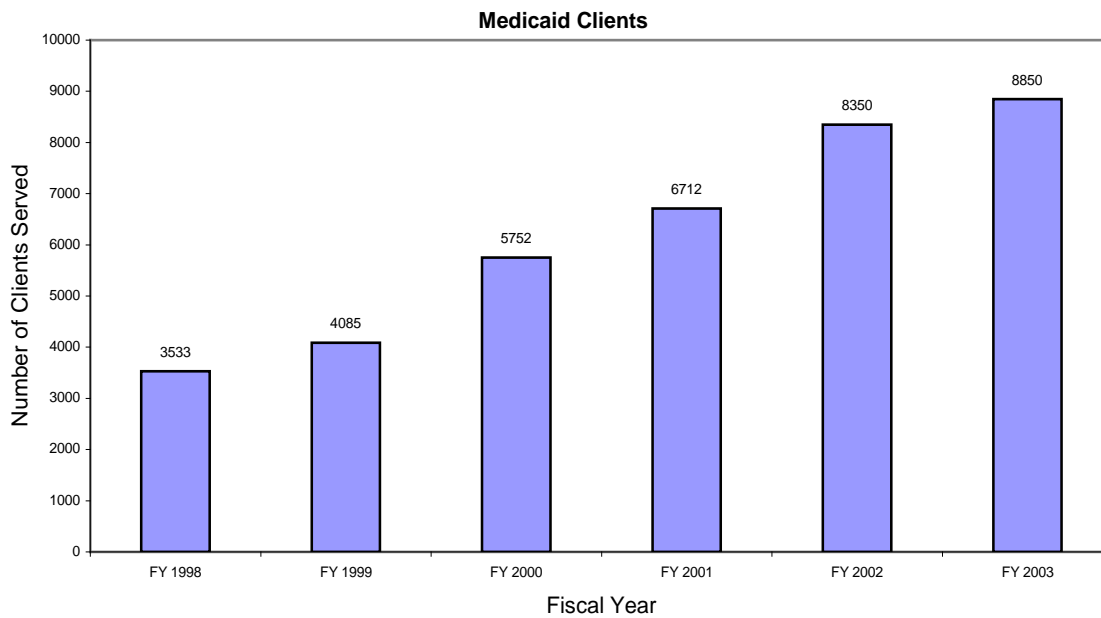


Figure 3 (Source: DAODAS Division of Programs and Governmental Affairs, Office of Utilization Review / South Carolina Department of Health and Human Services Report; FY98-03; Unique Unduplicated Clients.)

The department has also applied to the State Budget and Control Board for a grant of \$500,000 to provide services to those suffering from a gambling addiction. State law, as codified under Section 59-150-230 (I) of the Code of Laws of South Carolina, as amended, identifies DAODAS, along with other providers as certified by the National Council on Problem Gamblers, as the first in line of agencies to receive unclaimed prize monies from the South Carolina Education Lottery to fund prevention and treatment of compulsive gambling disorders. In addition, Part IB of H3749, as ratified by the South Carolina Legislature on June 3, 2003, includes proviso 12.3 which further directs the department through its local provider network to provide information, education and referral services to persons experiencing gambling addictions.

In addition, the SAPT Block Grant received by the state of South Carolina to fund the bulk of prevention, intervention and treatment services to the citizens of the state requires that the department, and thus the state, to meet an obligation known as the Federal Maintenance of Effort (MOE). This means that the department must expend state funds in an aggregate amount that is not less than the average expenditures of the previous two fiscal years. State budget cuts have severely and adversely impacted the department's ability to meet the MOE. Federal law allows the state to apply to the Secretary of the United States Department of Health and Human Services for a waiver of the MOE requirement, if the state can prove 'extraordinary economic conditions' that include certain conditions in unemployment and collection of tax revenue. The department submitted documentation of these 'extraordinary circumstances' and was granted a waiver for its 2003 block grant application. For the FY04 block grant application, the department anticipates an additional shortfall in meeting its MOE obligation. Penalties can include a dollar-for-dollar payback for the amount for which the state is out of compliance.

*Administration.* The department has also faced a challenge in that it has had three Executive Directors since May of 2002. These administrative changes, while positive in many respects, has impacted several of the projected activities listed in previous accountability reports and impacted the department's overall direction. With the inauguration of Governor Mark Sanford and the naming of W. Lee Catoe as Director, as other senior managers, the department is now ready to move forward focusing on management, accountability and performance as envisioned by the Mr. Catoe and Governor Sanford.

There is still much work to be done in meeting the needs of the citizen-client. This includes continued management of the budgets cut taken since May 2001, and potential future budget reductions. The department must continue to identify and tap stable funding streams (e.g., Medicaid) and continue to collaborate with the local provider network and partner state agencies – all of which have suffered concomitant budget reductions, which impact not only those agencies, but also the shared citizen-clients served. DAODAS will continue to focus on maintaining services at current levels for all citizen-clients. These realities will be the basis for the agency's FY04-05 budget request.

#### Major Achievements

To meet the continuing demand for AOD abuse services, DAODAS took a proactive approach in serving the citizen-client during state FY03 and, in the face of severe state budget cuts (50 percent, or \$5.502 million), DAODAS continued to achieve many of the agency's strategic goals

and its overarching goal of achieving sustainable recovery for the citizen-client, while reducing use, abuse and harm.

*Medicaid.* The department, in conjunction with the South Carolina Department of Health and Human Services and the county alcohol and drug abuse authorities, has worked during the year to continue to provide treatment to the Medicaid population. Two significant achievements have occurred; intensive family services, a family centered service, has been expanded to twenty-one alcohol and drug abuse providers to enable the service to be delivered in more rural communities; and the entire Medicaid manual of standards applicable to alcohol and drug abuse providers was rewritten and published. The HHS collaboration effort is a hallmark of customer service.

*Strategic Planning.* The agency continues to refine its strategic plan. To that end, the agency maintains a focus on client outcomes and continues to emphasize the statewide client outcome system as required by the Governmental Performance and Results Act (GPRA) and the state contractual “Goals of Effectiveness” benchmarks designed to enhance client engagement and retention. Additional objectives have been added in concert with Governor Mark Sanford’s office for alcohol and drug abuse clients. These include: a) reducing their involvement with the criminal justice system; b) increasing employment or involvement in productive activities; c) reducing hospital emergency room admissions; d) reducing the five year detox recidivism rate; and e) reducing homelessness, and f) decreasing tobacco sales to underage youth.

*Federal Mandates.* DAODAS continues to be successful in satisfying federal mandates. The agency and its local partners participated in the federally required *Youth Access to Tobacco Study* to reduce South Carolina youth’s access to tobacco. Federal law requires states to conduct annual, random, unannounced inspections of a statewide sampling of tobacco vendors to assess their compliance with the state law (§17-17-500) that prohibits retailers from selling tobacco products to minors. Continuing a steady decline in this rate, the department documented a purchase rate of 11.9 percent in 2003. This is lower than the 15.5 percent documented in 2002 and well below the federal requirement of 20 percent. By continuing to successfully achieve this requirement, the department has forestalled a possible 40 percent, approximately \$8 million, cut in federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funding.

*Prevention Programming.* During FY03, the department continued implementation of the Governor’s Comprehensive Strategy for Youth Substance Abuse Prevention through the Governor’s Cooperative Agreement for Prevention (G-CAP). This three year, \$19 million program provides communities with a set of statewide comprehensive prevention strategies that are evidence based and that lead to the reduction of use of alcohol, tobacco and other drugs among youth ages 12 to 17. To date, 19 community coalitions have been awarded funding to implement these strategies. A comprehensive evaluation component to document accomplishments and system changes on both state and community levels is ongoing.

*Collaboration.* On the collaborative front, working with the agency’s partners and customers, DAODAS has been able to maintain prevention, intervention and treatment services. Through continued collaboration with the South Carolina Departments of Health and Human Services (DHHS), Social Services (DSS) and Juvenile Justice (DJJ), the agency has been able to realize



additional Medicaid funding; provide follow-up services for recipients of Temporary Assistance for Needy Families (TANF) funds and their families; and provide treatment services to youth at DJJ and upon their release. The agency also continues to work with the South Carolina Department of Probation, Parole and Pardon Services (SCDPPPS) in an effort to improve identification, referral and treatment services for probationers and parolees.

The agency continued to a project with the South Carolina Department of Mental Health (DMH) to study the issues of clients who suffer from substance abuse and mental health problems with the end goal to increase communication, share resources and implement innovative practices. In October of 2002, the department, along with DMH and the South Carolina Hospital Association sponsored a forum for state and local providers to address the critical issues that have arisen with providing services to clients with co-occurring disorders. The outcome resulted in local alcohol and drug abuse providers, local mental health providers, and local hospitals meeting to develop plans on how best to provide treatment to this population in local communities. Additionally, the DMH was able to fund four grants that focused on crisis-stabilization of co-occurring clients, which included the active participation of local alcohol and drug abuse providers.

Continuing in FY03, the agency worked to further identify the requirements of the Hispanic community who receive services through the department's provider network. DAODAS is exploring collaborative efforts to provide translated documents and interpretive services, as well as provide cultural-competence training.

