

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

**ACCOUNTABILITY
REPORT**

| **FISCAL YEAR 20043-20054**

Section One

Executive Summary (NUMBER FIGURES CORRECTLY)

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) purchases 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 adolescents who are preparing to leave alcohol and other drug inpatient treatment facilities, juvenile justice facilities or other residential settings and return home to their families and communities, 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 1.3525 million South Carolinians and touched the lives of additional individuals and families through the many prevention activities coordinated and provided by this system.

DAODAS estimates that approximately ~~235236,000884~~ 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 purchased by DAODAS and through the statewide system of county alcohol and drug abuse authorities (i.e., the local provider network). During fiscal year ~~2004-2005 (FY04FY05)~~, DAODAS and its provider network met this need for ~~4847,012818~~ South Carolinians. *(Note: -FY055 - Three Quarters Reporting)*

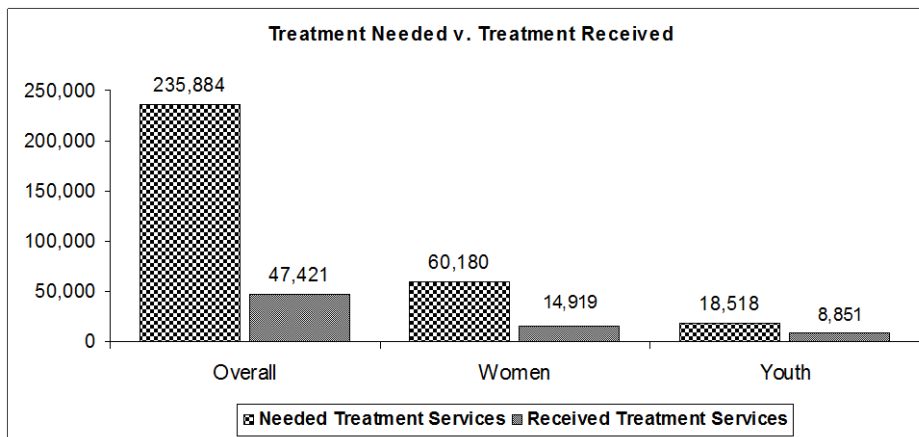


Figure 1. (Source: DAODAS Division of Programs and Services Operations, Office of Management Information and Research; FY054 Unique Unduplicated Clients, DCSL Based, Special Demographics – Numbers based on definitions as included in the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition, Text Revisions [(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 in order to raise personal income of South Carolinians by creating a better economic environment through operating state government more efficiently and effectively, improving quality of life, and helping to improve the state’s educational system.”~~

~~“To ensure the provision of quality services to prevent or reduce the negative consequences of substance use and addictions, and to support the Governor’s efforts to raise personal income of South Carolinians by: 1) creating a better environment for economic growth through the more efficient delivery of state government services; 2) improving quality of life; and 3) helping to improve our state’s educational efforts for our children.”~~

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 providers of substance abuse providers services;~~ 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) ~~I~~improve the effectiveness of treatment and intervention programs;
- 2) ~~I~~improve ~~improve~~ the effectiveness of prevention programs;
- 3) ~~I~~improve ~~improve~~ the efficiency of the service-delivery system;
- 4) ~~E~~nsure ~~ensure~~ that all clients and the citizenry are stimulated and engaged;
- 5) ~~C~~ollaborate ~~collaborate~~ more effectively with service providers and stakeholders; and
- 6) ~~P~~rovide ~~provide~~ the necessary resources to improve the agency’s capacity to provide efficient and effective services.

Opportunities and Barriers

~~The department addressed several several opportunities that arose during FY04 that the department addressed, in conjunction with in addition to managing state budget cuts. In During~~

2002, DAODAS was named a lead agency in for implementing the implementation of gambling addiction services funded by unclaimed prize money from the South Carolina Education Lottery. In addition, a proviso first enacted in 2003 and continued for 2004 and 2005 further directs the department, through its local provider network, to provide information, education and referral services to persons experiencing gambling addictions. The South Carolina Budget & Control Board (B&CB) awarded two competitive grants in December 2003 utilizing this unclaimed prize money. The first grant was to support the treatment of pathological gamblers, and the second was intended to create a toll-free gambling "helpline." The total amount for both grants was \$1 million for one year, beginning in January 2004, with options for renewal through 2008. As of June 30, 2004, treatment and referral services were being provided and the gambling helpline was in full operation.

Another opportunity arose when the department undertook a comprehensive "ranking and rating" process of its programmatic activities and those of the local provider community county authorities. Through this process, The department DAODAS was able to determine that identify several programs that were no longer meeting expectations. These programs were either suspended for study, or stopped altogether, thereby allowing the agency department to redirect savings to more effective and efficient programs. The rating of the provider community local providers, which took political courage, allowed the department DAODAS to identify providers that were not meeting the department's expectations of the agency in a number of areas. Corrective action plans were developed and implemented for those who were performing "below expectations." The result has been an increase in accountability for all providers, even those performing "above expectations." Additionally, in addition, it the "ranking and rating" activity has prepared the agency DAODAS for the FY05/06 fiscal year 2006 budget process undertaken as one of the "Priorities of Government" Government" implemented by Governor Mark Sanford.

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 DAODAS works to identify and tap access alternative funding sources to meet its mission of providing quality services to prevent or reduce the negative consequences of substance abuse and addiction. Recently, t This include d recently reapplying for a \$3 million grant to address co-occurring disorders through the Center for Substance Abuse Treatment and also over more than \$13 million to address prevention, intervention and treatment services. The department has also worked to better manage stable funding streams and has increased Medicaid billing for the sixth consecutive year, thereby increasing access to services for the citizen client. The following two charts reflect the increases in Medicaid revenues and the number of Medicaid clients.

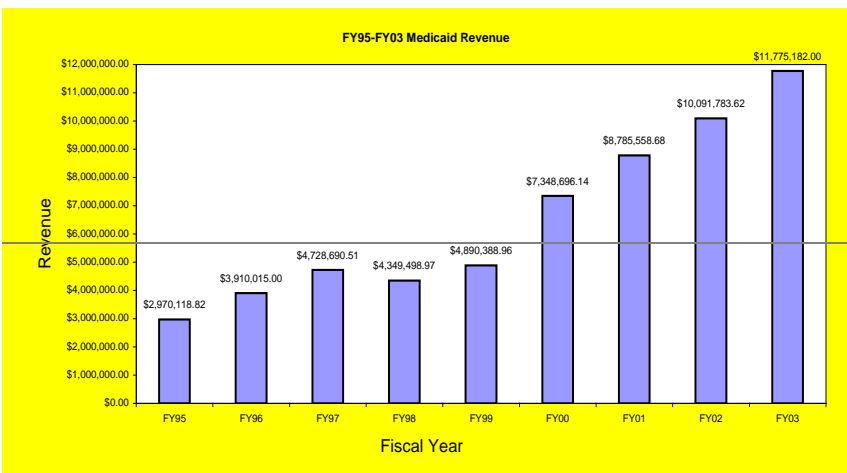
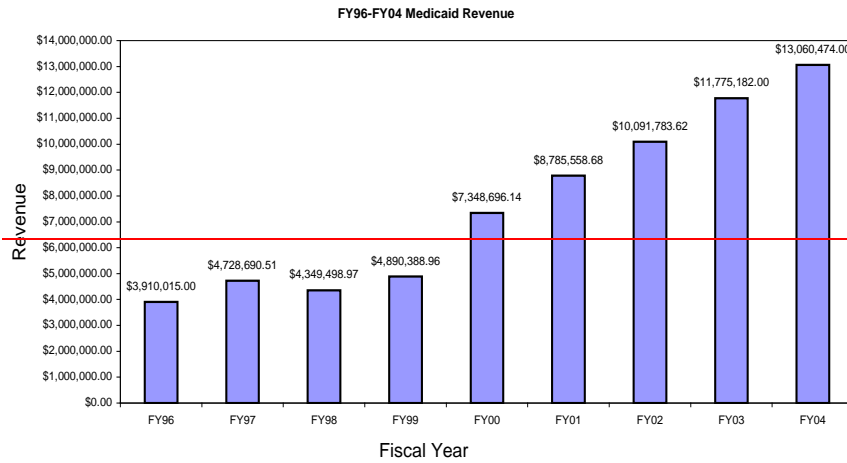


Figure 2 (Source: DAODAS Division of Finance and Personnel / South Carolina Department of Health and Human Services Report; FY95-FY96-04; Total Medicaid Billing.) (FRED AND EMMETT)