DAODAS in FY03 also began to lay the groundwork to address nicotine dependence within its client population, its workforce, and provided nicotine-dependence training for its 33 local providers. A majority of the providers have contracted with the department to emphasize nicotine use and dependence among their staff and within their treatment regimens.

#### Improving Organizational Performance

The department again sees the accountability report as a means to an end; that of improving management, accountability and performance as envisioned by Governor Sanford and utilizes the report, along with the strategic plan, to provide a structure and direction for its activities during the fiscal year. Finally, the report is of great assistance in keeping the department on message and in working closely with its sister state agencies and indeed, all customers.

## **Section Two Business Overview**

#### Number of Employees

As of July 16, 2003, the department employed 69 individuals, with 43 full-time equivalent positions and 26 temporary grant equivalent positions.

#### Location/Operations

DAODAS is located at 101 Business Park Boulevard, Columbia, South Carolina 29203. The department operates on a 37.5-hour workweek with routine hours from 8:30 a.m. to 5:00 p.m., Monday through Friday. However, the workweek of certain staff may vary to meet the needs and service-delivery requirements of the department. Flexible work schedules are allowed.

Expenditures/Appropriations

Major Budget Categories	01-02 Actual Expenditures		02-03 Actual Expenditures		03-04 Appropriations Act	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Service	\$4,074,956	\$1,771,999	\$3,847,702	\$1,609,440	\$3,786,094	\$1,100,199
Other Operating	\$1,833,681	\$890,167	\$1,362,977	\$365,714	\$2,820,243	\$319,920
Special Items	\$4,844,629	\$4,844,629	\$4,405,022	\$4,405,022	\$4,156,705	\$4,156,705
Permanent Improvements	\$8,164	\$0	\$0	\$0	\$0	\$0
Case Services	\$1,619	\$0	\$1,600	\$0	\$0	\$0
Distributions to Subdivisions	\$30,006,441	\$3,818,617	\$30,392,426	\$3,122,139	\$33,601,964	\$2,161,597
Fringe Benefits	\$1,030,529	\$444,637	\$1,153,586	\$512,339	\$925,054	\$292,572
Non-recurring	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$41,800,019</b>	<b>\$11,770,049</b>	<b>\$41,163,313</b>	<b>\$10,014,654</b>	<b>\$45,290,060</b>	<b>\$8,030,993</b>

Other Expenditures

Sources of Funds	01-02 Actual Expenditures	02-03 Actual Expenditures
Supplemental Bills	\$0	\$0
Capital Reserve Funds	\$0	\$0
Bonds	\$0	\$0

Figure 4 (Source: DAODAS Division of Finance and Operations / Comptroller General's Year End Report; FY03.) Customer Segments - Within Figure 4, the "Distribution to Subdivisions" includes all funding provided to the department's customer segments, the majority of which is provided to the local provider network.

Key Customers / Stakeholders

DAODAS has identified its customers as including citizen-clients, their family members, the local provider network, state agencies with common citizen-clients, state and federal officials, and the South Carolina citizenry-at-large. The agency recognizes that its own employees are also important customers and integral to the success of the department.

In terms of customer segments, citizen-clients are stratified into the following populations: women; children and adolescents; incarcerated/paroled individuals; juvenile justice detainees/parolees; and Alcohol and Drug Safety Action Program (ADSAP) clients (individuals charged with or convicted under the state's laws related to driving or boating under the influence). Additionally, customers include individuals with limited English proficiency (LEP) –

mainly Hispanics – and the faith community. A majority of the customer segments are either federally mandated or are identified as in need of services, underserved, or are a part of a key business process. A new customer segment resulted from the aforementioned collaboration with DMH; that of the co-occurring client. The agency considers both the citizen-client and the local provider network to be its most important customers. Both are the direct beneficiaries of the scope of service provision and are key suppliers. For the purposes of this report, the department does not identify stakeholders differently than customers, but realizes that stakeholders, as defined, may not be the ‘recipient or beneficiary of the outputs of work efforts or purchaser of products and services’, but may be players in the outputs provided (state agencies, state and federal officials, department employees).

### Key Suppliers

In keeping with the definition of “supplier,” as included in the “*Performance Excellence Glossary of Terms*,” DAODAS has identified its suppliers to include citizen-clients, the local provider network, state agencies with common citizen-clients, state officials (legislative, constitutional, agency), the citizen-clients’ family members, federal officials, and the South Carolina citizenry-at-large. This also includes any newly identified customers and DAODAS employees.

### Description of Major Products and Services Linked to Key Customers

Research has proven that the disease of addiction is both preventable and treatable. DAODAS works to ensure the availability of a comprehensive array of AOD services through grants and contracts to 33 county alcohol and drug abuse authorities, the core of the department’s provider network. One of the most important goals of this provider network is the development of a seamless continuum of care that encompasses prevention, intervention and treatment services.

The major goal of *prevention services* is to avoid the development of problems related to the use of alcohol, tobacco and other drugs (ATOD) among the general public and specific high-risk groups. Services are implemented in communities and schools throughout South Carolina. Substance abuse prevention is the use of evidence-based approaches to create or enhance environmental conditions within communities, families, schools and workplaces to protect individuals from substance abuse and to help them develop personal decision-making skills to reduce the risk of ATOD-related problems. (Key Customers - citizen-clients, their family members, stratified into the following populations: women; children and adolescents; and adults – community coalitions).

*Intervention services* work to identify, at an early stage, individuals who are at risk of experiencing specific problems caused by their use of alcohol, tobacco and other drugs. Following their identification through the school system, the criminal justice system, the work place or other social systems, individuals are referred to specific intervention programs for educational and treatment services as appropriate. The Alcohol and Drug Safety Action Program (ADSAP), the state’s DUI offender program is the most recognizable intervention program. (Key Customers - incarcerated/paroled individuals; juvenile justice detainees/parolees; and Alcohol and Drug Safety Action Program [ADSAP] clients [individuals charged with or convicted under the state’s laws related to driving or boating under the influence]).

*Treatment services* are designed to improve the lives of individuals and families affected by substance abuse through the provision of individualized care to reduce the health and human service costs, as well as the economic cost, to our communities and state. Multiple treatment modalities are available to accommodate entry into services and progress along a continuum of care. Specific AOD services range from outpatient treatment, which is available in every county, to specialized treatment services, such as detoxification, adolescent inpatient treatment and/or other residential services. Specialized services are available on a county, regional and/or statewide basis. These include specialized services for women and children that are provided through five long-term residential treatment programs and one long-term transitional housing program; services to adolescents; and services to incarcerated and paroled individuals. (Key Customers - all identified customers above who are in need of any level of treatment). (Note: This list is not inclusive of all the innovative programs offered.)

### Organizational Chart

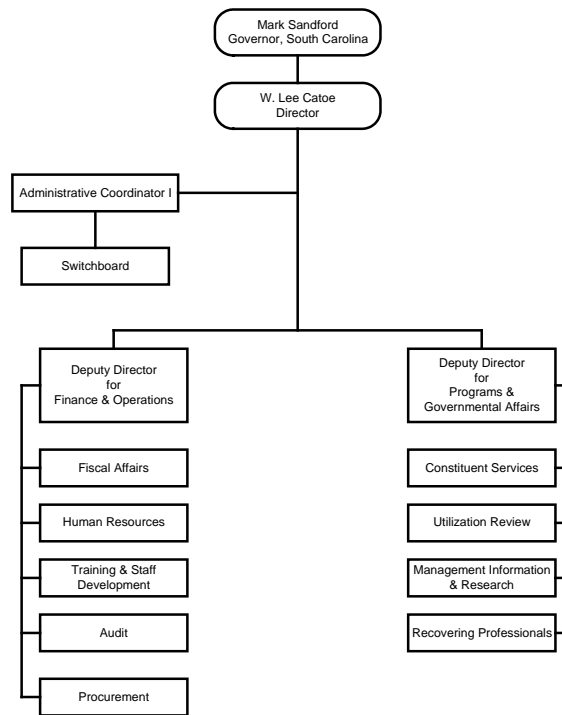


Figure 5 (Source: DAODAS Division of Finance and Operations, Office of Human Resources.)

## **Section Three Malcolm Baldrige National Award Criteria**

### Leadership

1.1. (a-c). How do senior leaders set, deploy and communicate the short- and long-term direction, performance expectations, and organizational values?

The department's Executive Management Team (EMT) has set long-term goals through the agency strategic planning process and the county planning process (as required by state law [§61-12-10]). The mission, core values, guiding principles and overarching goals were determined with participation from the agency's external customers and internal staff. Long-term goals are deployed and communicated through any number of channels, to include the county planning process, the formal committee structure of the local provider network, regional and statewide provider meetings, partnership meetings with various state agencies, legislative presentations, the agency's Web site, agency newsletters and other publications. These outlets also offer the opportunity for feedback and refinement. Internally, the long-term goals have been deployed and communicated through full-staff meetings and sectional and divisional meetings. Strategic planning is also used to set direction, performance expectations and organizational values.

Short-term goals are identified, deployed and communicated through an EMT process that includes weekly meetings to address routine agency challenges and many of the aforementioned channels. Organizational values have been set, deployed and communicated similarly.