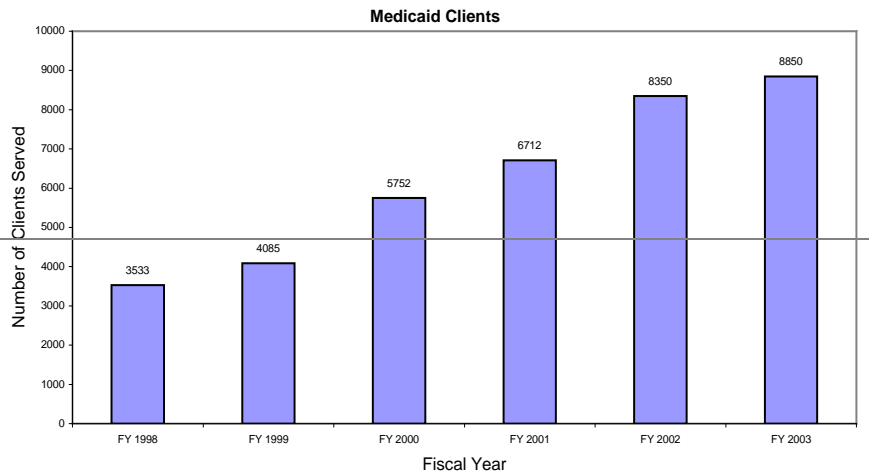
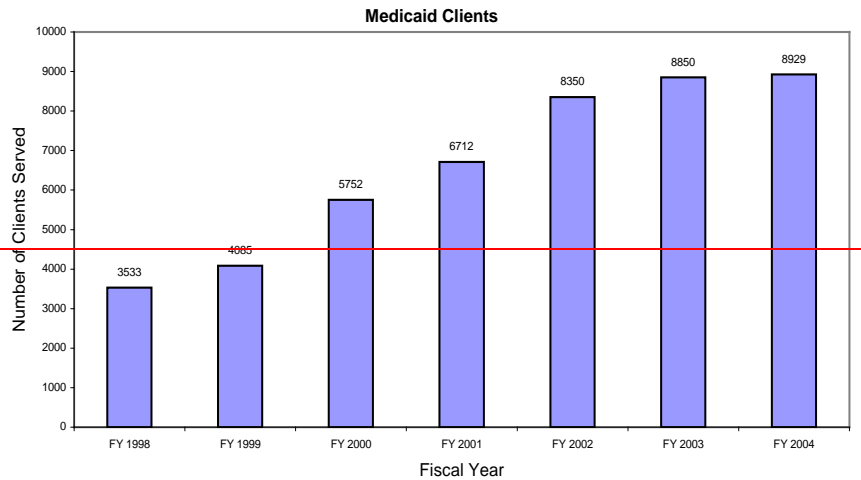


Figure 3 (Source: DAODAS Division of Provider Support, Office of Utilization Review Section / South Carolina Department of Health and Human Services Report, FY98-04; Unique Unduplicated Clients.)

Budget Cuts. Specifically, DAODAS ended FY03 fiscal year 2003 having suffered a combined 37.22 percent cut in state funding cut (May 2001 – June 2003), for a total of \$4.3 million. For FY04, the agency received a 13.97 percent cut, which included the 1 percent withholding implemented in August 2003. The total \$5.59 million reduction brought the agency's total state funding to \$7.9 million, which represented the lowest level of state appropriations received by the department DAODAS since the decade of the 1990s, as agency funding was static throughout most of that period. For fiscal year 2005 (FY05) FY05, the agency

suffered an additional 25% percent state budget cut, which totals totaling \$1.9 million. However, the agency did receive other funds from the South Carolina Education Lottery (\$1 million) and the Department of Revenue tax collections (\$585,874), which nets an overall reduction of 5% percent or or \$377,883 overall reduction. Since May of 2001, the agency department has seen reductions of 55.19% from its base budget totaling \$5,960,737.

The department DAODAS and its providers county authorities have received the largest proportional state funding cuts of any state agency/system. 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 \$44 million in costs to society, including the costs of of incarceration, drug-related crime, hospitalizations and other societal ills, if these cuts had not been taken experienced by the department and its providers.

In spite of these severe reductions, the agency DAODAS 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 state funding reductions and to plan for potential future cuts, DAODAS continues to focus on efficiency and effectiveness. The The department has again restructured its organization and maintains an 18.7% percent vacancy rate, thus spreading required duties among existing staff. The agency The agency has also reduced the number of miscellaneous grants awards it awards. In addition, the department DAODAS has reduced out of state travel, reduced telephone and cell phone costs, and reduced and vehicles costs expenses, and continues to hold most training events in Columbia, for a total savings of \$49,961 in fiscal year 2004 FY04. Additionally, since Since the size of the DAODAS staff at DAODAS has been reduced, the agency was able to change its leasing arrangement and thus decrease the fixed cost of rent for a savings of \$27,786, another cost the department seeks plans to impact in during FY05. Savings have been redirected to programming in the field.

In addition, the federal SAPT Substance Abuse Prevention and Treatment (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, South Carolina to meet an obligation known as the Federal federal Maintenance of Effort (MOE) requirements. This means that the department DAODAS 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 requirement. 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" conditions that include certain conditions (e.g., increase in unemployment rates, reduced and collection of tax revenue). The department DAODAS submitted documentation of these such "extraordinary circumstances" and was granted a waiver for its fiscal year 2003 (FY03) block grant SAPT 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 of the amount for which the state is out of compliance.

~~There is still much work to be done in meeting the needs of the citizen-client. This includes continued management of the budget cuts taken since May 2001, and potential future budget reductions. The department must continue to identify and tap access 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~~ substance abuse services, DAODAS took a proactive approach ~~in~~ to serving the citizen-client during ~~FY05~~state ~~FY05~~4 and, in the face of ~~severe~~ state budget cuts (~~72.54~~ percent%, or ~~\$57.5-9~~ 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.

- Cost Efficiencies/Effectiveness. *Achievement:* **During FY054, DAODAS spent ~~-\$3728,447,804~~ million on prevention, intervention and treatment services, thereby saving the citizens of South Carolina approximately \$212-268 million in associated costs.** *Action:* DAODAS continues to provide treatment to the citizens of South Carolina. According to the Institute for Research, Education and Training in Addictions, for every dollar invested in addictions treatment, taxpayers save at least \$7.46 in costs to society, including the costs of incarceration, drug-related crime, hospitalizations and other societal ills.
- Administrative Savings. *Achievement:* **During 2005, DAODAS further ~~cut~~reduced its budget by \$1 million as a result of losing the ability to use a legislative appropriation from the South Carolina Education Lottery to fund its operation. Since January of 2003, the department has streamlined its administrative operations and saved more than \$2.7 million in personnel, rent and other operating costs (telephone/travel).** *Action:* The department continues to focus on reducing administrative expenses while directing a clear majority of state, federal and other funding to the provision of addiction services at the local level.
- Investment/Return. *Achievement:* **Investments in South Carolina communities of \$6.2 million in state funds reap returns in additional federal, state, local and other funding (\$61.6 million) that, which directly impacts the quality of life, personal income and economic development of these communities.** *Action:* DAODAS invests state funds to effect change at the local level.
- Rankings. *Achievement:* **DAODAS developed and implemented improvement plans for local providers who failed to meet expectations. In addition, reassessment of internal agency programs or and services that did not meet expectations is ongoing, as DAODAS examines them for possible refinement or deletion.** *Action:* The agency completed a "ranking and rating" of local providers and a review of internal programs and services offered by DAODAS. These efforts are ongoing.

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- Outcomes/Quality of Life/Economic Development.** *Achievement:* Specifically, **73.272%** of surveyed clients report no alcohol use from admission to **60-90** days following discharge from services, an increase of **37.336.9%**; **91.83.1%** of surveyed clients report no use of alcohol to the point of intoxication from admission to **60-90** days following discharge, an increase of **31.29.11%**; **77.276%** of clients surveyed report that they are gainfully employed from admission to **60-90** days following discharge, an increase of **4.36.5%**; and **91.794.1%** of students surveyed report a reduction in suspensions, expulsions or detention from admission to **60-90** days following discharge, an increase of **112.54.5%**. These statistics show that treatment works and that a positive impact is being made on the quality of life of South Carolina communities, increasing personal income and impacting the economic capacity of residents. *Action:* DAODAS, in conjunction with the county alcohol and drug abuse authorities, continues to focus on outcomes. Through the Government Performance and Results Act (GPRA), federal law requires that certain outcomes be tracked and reported. During FY054, clients receiving services at the local level “got better,” reducing their ~~AOD~~ alcohol and other drug use, going back to work and staying in school. These are the key measures of mission accomplishment and partner performance.
- Efficiency Measures.** *Achievement:* During FY054, **820%78%** of all clients received an assessment within two days of first contact with a local service provider. *Action:* DAODAS insists on accountability, requiring local providers to meet certain efficiency measures that enhance access to treatment, client retention and, as a result, sustainable recovery.
- Collaboration.** *Achievement:* For the sixth year in a row, the county alcohol and drug abuse authorities have increased the number of clients served and **the amount of maintained Medicaid billings**. *Action:* DAODAS operates a Medicaid utilization review (UR) ~~office~~section, which 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 is to decrease the number of clients accessing hospital services. *Achievement:* DAODAS, ~~DMH~~the Department of Mental Health (DMH), county alcohol and drug abuse authorities, local mental health providers and local hospitals continue to develop plans on how best to provide treatment to ~~persons~~ people with co-occurring disorders and those who visit the emergency rooms in crisis. ~~DAODAS identified federal resources to fund co-occurring and crisis intervention services and awarded these grants during the 2004 calendar year.~~ *Action:* DAODAS continues to work 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 of increasing communication, sharing resources and implementing innovative practices to serve the client. *Achievement:* Lastly, DAODAS and the Department of Probation, ~~Pardon-Parole~~ and ~~Parole-Pardon~~ Services finalized a new substance abuse curriculum (New Opportunities Via Awareness —[NOVA]) to be offered to probation and parole clients should they need such services. *Action:* This program ~~will was be~~ implemented during FY05.

- Federal Mandates. *Achievement:* **DAODAS continues to be successful in satisfying federal mandates. Continuing a steady decline in the rate of youth access to tobacco, the agency documented a purchase rate of 11.57% in fiscal year 2004 (2005FY04).** ~~4.~~ **This is lower well below the federal requirement of 20%.** *Action:* DAODAS and its local partners participated in the federally required *Youth Access to Tobacco Study* to measure reductions in South Carolina's rate of youth access. This annual study involves 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. *(Note: As of this writing, FY05 data was not available.)*

Opportunities and Barriers

The department addressed several opportunities that arose during FY05.

The department applied for and was awarded a federal adolescent-planning grant that would assist the state in providing more efficient and effective services to adolescents. DAODAS is implementing the adolescent planning grant in order to increase collaboration among adolescent providers; to identify and eliminate barriers to adolescent services; to increase standardized screening instruments; to increase and improve the capacity and skills of direct adolescent service providers; and to enhance and expand evidence-based practices for addressing adolescent substance abuse. The specific emphasis of funding adolescent services is to include purchasing adolescent prevention services across South Carolina using proven, science evidence-based treatment activities; maintaining and expanding present access to treatment in communities now served; and expanding access to treatment in underserved areas of the state.

DAODAS continues to be the lead agency for the implementation of gambling addiction services funded by unclaimed prize money from the South Carolina Education Lottery. Since March 2004, when addiction services began to be offered, 2800 calls have been received by the department's toll-free gambling helpline, with just over 20% requiring an intervention or referral for additional services. To date, 115 individuals have been referred to a local provider for further assessment, while 54 of those individuals have accessed treatment services. During the spring of 2005, DAODAS worked with the USC University of South Carolina Institute for Public Service and Policy Research through the semiannual South Carolina State Survey to gather data on problem-gambling awareness and the effectiveness of the department's media efforts. The survey revealed that about 60% of South Carolina adults report that they have heard or seen a radio, television, or print ad about gambling addiction services in the past 12 months. While a majority of those surveyed had heard an advertisement regarding gambling services, less than 20% of the respondents were aware of gambling addiction services in their area. DAODAS plans to use the data to direct future marketing efforts toward increasing awareness of services and use the use of those services.

Funding for gambling services will be used for the prevention, intervention, and treatment of problem and pathological gambling, to include including: a) operation of a 24/7 telephone crisis-intervention and referral helpline; b) sub-contracts for the screening and treatment of problem and pathological gambling; c) no-cost training for gambling counselors employed by county

alcohol and drug abuse authorities; d) a Qualified Gambling Services Registry; e) identifying and approving outcome instruments used at assessment, discharge, and 90-day follow-up; f) authorizing problem and pathological gambling services through a utilization review process; g) providing field technical assistance; and h) developing and implementing ongoing a marketing plan efforts that includes the production of print, television, and radio public service messages to raise awareness of problem and pathological gambling and the services available to combat these issues.

The department is also focusing on implementing the implementation of best practices in prevention and treatment services. As a result of the implementation of the Governor's Coordinated Cooperative Agreement on Prevention, which had as its main goal of developing the development of a comprehensive prevention strategy for youth ages 12- to 17, the department has been able to further develop science evidence-based practices in prevention programming that yield solid outcomes. For the first time, and for Among those providers county authorities offering multi-session prevention education programs for youth ages 10- to 20, there has been the department has been able to document for the first time a significant reduction in use of alcohol (19.8%), marijuana (29.7%) and cigarettes (7.1%), and an overall improvement (12.7%) in perceived risk/harm of ATOD alcohol, tobacco and other drug use.

The department DAODAS also continues to work with the Medical University of South Carolina (MUSC) and an addictionologist on its faculty, Dr. Kathleen Brady, to investigate promising best practices in drug treatment. These efforts could lead to the benchmarking of services, thus leading resulting in to higher quality and increased outcomes for South Carolinians undergoing treatment. Additionally, the department will be on the cutting edge of implementing CTN Clinical Trials Network protocols, once they are ready for dissemination. The department DAODAS has also requested from that the federal Center for Substance Abuse Treatment provide technical assistance in identifying and implementing best-practice models in substance abuse treatment. This will be the challenge for 2006 fiscal year 2006 (FY06).

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, DAODAS works to identify and access alternative funding sources to meet its mission of providing quality services to prevent or reduce the negative consequences of substance abuse and addiction. The department has also worked to better manage stable funding streams and has maintained Medicaid billing at \$13 million, thereby increasing access to services for the citizen-client. The following two charts reflect the increases in Medicaid revenues and the number of Medicaid clients.

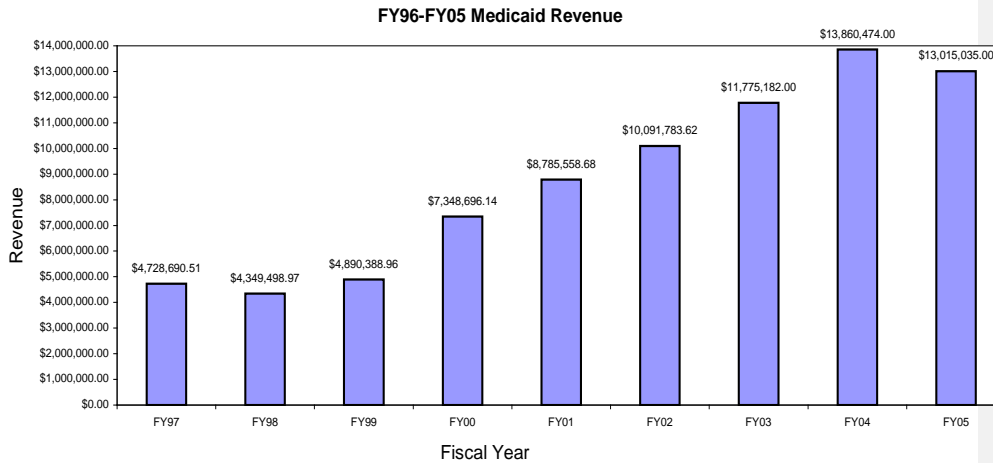


Figure 2 (Source: DAODAS Division of Operations / South Carolina Department of Health and Human Services Report; FY96-05; Total Medicaid Billing.)

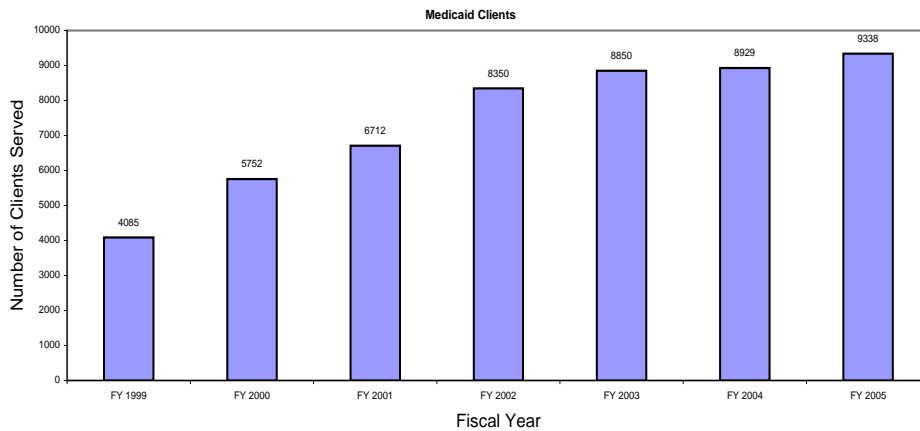


Figure 3 (Source: DAODAS Division of External Affairs and Provider Support, Office of Utilization Review Section / South Carolina Department of Health and Human Services Report; FY989-05; Unique Unduplicated Clients.)

Barriers faced by the department during FY05 were linked to a scarcity of resources.

Scarce Resources.

DAODAS ended fiscal year 2005 having suffered a combined 72.5% cut in base state funding (May 2001 – June 2005), for a total of \$7.5 million. Part of this total included a mid-year FY05 budget cut of \$1 million. Total state appropriations directed to DAODAS were \$6.2 million. Part of this total included a mid-year FY05 budget cut of \$1 million.

In the 2004-05 Appropriations Act, the General Assembly, in order to address previous funding cuts, appropriated \$1 million to DAODAS from the Education Lottery account to fund administrative operations within the department. However, at the beginning of FY05, when DAODAS officials were matching expenses with funding sources, the ability to use the lottery funds for general operating expenses came into question. On behalf of DAODAS, Governor Mark Sanford wrote to the Attorney General's Office asking for an opinion on whether or not the department could use the Education Lottery appropriation for expenses that were unrelated to programs administered by DAODAS in the public schools. In an eight-page opinion, Attorney General Henry McMaster determined that "a court would conclude that the restoration of agency budget cuts to DAODAS (using Education Lottery funds) for its general operating budget is an unconstitutional expenditure pursuant to Art. XVII, § 7 of the South Carolina Constitution."

The resulting \$1 million cut prompted the department to undertake a major ~~organizational restructuring~~ reorganization of the agency and the implementation of a Reduction-in-Force plan. The ~~department~~ agency reduced its staff by 16 full-time equivalents (FTEs) in order to take the cut internally, rather than passing the cuts to the county authorities. By taking the cut internally, DAODAS was able to forestall cuts to services at the local level and thus to its client base.

DAODAS and its county authorities have received the largest proportional state funding cuts of any state agency/system. 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 -\$44 million in costs to society – including the costs of incarceration, drug-related crime, hospitalizations and other societal ills – if these cuts had not been experienced by the department and its providers.