In addition, performance expectations are identified, deployed and communicated through the county planning process, technical assistance requests, independent peer reviews, Coordinated County Reviews (CCRs), internal Medicaid audits and the contractual/grant program process. Again, all of the aforementioned channels have been utilized to communicate performance expectations as well as to ensure accountability. DAODAS tracks individual provider performance through the use of contract objectives and the GPRA (tracked outcomes). Additionally, these are reviewed on a quarterly basis by the department's Quality Management Team and during the annual CCR process.

*1.1. (d-f). How do senior leaders set, deploy and communicate empowerment and innovation, organizational and employee learning, and ethical behavior?*

Senior leaders have set core values for agency employees; these include respect, integrity and dedication. The department has also defined guiding principles that outline how the agency and its employees conduct business, to include being mission focused, professional, proactive, culturally competent, team workers and effective communicators. The agency holds its employees to the highest standards of ethical behavior, and this is communicated regularly through full-staff meetings.

Empowerment and innovation are encouraged through monthly staff meetings supported by the agency's EMT, as well as a monthly newsletter designed to keep staff informed of human resource and benefits information, intra-agency events, employee recognition, and motivational and educational information. The agency also offers job-retention services through the South Carolina Vocational Rehabilitation Department (SCVRD). Services provided include counseling, medical or psychological evaluation and/or treatment, job-site evaluation and modification, and referrals to other service providers.

The agency considered the implementation of an employee-satisfaction survey to further determine opportunities for career development; satisfaction with management, compensation

and benefits; training needs; and job satisfaction. However, due to the budget crisis and its impact on employee morale, the survey was not implemented.

### *1.2. How do senior leaders establish and promote a focus on customers?*

Senior leaders encourage a number of processes to focus on the agency's customers. The citizen-client and the local provider network are the most important customers, and as such, the agency works to better understand their requirements through intensive contact. The local provider network maintains a structure of standing and ad-hoc committees, including an executive board, a services committee, an accountability committee and a public policy committee. Senior leaders, along with designated agency staff, are members of the above committees, which offer the opportunity for exchange of information and for identifying and addressing customer requirements that also assist in setting the overall agency organizational direction. Furthermore, statewide meetings are held monthly for all providers, in addition to meetings held within the five designated regions. Senior leaders and designated staff also participate in these meetings. Ad-hoc committees include those that focus on specific administrative and program areas, and include a Financial Quarterly Meeting, Prevention Quarterly Meeting, Treatment Quarterly Meeting and a quarterly meeting for ADSAP service providers. The agendas of these meetings often address customer needs, both short and long term, as well as offer an opportunity for DAODAS to reinforce its commitment to accountability and to implement measures of performance.

Additionally, the statewide county strategic planning process continues to facilitate input from across the state in terms of the design of the state and local strategic planning processes, which further enables DAODAS to identify customer requirements in terms of priorities, including funding needs, facility needs, and program and service needs.

The agency uses the CCR process to further emphasize quality improvement. Each year, a team of interdepartmental staff provides oversight and technical assistance to the local provider network through an onsite visit. The department asks for feedback from its providers on the process and the content of the CCR and its continued usefulness. This feedback has assisted the agency in making the process and content review more salient by focusing on the provision of additional technical assistance and training onsite, and addressing other needs as identified. Finally, DAODAS has access to a wealth of data that focuses on client outcomes and efficiency measures that assist a client in gaining access to treatment. DAODAS interprets and analyzes the data and then offers assistance to providers in determining problematic areas and suggestions for resolving these issues. This is a clear focus on the citizen-client and underscores contractual performance expectations.

### *1.3. What key performance measures do senior leaders regularly review?*

Senior leaders review performance data that detail how the citizen-client is recovering in his/her addiction. DAODAS tracks statewide client outcome measures (as required by the GPRA) for intervention and treatment programs and is developing similar outcome measures for prevention programs. These measures include abstinence/frequency of use, health status, educational/employment advances, criminal justice status, aftercare participation and client

satisfaction. In addition, senior leaders track and review efficiency objectives, or “benchmarks,” designed to enhance client engagement and retention, to improve timely access to care and to engage clients in the continuum of care.

Senior leaders also track and review how the local provider network is performing in terms of providing services to the citizen-client. This is accomplished primarily through the aforementioned CCR. A report is issued to each provider on the various indicators (strategic/management/treatment/prevention/financial compliance) that detail areas in need of improvement, as well as denoting satisfactory performance. The department also utilizes this process to identify best practices (benchmarks) for possible replication throughout the state. In addition, information is gathered and analyzed from this process that assists the department in planning for future needs and identifying programmatic or financial issues that may need to be addressed on a local, regional or statewide basis. A feedback survey completed by the local provider further provides insight into the requirements of the customer, as well as the efficacy of continuing the process. This is reviewed on an annual basis. Plans for FY04 are to begin reviewing this data on a quarterly basis to more efficiently identify needs and to take corrective action as needed.

Senior leaders also review a range of additional information, which may result from peer audits, including national accreditation standards (CARF: The Rehabilitation Accreditation Commission), state licensure reviews (South Carolina Department of Health and Environmental Control [DHEC]), and Medicaid audits (DHHS). Senior leaders also review the annual financial audits as required by the federal government and provided to DAODAS by the local provider network.

In addition, senior leaders review monthly data that include information on the financial aspects of individual grants and contracts, as well as information on certain deliverables required as part of the contractual process. This information provides senior leaders with a snapshot of accountability and helps identify needed changes in the contractual process.

Each of the aforementioned key measures assist in the organizational planning process and are integral to statewide strategic planning.

*1.4. How do senior leaders use organizational performance review findings and employee feedback to improve their own effectiveness and the effectiveness of management throughout the organization?*

As stated, the EMT has developed a strong set of core values for DAODAS, which include respect, integrity and dedication. The department adheres to guiding principles that outline how the agency and its employees conduct business, which also include the belief that employees will be mission focused, professional, culturally competent, proactive, team workers and effective communicators. The EMT has set these same goals for itself and sets the example for all employees.

With the advent of a new administration and a new director, the department has been restructured to better meet the needs of its customers and to meet the challenges of budget

reductions. As a result, the EMT itself has been restructured and reduced from five to three individuals who report to the director, which further flattens the hierarchy of the agency. Furthermore, the new structure brings together functionality along the lines of support and direct contact with customers. The EMT is a core group of individuals who encourage communication between themselves and their employees, and as such, the EMT holds a monthly full-staff meeting, has mandated monthly division meetings, and encourages section meetings on a weekly basis. Attendance provides the EMT with invaluable employee feedback. The monthly full-staff meetings are held to address agency issues and instill the agency culture of respect, integrity and dedication, along with reinforcing the agency's mission and values.

Externally, the agency uses its local provider network for an informal cross-departmental analysis of its effectiveness and elicits their feedback during the provider meetings, as well as during the CCR process. During FY03, the department underwent a Legislative Audit Council review and, upon release of the LAC recommendations, the department found that it had surpassed many of recommendations and in fact were operationally ahead of several of its sister agencies in terms of outcomes, client fee collections and program provision.

The agency has considered the implementation of an employee-satisfaction survey to further determine opportunities for career development; satisfaction with management, compensation and benefits; training needs; and job satisfaction. However, due to the budget crisis and its impact on employee morale, the survey has not implemented.

The department's challenge for FY04 is to additionally define its key internal measures of performance, to track that performance and make adjustments when necessary, and to act as indicated by the data.

*1.5. How does the organization address the current and potential impact on the public of its products, programs, services, facilities and operations, including associated risks?*

The department requires its local provider network to be nationally accredited through CARF and licensed by DHEC. These two entities, through their peer reviews, are the chief mechanisms for assessing the risk of the department's provision of AOD services to the public. Both entities seek to ensure that quality services are provided, as well as that facilities and operations are of high quality. The health and safety of the client is preeminent. DAODAS further publishes Quality Assurance Standards to complement both CARF standards and DHEC surveys and to provide a sharper edge on client quality-of-care issues and to define the level of quality expected of each provider. Senior leaders review provider performance on all of the above. Additionally, the department has improved its communication with DHEC in terms of state-survey results and issues that arise as a result of surveys. This information is used by the department to advise its providers on compliance issues, thereby improving their performance.

Furthermore, the department assesses risks through a statewide critical-incident policy, requests for technical assistance and the county assistance plan process, which identifies indicator areas in need of improvement before they become entrenched in the organization. The audit processes, including the CCR, financial audit and program audits (Medicaid), further allow senior leaders to assess the impact of the department's programs and services on the public.



Senior leaders also use a range of provider meetings, already noted, and the aforementioned outcome measures and efficiency benchmarks to continually assess the impact of services on the citizen-client. These indicators allow the agency to support positive impact and to replicate best practices throughout the state. Where there is negative impact, the agency is able to intervene and take corrective action on a case-by-case basis. This often results in the development of trainings on specific issues and cross-trainings with partner agencies.