Another challenge faced by DAODAS concerned the federal Substance Abuse Prevention and Treatment (SAPT) Block Grant received by the state of South Carolina to fund the bulk of prevention, intervention and treatment services. This grant requires that South Carolina meet an obligation known as the federal Maintenance of Effort (MOE) requirement. The MOE dictates that South Carolina 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 adversely impacted the state's ability to meet the MOE requirement. Federal law allows the state to apply to the Secretary of Health and Human Services for a waiver of the MOE requirement, if the state can prove "extraordinary economic conditions" (e.g., increase in unemployment rates, reduced collection of tax revenue). DAODAS submitted documentation of such "extraordinary circumstances" and was granted a waiver for its fiscal year 2002 (FY02) SAPT Block Grant application. For fiscal years 2003 (FY03), FY04 and FY05 (projected), South Carolina did not meet its MOE obligation. The department has requested that the state be found in material compliance, and will ask to be found in material compliance for FY05. Penalties can include a dollar-for-dollar payback of the amount for which the state is out of compliance. The latest requests ~~are is~~ pending, as the Substance Abuse and Mental Health Services Administration (SAMHSA) considers changing the criteria for waiver applications.

In spite of these ~~reductions~~ various barriers and challenges, DAODAS remains mission-focused as it ~~attempts~~ works to maintain existing services while partnering to develop new strategies ~~to~~

~~provide for providing services, and to including an emphasis on management, accountability and performance. To manage state funding reductions and to plan for potential future cuts, DAODAS continues to focus focuses on efficiency and effectiveness. The department again restructured its organization, implanted a reduction in force plan Following its reorganization and Reduction in Force, and the department has maintained a 48% vacancy rate, thus spreading required duties among existing staff. The agency has also reduced the number of miscellaneous grants it awards. In addition, DAODAS has reduced out-of-state travel, telephone and cell phone costs, and vehicle expenses, and continues to hold most training events in Columbia. Since 2003, the department has saved over more than \$2.7 million in administrative costs. Savings have been redirected to programming in the field at the local level. In addition, the legislature did appropriate new funding to the department for FY06, receiving approximately \$1.9 million to fund the Medicaid required match for services to the Medicaid population as well as and also funding continued funding for adolescent programming in schools, which had previously been funded through the South Carolina Department of Education.~~

~~In addition, the federal Substance Abuse Prevention and Treatment (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 South Carolina meet an obligation known as the federal Maintenance of Effort (MOE) requirements. This means that the state 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 adversely impacted the state's ability to meet the MOE requirement. Federal law allows the state to apply to the Secretary of Health and Human Services for a waiver of the MOE requirement, if the state can prove "extraordinary economic conditions" (e.g., increase in unemployment rates, reduced collection of tax revenue). DAODAS submitted documentation of such "extraordinary circumstances" and was granted a waiver for its fiscal year 2003 (FY03) SAPT Block Grant application. For both FY04 and FY05, South Carolina did not meet its MOE obligation. The department has requested that the state be found in material compliance. Penalties can include a dollar for dollar payback of the amount for which the state is out of compliance. The latest request is pending, as the Substance Abuse and Mental Health Services Administration (SAMHSA) considers changing the criteria for waiver applications.~~

Improving Organizational Performance

The department ~~again~~ sees the ~~accountability~~ Accountability Report as a means to an end: ~~– that of improving management, accountability and performance as envisioned by Governor Mark Sanford – and utilizes the report, along with the agency's strategic plan, to provide a structure and direction for its activities during the coming 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 1, 2005, As of July 1, 2005. DAODAS had the department employed maintained 5064.5 individuals positions, with 25.541 full-time equivalent (FTE) positions employees and 523.5 temporary grant equivalent (TGE) positions employees. An additional 25 FTE positions are being kept vacant. However, 7 seven TGE positions were eliminated due to the loss of the a contract with the Department of Juvenile Justice contract effective July 26, 2004.~~

Location/Operations

DAODAS is located at 101 ~~Business Park Boulevard~~Executive Center Drive, Suite 215, Columbia, South Carolina-2921093. 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 members may vary to meet the needs and service-delivery requirements of the department. Flexible work schedules are allowed.

Expenditures/Appropriations

Major Budget Categories	FY03/04		FY04/05		FY05/06	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Service	\$3,034,231	\$1,072,783	\$3,304,034	\$1,072,783	\$2,325,959	\$500,000
Other Operating	\$1,142,482	\$297,319	\$1,142,482	\$297,319	\$2,267,776	\$91,577
Special Items	\$3,837,879	\$3,837,879	\$3,087,160	\$3,087,160	\$2,920,342	\$2,920,342
Permanent Improvements	\$0	\$0	\$0	\$0	\$0	\$0
Case Services	\$869	\$0	\$869	\$0	\$0	\$0
Distributions to Subdivisions	\$28,116,893	\$3,160,868	\$28,884,554	\$3,342,171	\$29,266,462	\$2,475,017
Fringe Benefits	\$814,200	\$285,173	\$576,095	\$123,979	\$462,178	\$0
Non-recurring	\$0	\$0	\$585,874	\$0	\$0	\$0
Total	\$36,946,554	\$8,654,022	\$36,369,855	\$7,128,044	\$37,242,717	\$5,986,936

Other Expenditures

Sources of Funds	FY03/04 Actual Expenditures	FY04/05 Actual Expenditures
Supplemental Bills	\$0	\$0
Capital Reserve Funds	\$0	\$0
Bonds	\$0	\$0

Figure 4 (Source: DAODAS Division of Finance and Personnel Operations, Office of Accounting Section / Comptroller General's Year-End Report; CSA424, FY04)

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 (county authorities/local providers.)

Major Program Areas Chart

Program Number and Title	Major Program Area Purpose (Brief)	FY 032-043 Budget Expenditures	FY 043-054 Budget Expenditures	Key Cross References for Financial Results*
I. Chemical Dependency Service Accountability	Improvement in the effectiveness of prevention, intervention and treatment programs to ensure positive outcomes for AOD abuse clients. Sustainable Recovery is the overarching expected result.	State: <u>550824.943438</u> Federal: <u>75772.010685</u> Other: <u>1,33619.404217</u> Total: <u>1,462,326.3573</u> 40	State: <u>550,943,257,773</u> Federal: <u>577,010,724,544</u> Other: <u>491,380,334,404</u> Total: <u>1,462,733,570,7</u> 3,946	<u>7.2.a</u> <u>-7.2.b</u> <u>7.2.e</u> -
		% of Total Budget: <u>7.48%</u>	% of Total Budget: <u>3.946%</u>	
II. Chemical Dependency Community-Based Prevention Services	Use of evidence-based approaches to prevent or reduce the misuse, use and abuse of alcohol, tobacco and other drugs.	State: <u>164,024,243,685</u> Federal: <u>8,285,672</u> Other: <u>7,794,935</u> Total: <u>0,386,990</u> <u>8,449,696</u> 8,425,610	State: <u>102,144,164,024</u> Federal: <u>8,266,660,285,6</u> Other: <u>72</u> Total: <u>1,107,4820</u> <u>9,476,286,449,6</u> 96	<u>7.2</u> <u>7.2.b-</u> <u>7.5.b</u> -
		% of Total Budget: <u>20.523%</u>	% of Total Budget: <u>22.924%</u>	
III. Chemical Dependency Community-Based Intervention Services	Reduction in risk of using alcohol and other drugs. Reduction in DUI Risk. Change in client attitudes and behaviors that lead them to refrain from use, refrain from abuse and reduce harm. Sustainable Recovery is the overarching expected result.	State: <u>786,648,851,614</u> Federal: <u>1,180,723</u> Other: <u>1,072,396</u> Total: <u>239,296</u> <u>1,967,371</u> 2,163,306	State: <u>55,951,786,648</u> Federal: <u>1,168,356,119,7</u> Other: <u>23</u> Total: <u>48,296</u> <u>1,272,603,196,7,3</u> 71	<u>7.2.a</u> - - -
		% of Total Budget: <u>5.3%</u>	% of Total Budget: <u>5.33%</u>	

Program Number and Title	Major Program Area Purpose (Brief)	FY 03-04 Budget Expenditures	FY 04-05 Budget Expenditures	Key Cross References for Financial Results*
IV. Chemical Dependency Community-Based Treatment Services	Sustainable Recovery. Reduce use, reduce abuse and reduce harm. Specific client outcome measures address reduction in use and abuse of alcohol and other drugs, unemployment, homelessness, use of emergency room care, arrest rates, and school disciplinary problems.	State: 6,346,994 6,852,050 14,493,328 Federal: 46,791,569 Other: 897,212 87,280 21,737,534 Total: 23,730,899 % of Total Budget: 57.760%	State: 5,244,764 6,346.9 94 17,642,266 44,49 3,328 1,463,506 897,21 2 24,350,536 21,73 7,534 % of Total Budget: 58.8% 63%	7.2.a 7.2.b - -
V. Direct Chemical Dependency Services	Sustainable Recovery is the overarching expected result in two programs of all programming. The Bridge is recognized nationally as an effective program in the areas of abstinence, recidivism, reincarceration, educational achievement and life skills. The Recovering Professional Program has also been effective in increasing the number of clients who return to their profession.	State: 263,008 344,711 963,753 Federal: 4,017,365 1,002,952 Other: 776,070 2,229,713 Total: 2,438,446 % of Total Budget: 5.26%	State: 25,759 263,008 Federal: 620,934 963,753 588,904 1,002,95 Other: 2 1,235,596 2,229,7 13 % of Total Budget: 6%	7.2.a 7.2.b - -
Below: List any programs not included above and show the remainder of expenditures by source of funds.				
VI. Gambling Services. The expected result includes a reduction in the number and intensity of pathological gambling behaviors and the often disastrous consequences: an increase in the identification and referral of problem gamblers through the 24/7 helpline; and increased awareness throughout the state of problems related to gambling.				
VII. Alcohol and Drug Abuse Administration. This function provides executive leadership; develops and implements short- and long-term directions, performance expectations and organizational values; supports policy development, review and implementation; and oversees financial services, procurement, personnel services and communication.				