*1.6. How do senior leaders set and communicate key organizational priorities for improvement?*

The process for the selection of organizational priorities stems from the strategic planning process. This process includes input from all stakeholders, including the agency's customer base. Senior leaders have set the key organizational priority as the citizen-client. Appropriate strategic goals have been set by agency staff to meet this priority. Furthermore, senior leaders have identified outcomes for all clients in achieving the agency's overarching goals. These have been communicated through the local provider network committee structure, through the county planning process and through newsletters and other agency communication tools. Senior leaders have set a clear direction, clear values, and realistic goals and objectives to address the agency mission. All organizational priorities are identified and implemented to support the overarching goal.

The department's challenge for FY04 is to additionally define its key internal priorities, to track that performance and make adjustments when necessary, and to act as data direct.

*1.7. How does senior leadership and the agency actively support and strengthen the community?*

Over the years, senior leaders have encouraged participation in various community endeavors and charities. These include the Salvation Army (Christmas bell-ringers), Good Health Appeal (memberships through professional organizations), Habitat for Humanity, United Way programs (Success by Six, Communities in Schools, Job Shadowing), Red Cross campaigns, Richland County School District One's "Lunch Buddy" program, Easter Seals (Buck A Cup) and many more. Employees are recognized for their efforts on Employee Recognition Day.

On a statewide basis, many of the agency's prevention programs are directed at improving life on the community level. These include efforts to reduce underage drinking and tobacco use, reduce violence, prevent infectious diseases, work with the faith community to establish support mechanisms for recovering persons, and work within the schools to instill protective factors that keep children and youth from engaging in negative behaviors that make them at a higher risk for use of illegal substances.

Strategic Planning

*2.1. (a-e). What is the strategic process, including participants, and how does it account for customer needs, financial and societal risks, human resource capabilities, operational needs and partner needs?*

The department sees strategic planning as a continuous quality-improvement process that relies on input from stakeholders at various levels, including the local provider network, the citizen-client, community coalitions, the South Carolina General Assembly and other state agencies. This team concept has been instrumental in addressing customer and partner needs. Two additional processes, the CCR process and the county planning process, have fed the strategic planning process, in that the needs of the citizen-client and providers are continually identified and addressed, as well as gaps in services.

The strategic planning effort remains dynamic. During FY03, the agency refined the strategic plan by updating the action plans and refining prevention related sections, to include the incorporation of science-based goals and objectives, as defined by Governor's Cooperative Agreement on Prevention. In addition, the department requested additional stakeholder input and under the direction of Governor Mark Sanford, added specific objectives for the department and for alcohol and drug abuse clients. These were to: a) reduce their involvement with the criminal justice system; b) increase employment or involvement in productive activities; c) reduce hospital emergency room admissions; d) reduce the five year detox recidivism rate; and e) reduce homelessness, and f) decrease tobacco sales to underage youth.

#### *2.2. How does the agency track action plans that address key strategic objectives?*

Continued refinement and implementation of action plans occurred in FY03. Each strategic goal and objective includes an identified action, a defined timeline, itemized resources (where applicable), primary divisional responsibility and an identified evaluation tool. Key staff are assigned, resources identified, outcome measures identified and corrections made, as needed. The division of Planning and Quality Management tracks the progress and reports to the EMT on a quarterly basis as action plans are implemented.

#### *2.3. How does the agency communicate and deploy its strategic objectives, action plans and performance measures?*

Strategic objectives, action plans and performance measures are deployed and communicated externally through any number of channels, to include the county planning process, the formal committee structure of the local provider network, regional and statewide provider meetings, partnership meetings with various state agencies, and the agency's Web site and newsletters.

For FY04, the department will continue to link goals and objectives to customer requirements, and to benchmark strategies and assessments of organizational strengths and weaknesses.

#### *2.4. What are the key strategic objectives?*

Key strategic objectives are in keeping with Governor Mark Sanford's vision for state agencies of management, accountability and performance and include, for the department and its providers, reducing client arrests, reducing client unemployment rates, reducing client use of emergency rooms, reducing client five year detoxification recidivism rate, reducing client (youth) access to tobacco, and reducing client homelessness.

## *2.5. Website Address for the Strategic Plan?*

The agency does not post its strategic plan on its website.

### Customer Focus

#### *3.1. How do you determine who your customers are, and what are the key requirements?*

DAODAS has identified its customers as the citizen-client, their family members, the local provider network, state agencies with shared citizen-clients, state and federal officials, and the South Carolina citizenry-at-large.

It is important to note that in the delivery of healthcare services, certain populations are customers as a function of receiving federal block grant dollars or state funding. In addition, when accessing federal grants or private foundation funding, these funding sources often require new customers who are first-time “players” in the policy arena. And, in times of budget reductions, certain customers may be reprioritized.

During FY03, the strategic planning process continued to focus on better understanding customer requirements and identifying new customers. Key requirements have emerged from the inclusion of the provider network in the statewide strategic planning process and the local county planning process. Requirements also emerged as a product of participation in the provider network’s standing and ad-hoc committee structure. These key requirements are dynamic and include a range of issues, from increased training and human resource development, to an administrative reduction in paperwork, increased technological needs, better communication and coordination between the department and the provider network, less duplication of effort, and the appointment of regional/provider points of contact.

DAODAS continued to segment the customers within the citizen-client community. Through the agency’s former Division of Management Information and Research (MIR), underserved populations have been identified, to include children and youth, women, the dually diagnosed population, clients with limited English proficiency and citizens in the faith community. The customer cohorts have more complex needs and during FY04, the agency will continue to make an effort to further identify certain characteristics, while designing prevention, intervention and treatment programs to address these needs.

In addition, the recovering community and the faith community have emerged as customers and important participants in the delivery of AOD services. These customers have emerged as a result of identifying best practices in order to better serve the citizen-client. In essence, it was a process of determining who was “not at the table.” During FY03, the agency continued to learn more about the faith community and its needs for participating in AOD service delivery. These needs include technical assistance in accessing grant dollars from federal and state agencies and technical assistance in planning, developing and implementing prevention programming. A plan has been developed to provide training in five areas to assist the faith community in meeting its objectives while working with the AOD service-delivery system across South Carolina.

3.2. *How does the agency keep listening and learning methods (communications) current with changing needs?*

3.3. *How does the agency use information from customers/stakeholders to improve services or programs?*

The statewide strategic planning process has incorporated a large number of avenues through which the provider network and other customers can provide input regarding the department's direction. [*These are listed under question 1.1 (a-c).*] This improves the department's ability to serve as an effective leader in the substance abuse field, and it improves communication by gaining knowledge of those issues that are deemed to be critical to the provider network as a customer group. In addition, the annual CCR process has provided DAODAS with an invaluable opportunity to identify and address the concerns of the local provider network firsthand.

The provider network committee structure continues to be the main listening and learning method for keeping the department current with changing customer needs. This effort is based on working together, either through teams or through standing and ad-hoc committees, to address any needs/requirements that may arise. This effort also can include additional stakeholders other than the provider network, as partner requirements sometimes involve bringing many actors to the table for discussion, review, decision and evaluation purposes.

The department has worked toward increasing communication during FY03, continuing to hold many forums to share best practices, disseminate national and state alcohol and drug abuse information, update the provider network on the direction of the department and adjust the strategic goals and objectives that resulted from a difficult budget year. The department asks for feedback, not only during these meetings, but also through personal contacts with the agency director or any member of the EMT. This system is informal, yet effective in gaining the knowledge of customer requirements.

The department also handles and tracks complaints that may occur while implementing ADSAP. These complaints are analyzed and used as learning tools in the dissemination of information during ADSAP provider quarterly meetings and are basis of problem solving statewide.

Additionally a more formalized customer complaints has been institutionalized to better meet the needs of both the citizen-client and the provider of whom the client may have complained. Real time communication is utilized so that complaints can be resolved by all the parties involved.

DAODAS continues to work with its provider network as one of its chief customer groups. The agency has sought to better understand the providers' requirements by working within its committee structure and within the county planning process. As a result, the quality of care delivered by the provider network is addressed, along with significant opportunities to address customer needs around national accreditation, treatment outcomes, quality assurance standards and other contractual/financial concerns.

### *3.4. How does the agency measure customer/stakeholder satisfaction?*

One measure utilized to determine customer satisfaction is a feedback survey forwarded to the provider network as part of the CCR report that each provider receives after the process is completed. The provider network is encouraged to rate DAODAS on its effectiveness during the review. The FY03 survey indicates that 100 percent of respondents feel the review process was beneficial to their agency and met the needs of their staff. In FY03 county feedback continued to reflect that reviews focusing on the provision of technical assistance were helpful in maintaining continuous quality improvement and that the attempt to survey front-line local provider staff on the CCR process was important to their understanding of the technical assistance provided.

The local provider network utilizes various survey instruments to measure customer satisfaction that range from internal surveys to the statewide client outcomes system (as required by the GPRA), which also measures client satisfaction. These instruments measure the satisfaction of clients with their facilities, accessibility, courtesy, professionalism and treatment results. CARF requires that the provider measure customer satisfaction as a part of the overall agency outcomes-management system. The GPRA (statewide client outcomes system) measures client satisfaction, for the first three quarters of FY03, 95 percent of all clients were satisfied with the services they received. Client satisfaction rates have remained statistically unchanged for several years.