Remainder of Expenditures:	State: 6,632 0	State: 300,536 6,632
	Federal: 3,937 0	Federal: 634,642 3,937
	Other: 174,653 0	Other: 84,685 174,653
	Total: 185,222 0	Total: 1,019,963 185,222
	% of Total Budget: 10	% of Total Budget: 9.53%

Source: CSAG 424 FY053 and FY054 FM13

Figure 5 (Source: DAODAS Division of Program Accountability, Office of Finance and Personnel Prevention and Planning Section / DAODAS Division of Operations, Office of Human Resources Section)

Key Customer Segments — Stakeholders / Products and Services

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 department recognizes that its own employees are also important customers and are integral to the success of the department.

In terms of customer segments, citizen-clients are stratified into the following populations: women; children and adolescents; co-occurring clients; 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 boating or driving or boating under the influence [DUI]). 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, are 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).

Three major products are offered by the department. ~~This includes~~ *These include prevention services*, which ~~is~~ *are* 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~~ *alcohol, tobacco and other drug*-related problems. Services are implemented in communities and schools throughout South Carolina. (Key Customers – ~~citizen-clients~~ *and* 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. ~~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].~~

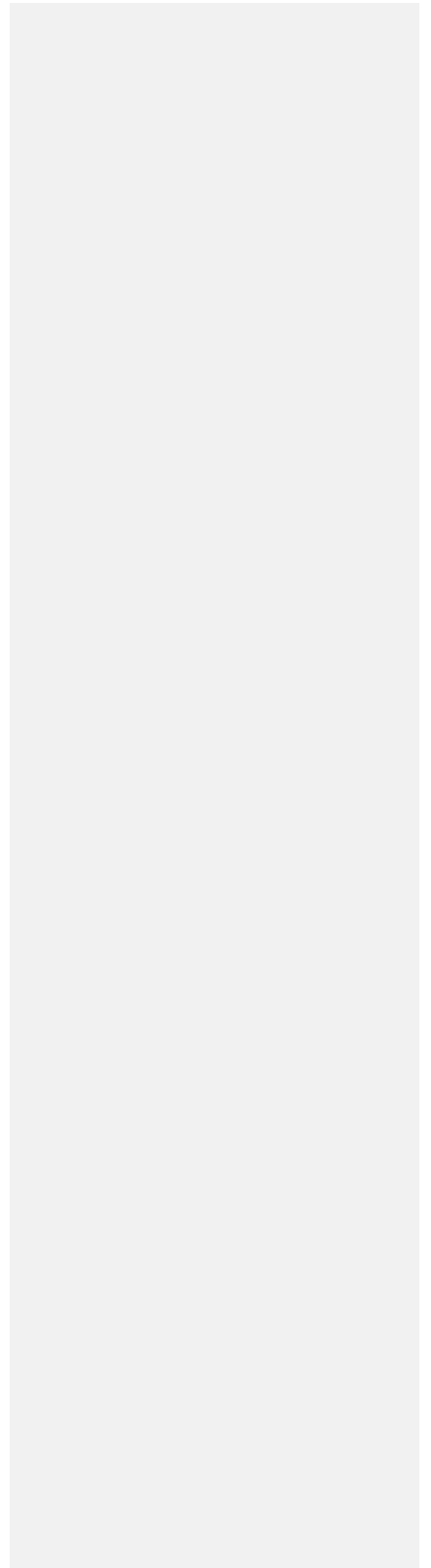
Treatment services are designed to improve the lives of individuals and families affected by substance abuse through the provision of individualized care to reduce the health and human service costs, as well as the economic cost, to our communities and state. Specific ~~AOD~~ *substance abuse* services 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~~ *four* 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~~ *identified* customers *identified* above who are in need of any level of treatment). *(Note: This list is not inclusive of all the innovative programs offered.)*

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,

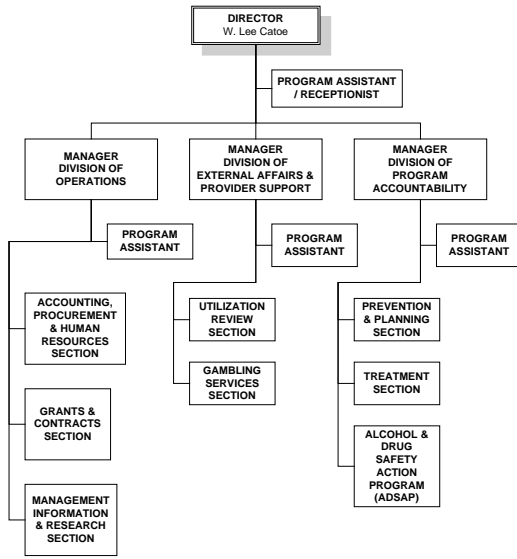
constitutional, agency), the citizen-clients' family members, federal officials, and the South Carolina citizenry-at-large. This also includes any newly identified customers and DAODAS employees.

| 4



Organizational Chart

South Carolina Department of Alcohol and Other Drug Abuse Services
ORGANIZATIONAL STRUCTURE - 6/30/05



South Carolina Department of Alcohol and Other Drug Abuse Services
Effective 7/1/04

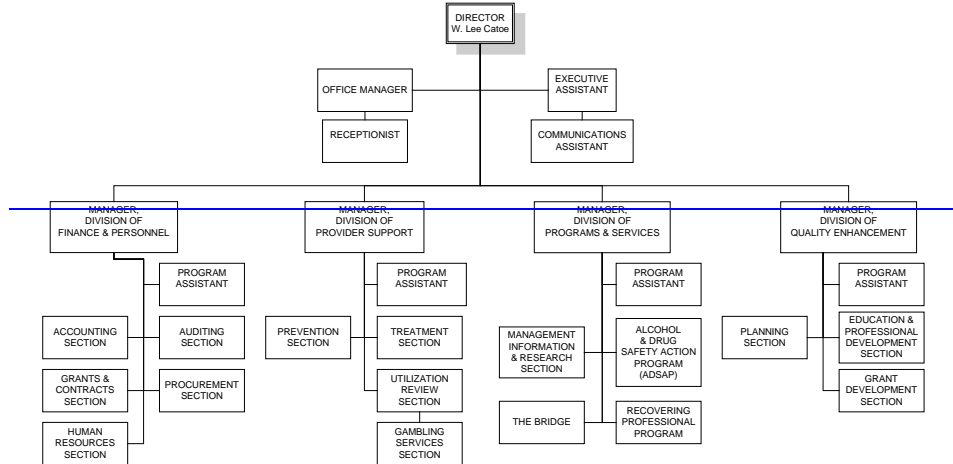


Figure 5-6 (Source: DAODAS Division of ~~Finance and Personnel Operations~~, ~~Office of Human Resources Section~~)

Section Three Malcolm Baldrige National Award Criteria

Leadership

1.1. How do senior leaders set, deploy and communicate the short- and long-term direction, performance expectations, and organizational values, empowerment and innovation, organizational and employee learning, and ethical behavior?

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 website, agency newsletters and other various~~ 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 a similar~~ manner.

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. Additionally, these are reviewed on a quarterly basis by the department's ~~Division of Quality Management Team Program Accountability section~~ and during the annual CCR process.

Senior leaders have set ~~three~~ 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-regular~~ 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~~-(~~SCVRD~~)). Services provided include counseling, medical or psychological evaluation and/or treatment, job-site evaluation and modification, and referrals to other service providers.

1.2. How do senior leaders establish and promote a focus on customers and other stakeholders?

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, [a training committee](#), a finance and 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 ~~direction~~, as well as offer an opportunity for DAODAS to reinforce its commitment to accountability and to implement measures of performance.

~~Additionally~~In addition, 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~~DAODAS 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 department~~ 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. How do senior leaders maintain fiscal, legal and regulatory accountability?

The department has established and adopted policies, procedures and practices upon which its oversight systems and processes are based, in concert with federal and state mandates. This ensures compliance with fiscal, legal and regulatory accountability issues as directed by the federal and state laws, counselor and prevention professional certification regulations, accreditation standards, clinical and diagnostic standards, quality assurance standards, state licensure regulations, audit standards, and memoranda of agreement with partner agencies.

1.4. 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 ~~has is developed~~ed 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 process. A review is completed on ~~each provider~~s on using 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~~DAODAS 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~~providesaffords further 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~~In FY065, department staff will ~~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~~Commission on Accreditation of Rehabilitation Facilities), state licensure reviews (South Carolina Department of Health and Environmental Control [DHEC]), and Medicaid audits (~~DHHS~~South Carolina Department of Health and Human Services [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.

Finally, ~~and during FY04, the department DAODAS was tasked by Governor Sanford during FY04 by Governor Mark Sanford to implement~~ with implementing specific objectives for the department and for alcohol and other drug abuse clients; ~~these have continued through FY05 and into FY06.~~ These ~~were to include:~~ a) a reduction in use; b-a) reduce their clients' involvement with the criminal justice system; b) and increase in employment or involvement in productive activities; c) a reduction in e-hospital emergency room admissions; d) ensuring reduce the five-year detoxification recidivism rate; and e) reduce homelessness a stable environment; and ~~ef) a decrease in tobacco sales to underage youth while.~~ The objectives also addressed several internal goals. As of July 1, 2005, the agency had achieved ~~99.4%~~ 87.3% percent of these objectives and making was making positive steps toward achieving the majority of goals.