### *3.5. How does the agency build positive relationships with customers and stakeholders? Indicate distinctions between customer groups.*

Primarily, the agency uses the standing and ad-hoc committee structure of the provider network to build a positive relationship with the provider community. These channels also offer the opportunity for feedback and refinement and help set the agency's direction. The agency also offers a range of training and professional-development opportunities to assist in developing a positive relationship, not only with the provider community, but also with other providers of AOD services and sister state agencies with common citizen-clients.

To reach the citizen-client, the agency uses a variety of tools and techniques to build positive relationships to address the needs and interests of various constituencies, including the general public and other special populations in need of AOD information and assistance. Specific activities include several communication strategies. The department places major emphasis on developing numerous types of printed materials to reach various target audiences, including *The Big Issue*, an external newsletter with a circulation of approximately 4,500 subscribers. The department also maintained THE DRUGSTORE Information Clearinghouse, a statewide resource that houses a variety of ATOD-related information. Information is disseminated to the local provider network and to the general public as requested.

The department places major emphasis on efforts to use the mass media to reach diverse constituency groups. In FY03, the department continued to implement the Partnership for a Drug-Free South Carolina, a statewide media campaign designed to promote awareness of the problem of illicit drug abuse. During FY03, this initiative received pledges totaling more than \$1 million in airtime and print space. In addition, the department also promoted the airing of two

public service messages, one that stressed the importance of adult role models in the lives of young people and one that raised awareness of the dangers of prescription drug abuse.

The department also manages a comprehensive Web site that contains a wealth of information about the statewide system of the local provider network, as well as information about specific issues and concerns related to substance abuse. Additionally, the department operates two toll-free numbers that the public can use to locate the county alcohol and drug abuse authorities and to access various printed materials available in the clearinghouse.

Prevention programming is targeted toward the South Carolina citizenry-at-large, with emphasis on community-based and youth programming. Prevention strategies are designed to determine community needs first, through such methods as focus groups, surveys and other needs-assessment instruments. This is followed by program design and implementation, and then by evaluation. Evaluation is targeted toward six principles of effectiveness, as set by CSAP. CSAP is also in the process of setting national standards for prevention outcomes, which will be adopted by DAODAS when finalized.

The department also works with the South Carolina General Assembly to promote its mission of providing prevention, intervention and treatment services to reduce the negative effects of the use and abuse of alcohol and other drugs. Specifically, the agency works closely with the House Ways and Means Committee and the Senate Finance Committee to underscore the need for maintenance funding for its services and providers, and also to underscore the need for additional access for Medicaid clients and Medicaid coverage. The agency works closely with the local provider network to access individual legislators to support the agency's mission and resulting program offerings.

The department has built strong collaborative relationships with other state agencies and community coalitions to reach underserved populations and to provide a range of prevention, intervention and treatment services. Notably, these agencies include the South Carolina Department of Education; state and local law enforcement agencies (South Carolina Department of Corrections, South Carolina Department of Public Safety, DPPPS and DJJ); DSS; and DHHS. The department is also leading the development and implementation of a faith-based model to work with the faith community in building awareness of the problem of substance abuse, as well as to seed community efforts to assist the recovering individual. During FY03, and as mentioned, the department continued implementation a federal grant to focus on and emphasize the development and implementation of community coalitions to provide science-based prevention efforts.

For FY04, the department will continuously evaluate and improve methods to determine customer requirements, identify future customers and their needs, and seek to build loyalty from its most valued customers.

### Information and Analysis

*4.1. How does the agency decide which operations, processes and systems to measure?*

As a federal block grant recipient, the department is required to meet certain federal mandates and to measure certain processes and systems. Block grant regulations require the state to earmark funding for defined populations and services (women, intravenous drug abusers, HIV clients, prevention services). As a result, the department has agreed to ensure that these earmarked funds are provided to the identified populations or for the identified service by contracting with the local provider network, or with other entities that can reach the population or provide the required service. The department ensures that 100 percent of the required earmarked funds meet the set-aside requirement in each federal block grant year. The federal block grant also requires the state to measure outcomes per federal criteria, and therefore the department has instituted a statewide client-outcome system to gauge AOD use, recovery, health status, employment, educational status and client satisfaction, among others. These measures, required by the GPRA, are further detailed under question 7.4.

The department also tracks contract objectives meant to increase the effectiveness of treatment and to ensure timely access to care. These “Goals of Effectiveness” were added as a direct result of identifying best practices across the country.

The department has also identified and developed processes and systems based on its historical experience in providing AOD services. Trends have been identified through various systems (desk audits, Medicaid audits, quality assurance audits, feedback, provider network meetings), and the agency has responded by developing various measures specific to the identified trend. For example, over time, the agency identified a trend in which ADSAP services consisted of a wide variety of curricula provided to customers across South Carolina. To standardize performance, the department instituted one curriculum, now in its fifth year. Along with the curriculum, the agency implemented a system of certification for each provider. This certification includes indicators that address program quality, adherence to state administrative requirements/state law and client outcomes. These measures are tracked for certification purposes and act as indicators for provider performance.

The department has identified key operations, processes and systems through its strategic planning process. The action plans include a range of evaluation tools and measures as tied to a strategic goal. For example, the strategic planning process has indicated a need for better communication and collaboration with the local provider network. To meet this need, the agency has instituted an internal process for tracking response time to written correspondence. Continued efforts will be made in FY04 to set a goal for responding to inquiries and the evaluation of these efforts.

All the identified measures are tied to the agency’s strategic goals, action plans and the overarching goal. A key challenge during FY04 will be for the department to continue to identify which operations, processes and systems to measure, and then to set those measures using the available data.

*4.2. How does the agency ensure data quality, reliability, completeness and availability for decision-making?*

*4.3. How does the agency use data/information analysis to provide effective support for decision-making?*

Data are amassed from many sources, but primarily through the department's Office of Management Information and Research (MIR). MIR has instituted detailed quality, reliability and completeness standards to ensure its accuracy and availability for decision-making. This includes elements on the reporting of data to the department from the local provider network, the review of such data for their integrity and submission of the data to the federal Center for Substance Abuse Treatment (CSAT). DAODAS has always averaged a recorded accuracy well above 99.5 percent every month, and did so in FY03, as independently verified by CSAT.

The department collects data through other divisions and includes data on program quality and compliance, provider performance data and financial indicators. These data are available on a monthly and quarterly basis, and are reviewed by the various program and contract managers for completeness and reliability. Mid-course changes in direction are made when necessary.

The department also utilizes data from external sources for decision-making, more specifically from agencies and entities that share citizen-clients. Any service expansion or budget expenditure is thoroughly reviewed before commitments are made, using a range of measures that include a needs assessment, provider performance, resource overview and the ability to comply with applicable federal and state standards.

Another good example of analyzing data is the use of the information gathered from the annual CCR process. The department utilizes this process to identify best practices (benchmarks) for replication throughout the state. In addition, information is gathered and analyzed from this process that assists the department in planning for future needs and identifying programmatic or financial areas that may need to be addressed on a local, regional or statewide basis.

#### *4.4. How does the agency select and use comparative data and information?*

The department has looked to the federal government and even internationally to identify benchmarks and best practices to improve overall provider performance and to set outcomes for the citizen-client. Best practices are also identified through the National Association of State Alcohol and Drug Abuse Directors (NASADAD) and other federal partner agencies, and on a statewide basis through the CCR process. Through the CCR process, the department selects best practices and uses identified comparative data to assist the local provider network in achieving the aforementioned "Goals of Effectiveness" and better client outcomes. This information also works to assist in increasing client access to services.

The department uses the "Goals of Effectiveness" as benchmarks meant to improve timely access to care and to engage clients in the continuum of care. See data listed under questions 7.2 and 7.4 for specific measures. These measures were based on clinical best practices as outlined by the U.S. Department of Health and Human Services (now the U.S. Department of Medicare and Medicaid Services), the U.S. Department of Public Health, the Substance Abuse and Mental Health Services Administration, CSAT, the American Society of Addiction Medicine, Canadian Best Practices and Kaiser Permanente.



The client outcome system conforms to the federal “gold standard,” as outlined in the GPRA, and it meets all current requirements of the SAPT Block Grant, as well as of CARF.

For FY04, the department will seek to develop new measures linked to the vision and overall mission of the agency, while also focusing on those measures that lead to success in depicting past and present performance.

### Human Resource Focus

#### *5.1. How do managers/supervisors encourage and motivate employees?*

Division managers are encouraged to conduct regular meetings with their employees to provide information, elicit feedback, recognize accomplishments, and encourage and motivate employees as members of a team. Division managers are empowered to offer flexible work schedules to allow for maximum individual productivity and job satisfaction. Additionally, the EPMS process allows managers to evaluate, encourage and motivate employees.

#### *5.2. How does the agency identify and address key developmental and training needs, including job skills training, performance excellence training, diversity training, management/leadership development, new employee orientation and safety training?*

In addition to trainings offered for county alcohol and drug abuse authorities and related providers of AOD services, the department is expanding its efforts to include additional training and staff development for DAODAS employees.

In an effort to gain a comprehensive understanding of training and professional development needs, the agency recently distributed a training-needs survey to all employees. This will be used as a tool to re-evaluate the agency’s professional development and workforce planning program, and to ensure that individual professional development plans support the department’s mission and contribute to accomplishing the goals and objectives of the strategic plan; support the department’s values and philosophy; and develop among employees at all levels the knowledge, skills and attitudes needed for the success of the department. The agency’s training and professional development plan will continue to include training that is required for all employees addressing diversity, management/leadership, new employee orientation, stress management and job safety.

DAODAS is meeting the external training requirements of the local provider network and other AOD providers. During FY03, the department held the South Carolina School for Alcohol and Other Drug Studies and offered training to 292 participants from a cross-section of state and local agencies. These participants attended courses on a variety of AOD-related topics, but most notably 105 separate attendees attended a one day session presented by Dr. Stan Samenow, a nationally recognized expert in the evaluation and treatment of juvenile and adult offenders. This session was attended by a cross section of criminal justice and AOD agencies. The department also held numerous other training events, serving thousands of participants throughout the state.

The agency is constantly looking for innovative ways to reward and recognize employee achievements, and to promote employee satisfaction. The agency is in the process of developing a more extensive flex and alternate work schedule policy to allow maximum job performance while maintaining a balance between work, family and outside activities. Implementation is expected in FY03. In addition, the department supports the educational goals of employees by allowing an individual to pursue higher education opportunities, while also assisting in defraying the cost when budget resources allow.

To enhance communication and motivate employees, the department has developed an enhanced monthly newsletter that includes articles on a variety of topics, including diversity issues, employee relations, benefits, management tips, and policies and procedures, as well as employee recognition and motivational articles. In addition, the department is in the process of renewing its focus on an exchange program with the local provider network to allow new employees at DAODAS to be placed in local provider offices to observe their operations and receive hands-on experience at the county level (clinical and/or administrative).

The department continues to achieve its goals in the areas of employment opportunity, promotion and diversity and will continue to strive for even greater success in providing and implementing sustainable employee programs that enhance recruitment and retention efforts to ensure that equal opportunity is provided to all present and prospective employees regardless of race, color, religion, sex, national origin, age or physical disability.

*5.3. How does the EPMS, including feedback to and from employees, support high performance?*

The state EPMS is the tool for evaluating job performance for all employees and allows feedback and exchange of communication with the employee. DAODAS conducts yearly trainings for employees to encourage ongoing communication and strengthen relevant processes. Employees have an equal level of responsibility for determining the requirements of his/her job and for the success criteria used in determining what tools and/or resources are needed. In addition, employees offer input into the actual performance by providing written accomplishments.

*5.4. What formal and/or informal assessment methods and measures does the agency use to determine well-being, satisfaction and motivation?*

Through several processes, employee satisfaction and well-being can be obtained. Upon employment with the agency, employees are encouraged (via employee orientation of both executive and non-executive staff) to provide feedback on a continual basis.

As stated earlier, the agency is considered the implementation of an employee-satisfaction survey to further determine opportunities for career development; satisfaction with management, compensation and benefits; training needs; and job satisfaction. However, due to budget cuts and its impact on employee morale, the survey was not implemented.

*5.5. How does the agency maintain a safe and healthy work environment?*

The department believes it has a responsibility to ensure a supportive, safe and healthy working environment for all employees. DAODAS has enhanced its Wellness Program by establishing a policy that allows employee time to be devoted to employee fitness, health and wellness. The department has recently developed an Employee Safety Program that addresses major components of emergency concerns. Continuous training on these programs is being developed for FY03. The agency also makes available to its employees a voluntary confidential job-retention service through the SCVRD. Processes are in place to address compliance with requirements of the Occupational Safety and Health Administration. In addition, the agency supports a smoke-free workplace and has had an air-quality test completed on its facility. The agency is in the process of evaluating the use of nicotine not only at the agency, but also throughout its provider system and its treatment programming. Internally, smoking-cessation classes for employees have been offered.

*5.6. What is the extent of the agency's involvement in the community?*

The department participates in various community endeavors and charities. As stated earlier, some of these include the Salvation Army (Christmas Bell-Ringers), Good Health Appeal, memberships through professional organizations, various United Way programs, Red Cross campaigns, Easter Seals (Buck-A-Cup) and many more. Employees are encouraged to participate in community endeavors with agency support. Employees are recognized for their efforts on Employee Recognition Day.

The department works within the South Carolina community-at-large by designating an internal community liaison to engage the community in activities to prevent problems related to the use of alcohol, tobacco and other drugs, particularly among youth.

Process Management

*6.1. What are the key design and delivery processes for products and services, and how does the agency incorporate new technologies, changing customer and mission requirements, into design of delivery processes and systems?*

*6.2. How does the day-to-day operation of key production/delivery processes ensure meeting key performance requirements?*

*6.3. What are the agency's key support processes? How are these improved and updated?*

*6.4. How does the organization manage and support key supplier/partner interactions and processes to improve performance?*

There are three design and delivery processes that the department utilizes to meet its broader mission of achieving sustainable recovery for the citizen-client and reducing use, abuse and harm. These include the budget request process (state funding/local requests for proposals); the federal block grant application and disbursement process; and the contractual process with the local provider network, which is the key delivery process for funding of AOD services. The provider committee structure is fundamental in meeting changing customer needs and developing and communicating mission requirements, as well as supporting key partner interactions and processes to improve performance. Key processes are developed and changed according to customer input and needs. Staff from various DAODAS divisions also participate,

which addresses the need for functional representation. Overall technical assistance and training are identified and provided to meet customer needs.

On a daily basis, key delivery and support processes help meet key performance requirements. These include the county planning process, as based on the state strategic plan and guided by customer input. The department sees these processes as intertwined and ongoing. The CCR process also ensures that providers are adhering to a range of performance indicators and measures, including the contractual “Goals of Effectiveness” and the GPRA client outcomes. The provider committee structure again is key to the success of these processes. Standing and ad-hoc committees meet on a monthly basis around specific issues that allow an opportunity for resolving problems and gaining feedback. Financial Quarterly Meetings are an example of a key support process that provides opportunities to meet key financial performance requirements through focused presentations, discussions and customer feedback.

Key support processes are updated and/or improved by focusing on the customer. For example, during the contractual process for FY02 and continued into FY03, the department worked with the local provider network to craft a new memorandum of agreement (MOA) that contains much “boilerplate” contractual language, but also sets expectations for the delivery of services. The MOA defines the relationship for the delivery of basic and extended services and allows for the tracking of resources and accountability of their use and results. This process was completed through the standing Accountability Committee and was finalized using a wealth of customer feedback.

Additionally, the Division of Planning and Quality Management acts as a key point of contact for providing business management, consultation, and technical assistance. Both of these are key points of contact that directly impact the achievement of key performance measures and act as a link in managing key partner interactions. In addition, the Office of Planning and Quality Management provides feedback on customer requirements to the EMT through a weekly “Flash Facts” document, which further strengthens senior management response to customers and bolsters continuous quality improvement.

The department also works with its sister state agencies to improve their performance. DAODAS has worked at length with DSS to provide services to chronic welfare recipients who may be suffering from AOD addiction. The department, through its contracts with its local provider network, has been able to maintain wrap-around services to chronic welfare recipients and also expand AOD services to this population. The end result has been a successful effort at reaching this population, thus addressing the need of DSS to further impact welfare rolls in South Carolina.

For FY04, the department’s challenge continues to be to better define and map its key daily and support processes, to set expectations (measures), and to track performance and to make adjustments. This may include the processes of future funding methodologies, future budget requests and funding statewide detoxification.

## Business Results

### *7.1. What are the performance levels and trends for key measures of customer satisfaction?*

The department currently uses two measures to gauge customer satisfaction. As stated, the provider network is encouraged to rate DAODAS on its effectiveness during the CCR process, specifically on the usefulness of this process as an important component for assisting the provider in the areas of strategic management, clinical quality assurance, financial compliance and prevention services. For the past four years, provider surveys have indicated that a majority of all respondents felt the review process was beneficial to their agency as meeting the needs of their staff. For FY03, provider satisfaction reached 100%, the department delighted its customers.

Provider Satisfaction/CCR			
FY00	FY01	FY02	FY03
100%	95.80%	94%	100%

*Figure 7.1 (Source: DAODAS Division Programs and Governmental Affairs, Office of Constituent Services; CCR FY00-03 Analysis.)*

The GPRA (statewide client outcomes system) measures client satisfaction, and the department has used FY01 data to set a benchmark for client satisfaction as reported during follow-up. For the first three quarters of FY03, 95 percent of all clients were satisfied with the services they received. Client satisfaction rates have remained statistically unchanged for several years.

Client Satisfaction/GPRA			
FY00	FY01	FY02	FY03
96%	96%	95%	95%

*Figure 7.1.b (Source: DAODAS Division of Programs and Governmental Affairs, Office of Management, Information and Research, Client Satisfaction - FY00-03 Analysis.)*

### *7.2. What are the performance levels and trends for key measures of mission accomplishment?*

### *7.4. What are the performance levels and trends for key measures of supplier/contractor/partner performance?*

The following tables represent client outcomes that are key measures of partner performance and mission accomplishment. The department's overall strategic goal is to achieve sustainable recovery for the citizen-client, reducing use, abuse and harm, while ensuring access to treatment. These measures are taken from the GPRA (statewide client outcomes system) and the contractual "Goals of Effectiveness" (efficiency objectives or benchmarks designed to enhance client engagement and retention and to improve timely access to care and to engage clients in the continuum of care).