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

1.5. 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?

Key ~~in among~~ is the department's activities in FY04, ~~the department distributed~~ was the distribution of a performance-evaluation survey to local providers to evaluate DAODAS in several areas, including knowledge and expertise of staff and consistency of communications. The department gained insight from the survey and has set management directives to address identified concerns. ~~These directives, which were implemented in FY05, to include~~ including additional professional requirements for internal staff and cross-training of staff within professional disciplines and across disciplines, protocols for refined communication with the providers, locating a better prevention-outcome data system, and providing additional access to its ~~utilization review~~ UR staff.

The department's will continue to address survey concerns in FY06~~5~~ and ~~additionally~~ will define its key internal measures of performance, to track that performance and make adjustments when necessary, and to act as indicated by the data.

1.6. How does the organization address the current and potential impact on the public of its products, programs, services, facilities and operations, including associated risks?²²

~~The department DAODAS~~ 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~~ substance abuse 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~~In addition, 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~~DAODAS assesses risks through a statewide critical-incident policy, requests for technical assistance and the ~~county~~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~~It often results in the ~~development~~development of trainings on specific issues and cross-trainings with partner agencies.

1.7. 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 citizen-client as 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 FY06~~5~~ is to ~~additionally~~further define its key internal priorities, to track that performance and make adjustments when necessary, and to act as data directs.

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

United Way	Good Health Appeal	Salvation Army	<u>Red Cross Blood Drive</u>
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Table 1-Figure 7 (Source: DAODAS [REDACTED] Division of Operations)

The department participates in various community endeavors and charities. Some of these include the Salvation Army (~~Christmas Bell Ringers~~), Good Health Appeal, memberships through professional organizations, various United Way programs, and Red Cross campaigns; Easter Seals (Buck-A-Cup) and many more. Employees are encouraged to participate in community endeavors with agency support.

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.

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 key participants, and how does it account for customer needs and expectations, financial, regulatory, and societal and other potential risks, human resource capabilities and needs, operational capabilities and needs and partner needs?

~~The department~~DAODAS 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, achieving 993% of its objectives during FY05. During FY054, theThe agency continue~~will continue to~~ refined the strategic plan by updating the action plans and scanning its environment for direction or goal change~~refining prevention-related sections, to include the incorporation of standard survey instruments, science-based goals and objectives, as defined by the Governor’s Cooperative Agreement on for Prevention.~~

2.2_ What are your key strategic objectives?

~~2.3. What are your key action plans/initiatives?~~

Strategic Planning

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related FY 04-05 Key Agency Action Plan/Initiative(s)	Key Cross References for Performance Measures*
Chemical Dependency: I. Service Accountability, III. Intervention Services, and IV. Treatment Services	1. Improve the effectiveness of treatment and intervention programs--Clients who have no/reduced involvement with the criminal justice system.	1.1. Each year, the statewide average reduction in re-arrests will be equal to or greater than the previous year.	7.2.a
	1. Improve the effectiveness of treatment and intervention programs--Clients who are employed or engaged in productive activities.	1.2. Each year, of those clients who at admission had reported being unemployed (or not employed but labor-force-eligible) during the prior 30 days, at least 20% will report full-time or part-time employment during the prior 30 days at the post-discharge outcome survey (usually at three months post-discharge).	7.2.a
	1. Improve the effectiveness of treatment and intervention programs--Clients who experience no/reduced alcohol or illegal drug related health, behavior, or social consequences.	1.3. Each year, of those clients who at admission had reported having used a hospital emergency room the prior 30 days, at least 40% will report not having used a hospital emergency room during the prior 30 days at the post-discharge outcome survey.	7.2.a
	1. Improve the effectiveness of treatment and intervention programs--Adults and/or youth under 18 receiving treatment services who report using alcohol or illegal drugs.	1.4. Of those clients who had been discharged from a detox facility during FY 2004, no more than 20% will be readmitted to that detox facility by June 30, 2009.	7.2.a
	1. Improve the effectiveness of treatment and intervention programs--Clients who have a permanent place to live in the community.	1.5. Each year, of those clients who at admission had reported homelessness or dependent living arrangements during the prior 30 days, at least 40% will report independent living arrangements during the prior 30 days at the post-discharge outcome survey.	7.2.a
Chemical Dependency: I. Service Accountability and II. Prevention Services	2. Improve the effectiveness of prevention programs--Fully integrate tobacco strategies into prevention programming and philosophy	2.1. The annual Youth Access to Tobacco Study will show that no more than 10% of the attempted tobacco buys by youth was successful.	7.2.c
Chemical Dependency: I. Service Accountability, III. Intervention Services, and IV. Treatment Services	3. Improve the efficiency of the service delivery system--Improve client engagement and retention.	3.1. At least 75% of clients will receive at least one unit of assessment within 0-2 working days from intake	7.2.b
		3.2. At least 50% of the clients with an assessment will have at least one unit of services within 0-6 working days from assessment.	7.2.b
		3.3. Discharge forms will be completed on 99% or more of all admitted clients whose services have ended (missing discharges not to exceed 5% of all applicable episodes).	7.2.b
		3.4. Outcome data will be collected on a representative sample of 15% or more of admitted clients whose services have ended.	7.2.b

* Key Cross-References are a link to the Category 7 - Business Results. These References provide a Chart number that is included in the 7th section of this document.

~~Chart 2~~Figure 8 (Source: DAODAS **Division of Quality Enhancement**Division of Program Accountability, Office of Prevention and ~~Office of Planning Section~~Section)

2.43. How does the agency develop and track action plans that address key strategic objectives?

The agency DAODAS continued to use a simplified, client-oriented strategic and operational planning/implementation approach. Based on the agency's department's mission and core values, and with the involvement of the entire staff, cascading and interlocking strategic goals were adopted—starting with effectiveness outcome goals, proceeding to efficiency outcome goals that are designed to support the outcomes, and ending with goals-goals that address the collaborative, personnel and fiscal resources that support the preceding effectiveness and efficiency goals. Each goal has one or more specific objectives, which in turn have detailed action plans.

~~Continued refinement and implementation of action plans occurred in FY054. 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 were assigned, resources identified, outcome measures identified and corrections made, as needed.~~

2.4 What are your key action plans/initiatives?

See Strategic Planning Chart.

2.5. How does the agency communicate and deploy its strategic objectives, action plans and performance measures?²⁻²

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~~ website and newsletters/other informational outlets. ~~During FY05, the department distributed a one page one-page document to the Governor's Office, the legislature and all providers county authorities known as the DAODAS titled "Five for Five 2005." This document detailed the direction of the agency as supported by its strategic plan goals, to include decreasing/limiting administrative expenses, focusing on evidence-based prevention and treatment services, adolescent services, and basing decisions on performance data.~~

For FY065, the department will continue to link goals and objectives to customer requirements, and to benchmark strategies and assessments of organizational strengths and weaknesses.

2.6. Website Address for the Strategic Plan?

~~The strategic plan can be found at The agency DAODAS does not post its strategic plan on its website. Web site: www.daodas.state.sc.us.~~

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 FY05, 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 ~~Division of~~ Management Information and Research (MIR) Section, 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 FY06, 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~~alcohol and other drug abuse 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 FY05, 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~~substance abuse 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.)~~ 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's 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~~ also include ~~additional~~ stakeholders other than the provider network, as partner requirements sometimes involve bringing many actors to the table for discussion, review, decision-making and evaluation purposes.

~~The department DAODAS has~~ worked toward increasing communication during FY054, continuing to hold many forums to share best practices, disseminate national and state alcohol and other 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~~ the agency director or any member of the EMT. ~~During FY04, the agency did administer a provider survey to gain feedback on agency operations. (See: th~~ is ~~is address in question 1.5.)~~

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 quarterly meetings of ADSAP providers, ~~quarterly meetings and~~ are they form the basis of problem solving statewide.

~~Additionally~~ In addition, a more formalized customer-complaint process has been ~~institutionalized~~ instituted to better meet the needs of both the citizen-client and the provider ~~of~~ about 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 FY04 surveys indicated that an estimated 95% percent of respondents feel the review-CCR process was beneficial to their agency-agencies and met the needs of their staffs. In FY04, 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. (Note: FY05 feedback is not available, -as a decision was made to decrease the number of annual CCR visits, completing visits to all agencies and thus visits are being completed over two fiscal years.)

The GPRA (statewide client-outcomes system) measures client satisfaction. For the first three quarters of FY05, 96% percent of all clients were satisfied with the services they received. Client satisfaction rates have remained statistically unchanged for several years.

~~Key in FY04, the department also distributed a key performance evaluation survey to so that local providers to could evaluate DAODAS in several areas, including knowledge and expertise of staff and consistency of communications. The department gained insight from the survey and has set management directives to address identified concerns, to include additional professional requirements for internal staff and cross-training of staff within professional disciplines and across disciplines; protocols for refined communication with the providers; locating a better prevention-outcome data system; and providing additional access to its utilization review staff.~~

3.5. *How does the agency build positive relationships with customers and stakeholders? Indicate key distinctions between different 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-substance abuse 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 and address the needs and interests of various constituencies, including the general public and other special populations in need of alcohol and other drug abuse information and assistance. Specific activities include several communication strategies. The department places major emphasis on developing numerous types of informational materials to reach various target audiences. The highlight for FY05 continued to be the development and dissemination of gambling materials and messages in concert with the South Carolina Education Lottery

Commission. Finally, information is disseminated to the local provider network and to the general public as requested.