The client outcome information includes eleven quarters of available data, through the fourth quarter of FY03. Specific client outcome data include: 1) the percentage of former clients using alcohol in the past 30 days; 2) the percentage of former clients using alcohol to intoxication in the past 30 days; 3) the percentage of clients using illegal drugs in the past 30 days; 4) the

percentage of former clients using tobacco in the past 30 days; 5) the percentage of former clients using outpatient health care in the past 30 days; 6) the percentage of former clients unemployed or not employed in the past 30 days; 7) the percentage of former clients with dependent living arrangements or who are homeless; 8) the percentage of former clients using emergency room care in the past 30 days; 9) the percentage of former clients using outpatient health care for medical or emotional problems in the past 30 days; 10) the percentage of former clients using emergency room care for medical, emotional or AOD problems in the past 30 days; 11) the percentage of former clients arrested on any charge in the past 30 days; and 12) the percentage of student clients who were suspended, expelled or in detention in the past 30 days.

Specific client-retention data include: 1) assessment provided within two working days of intake and 2) clinical service provided within six working days of assessment. The department also requires that local providers meet two objectives on the client’s completion of treatment services and completion of outcome surveys, which provides the raw numbers for the GPRA outcomes.

### Client Treatment Outcomes

Client Treatment Outcomes				
Results for Matched Clients Measured at Admission, at Discharge and at Follow-up				
Follow-Up Surveys Conducted Two to Three Months After Client Discharge From Treatment Services				
Analysis for Clients Completing Services During FY03				
Client Characteristic or Measurement	Percentage of Matched Clients With Characteristic as Measured at:			Number of Matched Clients
	Admission	Discharge	Follow-Up	
Alcohol Use in Prior 30 Days Among Alcohol Problem Clients	64.9%	32.8%	28.0%	3,674
Alcohol Intoxication in Prior 30 Days Among Alcohol Problem Clients	38.0%	17.7%	6.9%	3,740
Illicit Drug Use in Prior 30 Days Among Drug Problem Clients	60.3%	30.9%	9.9%	2,565
Tobacco Use in Prior 30 Days Among All Clients	64.1%	53.7%	55.1%	5,679
Unemployed or Not Employed but Labor Force Eligible, Prior 30 Days, Age 16+	27.9%	25.0%	23.6%	3,604
Dependent Living Arrangement or Homeless, Prior 30 Days, Age 18+	15.5%	13.2%	12.6%	4,888
Outpatient Health Care Use for Medical or Emotional Problems, Prior 30 Days	13.1%	10.0%	16.7%	5,445
Emergency Room Use for Medical, Emotional, AOD Problems, 30 Days	5.3%	3.1%	4.1%	5,406
Arrested on Any Charge in Prior 30 Days	6.9%	2.1%	2.4%	5,314
Student Clients Suspended, Expelled or in Detention, Prior 30 School Days	22.8%	8.3%	8.3%	915

Figure 7.2/7.4.a (Source: DAODAS Division of Programs and Governmental Affairs, Office of Management, Information and Research; Unduplicated Clients/Matched Clients.)

*Analysis* – From the above GPRA outcomes, it is clear that clients receiving services at the local level are getting better, reducing their AOD use, going back to work and staying in school. Specifically, clients are using less, abusing less and achieving certain levels of sustainable recovery. These are the key measures of mission accomplishment and partner performance.

*(Note: The one anomaly lies in the indicator around use of outpatient health care. As clients address their AOD abuse, they are better able to address other healthcare-related issues, and therefore, an increase in the use of outpatient health care is a byproduct of recovery.)*

## Efficiency Measures

Efficiency and Effectiveness Measures Timely Entrance into Services								
Efficiency and Effectiveness Measures	Performance by Fiscal Year						Goal	N Clients
	1998	1999	2000	2001	2002	2003	2003	2003
Assessment Within Two Days of Intake	56.1%	58.2%	57.4%	72.3%	75.5%	79.9%	65.7%	34,406
Clinical Service Within Six Days of Assessment	41.3%	45.6%	44.5%	44.9%	46.4%	52.3%	37.1%	20,035

Figure 7.2/7.4.b (Source: DAODAS Division of Programs and Governmental Affairs, Office of Management Information and Research; Unduplicated Clients/Matched Clients.)

*Analysis* – Trends in these efficiency measures have shown measured accomplishments throughout the late 1990s and into the millennium on client treatment and retention and thus positive results in achieving sustainable recovery, reducing harm and reducing abuse.

## Youth Access to Tobacco Study

Prevention Program Outcomes Percentage Selling Cigarettes to Underage Youth, Ages 14-17										
Prevention Program Outcomes	Performance by Calendar Year									
	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Percentage Selling Cigarettes to Youth Ages 14-17	63.2%	54.2%	41.3%	22.6%	24.7%	19.8%	18.7%	17.1%	15.5%	11.9%
Total Number of Purchase Attempts Conducted	1,915	1,703	2,081	3,562	4,045	4,291	4,536	4,451	4,818	5209

Figure 7.2/7.4.c (Source: DAODAS Division of Programs and Governmental Affairs, Office of Management Information and Research; Unduplicated Clients/Matched Clients.)

*Analysis* – See Question 7.5, Key Measures of Regulatory and Legal Compliance, for explanation.

As another important measure of partner performance and mission accomplishment, the department utilizes the CCR process to measure for uniform and continuous quality improvement as an important component for assisting the provider in the areas of strategic management, clinical quality assurance/clinical supervision/case review, Medicaid, financial compliance and prevention services. FY03 was another year of improvement for the providers in all areas. The Financial Compliance section of the CCR process was not completed for FY03 due to a loss of staff within the department and thus the percentage appears to have decreased, when actually it was a function of the number of reporting agencies. The following table shows the trends since 1997.

### PERCENTAGE OF AGENCIES IN COMPLIANCE

Functional Areas	FY97	FY98	FY99	FY00	FY01	FY02	FY03
Financial Compliance	65%	65%	91%	89%	88%	93%	72%
Clinical Quality Assurance	NA	NA	86%	91%	97%	97%	100%

Prevention, Resource Center, HIV	97%	76%	95%	91%	98%	99%	98%
Strategic Management	N/A	N/A	N/A	N/A	89%	98%	95%

Figure 7.2/7.4.d (Source: DAODAS Division of Programs and Governmental Affairs, Office of Constituent Services: FY97-03 CCR Analysis.)

In the area of partner performance, the department has worked closely with DSS and contracts for TANF funding for the Partners in Achieving Independence through Recovery and Self-Sufficiency Strategies (PAIRS) project. This effort involves TANF-eligible individuals and seeks to improve their overall quality of life through AOD education, assessment, treatment, relapse prevention, and transitional and wrap-around services.

In March 2003, the PAIRS project, due to budget cuts, was reduced by \$1 million. Programmatic staff in the state department and local case managers were terminated, or transferred into other positions. Data collection and outcome evaluation was hampered. Currently, three case managers continue to provide PAIRS services in three women’s residential centers. Since the budget reduction, there have been 50 new referrals with 14 PAIRS clients successfully completing residential treatment successfully.

Another measure of partner performance is the association with HHS and the department’s operation of Medicaid utilization review (UR). This project ensures that Medicaid clients receive care that is appropriate to their individual needs and promotes the efficient and effective utilization of service capacity. The goal of UR, since its inception in FY98, is to decrease the number of clients utilizing hospital services and direct these clients to a more appropriate level of care. The following table shows these trends through FY02. FY03 data was not available as the publication date of this report.

Outputs	FY98	FY99	FY00	FY01	FY02
Medicaid Clients at Level IV (hospital)	1,312	940	704	759	970
Medicaid Clients at Level III.7D	78	150	254	345	363

Figure 7.2/7.4.e (Source: DAODAS Division of Programs and Services, Office of Utilization Review.)

During FY01, a slight increase in the number of clients using hospital services and an increase in the number of clients using the lower level of care (detoxification) was a result of the increasing number of Medicaid clients and the maximization of the limited resources of detoxification services. This continued during FY02 in that the department and its local providers have almost doubled the number of unduplicated Medicaid clients served from 1998 (3,533) to those served in 2002 (8,350), and even 2003 (8850). A further analysis reveals that the capacity the AOD system-based care has reached its maximum, while beds remain available in hospitals. In addition, transportation remains a problem between providers, especially in rural areas.



However, cost savings have accrued. The average cost of detoxification in hospitals for FY02 was \$3,963 per visit, while the average cost of detoxification at the lower level of care (provider network) was \$1,581 per visit. This is a cost savings of \$2,381 per detoxification service, with the costs per visit showing little fluctuation over the past three years. Using FY98 as the baseline, the gross savings for detoxification services only realized through the UR process over the past four years are approximately \$6.03 million.

*7.3. What are the performance levels and trends of employees for key measures of satisfaction, involvement and development?*

As stated earlier, the agency has considered the implementation of an employee-satisfaction survey to further determine opportunities for career development; satisfaction with management, compensation and benefits; training needs; and job satisfaction. However, due to budget cuts and its impact on employee morale, the survey was not implemented.

*7.5. What are the performance levels and trends for key measures of regulatory/legal compliance and citizenship?*

As a federal block grant recipient, the department is required to meet certain federal mandates and to measure certain processes and systems. Block grant regulations require the state to earmark funding for defined populations and services (women, intravenous drug abusers, HIV clients, prevention services). The department has ensured that 100 percent of the earmarked funds meet the set-aside requirement in each federal block grant year. DAODAS has in fact surpassed expectations and thus the requirement. The following chart reflects this effort.

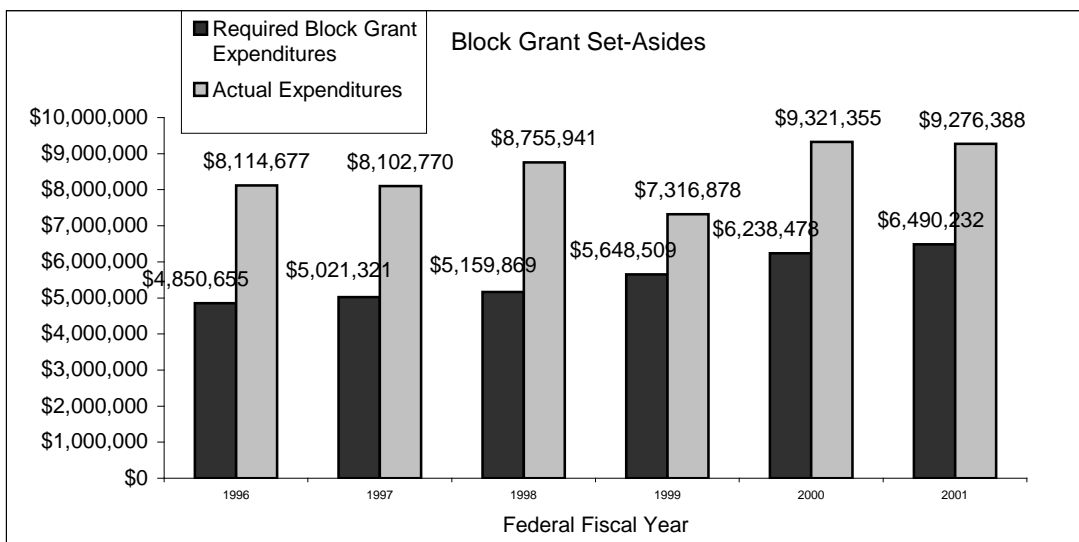


Figure 7.5.a (Source: DAODAS Division of Finance and Operations, Block Grant Set-Aside Analysis, FY96-01.)

In addition, DAODAS requires that the provider network be nationally accredited through CARF and state licensed through DHEC. Each member of the provider network has maintained CARF accreditation; South Carolina was the first state to have each of its public providers nationally accredited on their first attempt. This effort is ongoing and is a key requirement for contracting

with the department to provide AOD services. Additionally, each provider is surveyed by DHEC to ensure the health and safety of the facilities and that the programs offered are of adequate quality. A recent study by the department determined that for FY03, DHEC had cited the providers, as a group, for relatively minor standard infractions, all within statistical standards.

DAODAS and its local partners have also participated in the federally required *Youth Access to Tobacco Study* to reduce South Carolina youth’s access to tobacco. This federal law requires states to conduct annual, random, unannounced inspections of a statewide sample of tobacco vendors to assess their compliance with the state law (§17-17-500) that prohibits retailers from selling tobacco products to minors. Continuing a steady decline in this rate, the department documented a purchase rate of 11.9 percent in 2003. This is lower than the 15.5 percent documented in 2002, and well below the 20 percent federal requirement for 2001. By continuing to successfully achieve this requirement, the department has forestalled a possible 40 percent cut in SAPT Block Grant funding, or approximately \$8 million. The following chart details this trend.

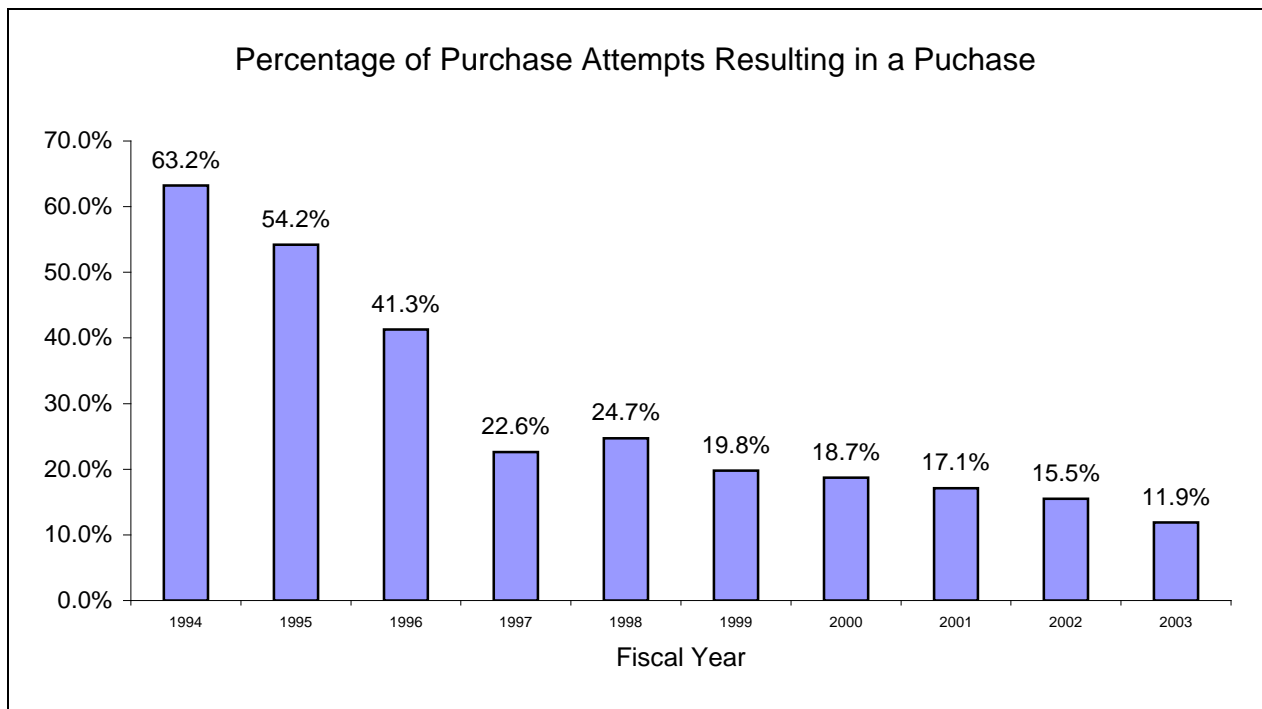


Figure 7.5.b (Source: DAODAS Division of Programs and Governmental Affairs, Office of Management Information and Research; 2003 Youth Access to Tobacco Study, Ages 14-17.)

7.6. What are the performance levels and trends for key measures of financial performance?

The SAPT Block Grant received by the state of South Carolina to fund the bulk of prevention, intervention and treatment services to the citizens of the state requires that the department, and thus the state, to meet an obligation known as the Federal Maintenance of Effort (MOE). This means that the department must expend state funds in an aggregate amount that is not less than the average expenditures of the previous two fiscal years. State budget cuts have severely and

adversely impacted the department's ability to meet the MOE. Penalties include a dollar-for-dollar payback for the amount for which the state is out of compliance. During state fiscal year 2002, the department reported that it did not meet its MOE mandate by \$1,761,902. Federal law allows the state to apply to the Secretary of the United States Department of Health and Human Services for a waiver of the MOE requirement, if the state can prove 'extraordinary economic conditions' that include certain conditions in unemployment and collection of tax revenue. The department submitted documentation of these 'extraordinary circumstances' and was granted a waiver for its 2003 block grant application.

DAODAS also reviews, on a regular basis, the financial activities and performance of the county authorities. Revenues, expenditures and budgets are monitored and evaluated on a monthly basis, and DAODAS staff routinely provide on-site technical assistance for financial staff working in the provider network. Each local provider must also contract with an independent accounting firm for the completion of an annual audit. The resulting audit report is submitted to DAODAS for further review and follow-up by the agency's internal auditor.

The challenge for FY03 will be to further identify new performance measures, as well as test existing measures for continued compliance with financial regulations.

#### Conclusion

There is still much work to be done in meeting the needs of the citizen-client. DAODAS estimates that approximately 235,884 individuals in South Carolina are suffering from substance abuse problems that require immediate intervention and treatment. With a problem of this magnitude, the department must continue to ensure that individuals and families find the help they need through the vital services offered by DAODAS and the statewide system of county alcohol and drug abuse authorities.

The work includes successfully managing potential budget reductions by identifying and further tapping stable funding streams (e.g., Medicaid) and continuing to collaborate with the local provider network and partner state agencies – all of which have suffered budget reductions, which impact not only those agencies, but also the shared citizen-clients served. DAODAS will focus on maintaining services at current levels, while meeting the Governor's vision of management, accountability and performance. These realities will be the basis for the agency's FY04-05 budget request.