DAODAS places major emphasis on efforts to use the mass media to reach diverse constituency groups. In FY05, 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 FY05, this initiative received pledges totaling more than \$1 million in airtime and print space. As an example of the campaign's media partners fulfilling their pledges, television stations in the Columbia and Greenville markets alone donated more than \$55,000 worth of airtime, far outstripping the approximately \$5,000 that DAODAS spent on the initiative in FY05.

The department also manages a comprehensive website that contains a wealth of information about the statewide local provider network, as well as information about specific issues and concerns related to substance abuse. In addition, DAODAS operated two toll-free numbers, a "live response" number and an automated-response number, that the public could use to locate the county alcohol and drug abuse authorities, to access services for gambling addiction, and to request various printed materials available through DAODAS. The live-response number was combined with the automated number in April 2005, but during FY05 the two lines received approximately 1,700 calls.

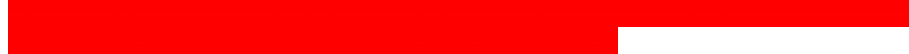
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The department also manages a comprehensive Web site that contains a wealth of information about the statewide system of the local provider network, as well as information about specific issues and concerns related to substance abuse. Additionally, the department DAODAS 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 through DAODAS. Since September 2003, the toll free lines received 1,195,195 calls, the majority of which were requests for treatment referrals.

Prevention programming ~~is targeted~~targets 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 the federal Center for Substance Abuse Prevention (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 Governor's Office and 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 all clients ~~and Medicaid coverage~~.



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 (SDE); state and local law enforcement agencies (South Carolina Departments of Corrections; ~~South Carolina Department of Public Safety~~; ~~DP~~ Probation, Parole and Pardon Services; and ~~DJ~~ Juvenile Justice); ~~DSS~~ South Carolina Department of Social Services (DSS); and DHHS. ~~The department~~ DAODAS 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 FY054, and as mentioned, the department continued implementation of the final year of a federal grant to focus on and emphasize the development and implementation of community coalitions to provide science~~ee~~evidence-based prevention efforts.

For FY065, 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~~ DAODAS 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 DAODAS has instituted a statewide client-outcome system to gauge ~~AOD~~ alcohol and other drug use, recovery, health status, employment, educational status and client satisfaction, among others. These measures, required by the GPRA, are further detailed under ~~question~~ Question 7.42.

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 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. Continued efforts will be made in ~~FY04~~ FY06 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 ~~FY06~~ 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. What are the agency’s key measures?

The agency’s key measures are required under 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). In addition, the department has instituted several benchmarks, in cooperation with ~~the Governor’s O-Mark Sanford’s office~~, which detail parts of the GPRA data, but also include reducing the five-year detoxification recidivism rate, increasing evidence-based prevention programming and increasing alternate funding for substance abuse services. ~~Additionally~~ Also, the agency is required to reduce youth access to tobacco in compliance with federal law (“Synar Amendment”), and ~~achieving~~ achieving a low “buy-rate” is a key measure (11.75% in ~~2004~~ 2005 FY04).

4.3. How does the agency ensure data integrity, timeliness, accuracy, security and availability for decision-making?

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

Data ~~are~~ is amassed from many sources, but primarily through the department’s ~~Office of Management Information and Research (MIR) Section~~. 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-% percent ~~every~~each month, ~~and did so in FY04,~~ as independently verified by ~~the~~ Substance Abuse and Mental Health Services Administration (SAMHSA), Office of Applied Studies.

~~Also in FY05, the department has embarked on upgrading its data compilation through a purchase agreement with a web-based system that will yield real-time data while also offering local providers the opportunity to develop and analyze ~~its~~their own data and to develop such expertise. This is a precursor to the electronic management of all data and electronic records.~~

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

~~The department~~DAODAS 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.

4.5. 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~~Using this CCR process, the department selects best practices and ~~uses~~employs 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~~ 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~~SAMHSA, 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.

4.6. How does the agency manage organizational knowledge to accomplish the collection and transfer and maintenance of accumulated employee knowledge, and identification and sharing of best practices?

The department manages organizational knowledge and accomplishes the collection of organizational knowledge and the transfer and maintenance of accumulated employee knowledge through cross-training, as well as through structured, formal full-staff meetings and departmental staff meetings. The agency is working to increase address-knowledge transfers by including additional professional requirements for internal staff and cross-training of staff within professional disciplines and across disciplines.

In addition, once documents are completed, ~~either~~ for either internal or external consumption, they are located on a shared computer drive and employees are encouraged to avail themselves of this information. The Internet also plays a role in shared and organizational knowledge, as employees are encouraged to share information located on the Internet regarding prevention, intervention and treatment services and research. E-mail is also the most effective and efficient tool for sharing knowledge and transferring knowledge.

An active partner in the State Agency Training Consortium, ~~(SATC)~~, the department supports this critical interagency training resource by providing education and professional-development opportunities to other state agencies, as well as by sharing training resources including trainers and facilities at no cost.

Finally, ~~the department~~ DAODAS is greatly also involved with the Southeastern Addiction Technology Transfer Center (SATTC) in Atlanta, which has as its main goal the transfer of addiction knowledge throughout South Carolina and Georgia, but also across the United States.

Human Resource Focus

5.1. How do managers/supervisors encourage and motivate employees to develop their full potential?

Although ~~the agency~~ DAODAS has endured ~~severe~~ budget cuts during the past ~~4~~-four years, the department understands committed employees are the essential ingredients of ~~DAODAS'~~ its success with-in “doing more with less.” The agency continues to set aside funds to offer trainings and workshops for ~~the employees to attend.~~ In addition, on-line learning through via the Internet provides the most accessible means of training and updating employees in their respective fields. Today’s employees want more information from management; therefore, division managers continue to conduct regular meetings with their employees to provide information, elicit feedback, recognize accomplishments, and encourage and motivate employees as members of a team. The agency continues to offer flexible work schedules to allow for

maximum individual productivity, job satisfaction, and to accommodate the needs of those employees ~~that~~ who are pursuing degrees.

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?

A unique strength of the DAODAS approach to education and training is to include DAODAS staff members in all ~~301 system/county~~ training initiatives ~~offered for the local providers~~. This model ensures that DAODAS staff members receive the same information around best practices and encourages the sharing and transfer of knowledge on a regular basis.

In addition to the numerous regularly scheduled trainings, DAODAS also sponsors various ~~Quarterly quarterly Meetings meetings~~ for specific populations, including: ~~p~~Prevention ~~c~~Coordinators, ~~Financial financial Managers managers~~, ~~Treatment treatment Directors directors~~, ~~ADSAP Coordinators coordinators~~, and ~~Youth youth Coordinators coordinators~~. Each of these specific quarterly meetings includes a training component ~~at each meeting~~. The topics addressed are identified through the collaborative input of DAODAS staff members in cooperation with the county ~~providers authorities~~. This approach strengthens the level of knowledge ~~at the statewide level~~ as well as provides a structured setting to ensure an ongoing ~~sharing exchange~~ of knowledge and best practices. This is accomplished not only through the formal training component but also as a result of the informal networking and sharing that occurs ~~at during~~ each meeting.

During this reporting period, DAODAS was able to provide ~~104-88~~ different formal education and professional ~~development~~ initiatives, including the ~~29th-30th~~ South Carolina School of Alcohol and Other Drug Studies (~~243 participants~~). Through these diverse offerings, a total of ~~2,624-376~~ registrants received critical information to improve and expand the skills, resources and knowledge required to effectively perform many of their job functions.

Many of these trainings offered opportunities ~~to share~~ for the sharing of best practices ~~between among~~ DAODAS staff members, employees of the 33 county ~~provider system authorities~~, and interagency representatives from a variety of ~~State state Departments agencies~~ including— ~~DHEC, DHHS, DMH, DPPPS, DSS, SCVRD, SDE, Department of Disabilities and Special Needs, Vocational Rehabilitation, Mental Health, Health and Environmental Control, Health and Human Services, Social Services, Disabilities and Special Needs, Probation, Parole and Pardon, Education~~— as well as many of the ~~institutes institutions~~ of ~~Higher higher Education education~~ ~~from throughout~~ South Carolina.

It is important to note that, in order to reach key populations/customers, DAODAS emphasized specific training initiatives ~~including on services~~ for youth, women, ~~individuals with~~ co-occurring disorders and compulsive gamblers.

A myriad of opportunities exist on an ongoing basis to assess training needs. For internal needs, employees and supervisors are expected to address future training needs in connection with the

Employee Performance Management System (EPMS) process. ~~Through~~ This can involve either a supervisor identifying an area of improvement for ~~their~~ his/her employee or an employee identifying a specific area of professional development related to ~~their~~ his/her job function.

Trainings are developed through a combination of factors including: feedback through the evaluation processes of previous training-related initiatives; the identification of best practices; available technical assistance through federal and staff/-program development and training resources. These include ~~the~~ site visits by and technical-assistance requests of the U.S. Department of Health and Human Services/Medicare and Medicaid Services, Substance Abuse and Mental Health Services Administration/SAMHSA and Centers for Substance Abuse Prevention (CSAP) and Treatment (CSAT) site visits and technical assistance requests. Other major resources include the Southeast Addiction Technology Transfer Center (Treatment) SATTC and the Southeastern Center for Applied-the Application of Prevention Technology Technologies (SECAPT).

Best-practice resources as documented by approved researchers related to the prevention of alcohol, tobacco and other drugs-drug abuse are available on the DAODAS website ~~web-site~~. A similar “toolbox” is being development-developed for the treatment-related issues supported by similar research.

Many key trainings to meet the needs of the basic, intermediate and advanced levels of prevention, intervention and treatment professionals who providing alcohol, tobacco and other drugs-substance abuse services were provided to address a myriad of identified critical areas, identified including: “Intensive Family Services”; “Family Dynamics for the Prevention Professional”; “Case Management for Medicaid Providers”; “Youth Services Training”; “Getting to Outcomes” (Prevention-prevention); and “Treating Adolescents.”

In support of the Southeastern School of Alcohol and Other Drug Studies, DAODAS has provided a SC state coordinator to ensure that South Carolina staff-professionals ~~are~~ is/were well represented throughout the planning, implementation and evaluation of this important regional (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina and Mississippi, Alabama, Kentucky, Tennessee and South Carolina) initiative ~~initiative~~. This annual event is one of the oldest (43-44 years) professional settings for alcohol and other drug professionals to gather to share best practices and explore strategies for the on-going improvement of processes and procedures. State coordinators who participate in the planning process are present during the weeklong event and review and respond to the comprehensive evaluation process to ensure continuous improvement.

The department DAODAS continues to focus on high-priority diversity issues including Limited Limited English Proficiency, with a special emphasis on the increasing Hispanic/Latino population. During the next year FY05, the department is planning plans to expand ~~the~~ its training programs by providing a successful n-in-depth training-of-trainers to address the language and cultural issues of Hispanic/Latinos as related to alcohol and other drug issues, and funded a pilot project to address this issue on a regional basis.

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

While supervisors are responsible for completing the EPMS, the employee plays an essential role by providing feedback to ensure ~~their-that his/her~~ EPMS ~~evaluations~~ captures all major accomplishments and ~~adequately~~ effectively describes the employee's performance. As a result of year-to-year evaluations, employees also go through a planning stage to look at their actual job duties and what is expected of them, thereby allowing the employees to maximize their potential to receive high performance ~~evaluations~~ ratings.

For FY065, the department will ~~continue~~ seek to link position descriptions and EPMS documents to the agency's strategic plan and agency business results.

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

Once an employee goes through orientation, ~~they are~~ he/she is involved in numerous agency activities that deals with employee moral and motivation. Teamwork plays a very important part as it relates to working together to achieve goals in the work-place. The agency encourages employees to ~~comment on their~~ submit concerns (suggestion card reads "YOUR CONCERN IS OUR CONCERN") in ~~the-an~~ employee "suggestion box." In addition, the director encourages ~~the-an~~ "open-door" policy. One of his first undertakings in promoting open communication was to schedule a one-on-one meeting with each employee to discuss ~~anything~~ any topics they wanted to explore. The director and managers use Fridays, as the agency's "casual-dress-day," to "visit" employees ~~to-and~~ gauge the agency's overall morale and employee's disposition.

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

The agency has in place an emergency and safety plan (Employee Safety Program) to ensure that employees are safe during hurricanes, tornadoes, fires, bomb threats and instances of violence in the work-place. Drills are ~~provided~~ held throughout the year to ensure that staff ~~is-members~~ are familiar with the outlined procedures. During FY054, the plan was further modified to address points of contact, emergency preparedness and local disaster response. ~~In addition, the department DAODAS, in partnership with the South Carolina Department of Mental Health DMH, received a grant to provide a framework for mental health counseling services in the event of major disasters or in their aftermath. The agency also secured a grant under "Homeland Security" to purchase security cameras that have been were installed in the common entrance areas and outside perimeter of the building department's former offices for added security.~~

5.6. *What activities are employees involved with that make a positive contribution to the community?*

The department participates in various community endeavors and charities. Some of these include the Salvation Army (~~Christmas Bell Ringers~~), Good Health Appeal, memberships ~~through in~~ 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.

The department DAODAS works within the South Carolina community-at-large by designating an internal community liaison to engage ~~the community-citizens~~ 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 support processes that produce, create or add value for your customers and the organization; how do they contribute to success, and how does the agency improve and update these processes to achieve better performance?

6.2. How does the agency incorporate organizational knowledge, new technology, changing customer and mission-related requirements, cost controls, and other efficiency and effectiveness factors into process design and delivery?

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

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

6.5. How do you manage and support key supplier/contractor/partner interactions and processes to improve performance? (Note: See "Customer Focus" section for details on this question.)

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~~ alcohol and other drug abuse 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. This creates value for the customer.

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. This creates value for the customer.

Key support processes are updated and/or improved by focusing on the customer. For example, during the contractual process ~~for FY02 fiscal year 2002, FY03 and now FY04~~, 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. This creates value for the customer.

~~Additionally~~In addition, the Division of ~~Planning and Quality Management Program~~ Accountability ~~acts acted~~ as a key point of contact for providing business management, consultation, and technical assistance. ~~T~~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. This creates value for the customer.

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~~ for chronic welfare recipients and also expand ~~AOD alcohol and other drug abuse~~ 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. Additionally, the department is working with both the Department of Mental Health DMH to provide services to those clients who are diagnosed as having both a mental health and substance abuse issue, as well as with DPPPS the Department of Pardon, Probation and Parole to provide services to individuals who are released from the corrections system and who have a substance abuse problem. This creates value for the customer.

For ~~FY05~~FY06, the department’s continuing challenge ~~continues to be~~ is 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 and crisis stabilization beds.

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 agencies~~ as meeting the needs of their staff. For FY04, provider satisfaction reached ~~and estimated~~ 95%. (Note: FY05 feedback is not available, as a decision was made to decrease the number of annual CCR visits, completing visits

to all agencies over two fiscal years. (Note: The CCR process will be completed over two fiscal years. FY05/06 data is not yet available.)

Provider Satisfaction/CCR				
FY00	FY01	FY02	FY03	FY04
100%	95.80%	94%	100%	Est. 95%

Figure 7.1.a (Source: DAODAS Division of Quality Enhancement Program Accountability, Office of Prevention and Office of Planning Section; CCR FY00-04 Analysis.)

The GPRA (statewide client-outcomes system) measures client satisfaction, and the department has used FY01 fiscal year 2001 (FY01) data to set a benchmark for client satisfaction as reported during follow-up. For the first three quarters of FY05, 96% percent of all clients were satisfied with the services they received. Client satisfaction rates have remained statistically unchanged for several years.

Client Satisfaction/GPRA			
FY02	FY03	FY04	FY05
95%	96%	97%	96%

Figure 7.1.b (Source: DAODAS Division of Programs and Services Operations, Office of Management, Information and Research Section, Client Satisfaction -- FY02-05 Analysis.)

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

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 ~~only three~~ quarters of available data, available through as of the March 31, of 2005 (first three quarters of FY05) ~~fourth quarter of FY04~~. Specific client-outcome data includes: 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-substance abuse~~ 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~~ during 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

<u>Client Treatment Outcomes</u>				
<u>Results for Matched Clients Measured at Admission, at Discharge and at Follow-Up</u>				
<u>Follow-Up Surveys Conducted Two to Three Months After Client Discharge From Treatment Services</u>				
<u>Analysis for Clients Completing Services During FY05 (Three Quarters)</u>				
<u>Client Characteristic or Measurement</u>	<u>Percentage of Matched Clients With Characteristic as Measured at:</u>			<u>Number of Matched Clients</u>
	<u>Admission</u>	<u>Discharge</u>	<u>Follow-Up</u>	
<u>Alcohol Use in Prior 30 Days Among Alcohol-Problem Clients</u>	<u>64.1%</u>	<u>31.8%</u>	<u>26.8%</u>	<u>2,115</u>
<u>Alcohol Intoxication in Prior 30 Days Among Alcohol-Problem Clients</u>	<u>37.3%</u>	<u>16.9%</u>	<u>8.2%</u>	<u>1,905</u>
<u>Illicit Drug Use in Prior 30 Days Among Drug-Problem Clients</u>	<u>53.4%</u>	<u>29.1%</u>	<u>7.3%</u>	<u>1,485</u>
<u>Tobacco Use in Prior 30 Days Among All Clients</u>	<u>59.0%</u>	<u>53.5%</u>	<u>56.2%</u>	<u>3,162</u>
<u>Unemployed or Not Employed but Labor Force Eligible, Prior 30 Days, Age 16+</u>	<u>29.3%</u>	<u>23.6%</u>	<u>22.8%</u>	<u>1,980</u>
<u>Dependent Living Arrangement or Homeless, Prior 30 Days, Age 18+</u>	<u>19.6%</u>	<u>17.7%</u>	<u>21.6%</u>	<u>3,221</u>
<u>Outpatient Health Care Use for Medical or Emotional Problems, Prior 30 Days</u>	<u>16.0%</u>	<u>12.4%</u>	<u>17.3%</u>	<u>3,207</u>
<u>Emergency Room Use for Medical, Emotional, AOD Problems, 30 Days</u>	<u>6.3%</u>	<u>3.8%</u>	<u>4.0%</u>	<u>3,206</u>
<u>Arrested on Any Charge in Prior 30 Days</u>	<u>6.2%</u>	<u>1.9%</u>	<u>1.5%</u>	<u>3,295</u>
<u>Student Clients Suspended, Expelled or in Detention, Prior 30 School Days</u>	<u>18.4%</u>	<u>7.3%</u>	<u>5.9%</u>	<u>833</u>

Client Treatment Outcomes

Figure 7.2.a7-2.a10 (Source: DAODAS Division of Programs and Services Operations, Office of Management Information and Research Section; 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-alcohol and other drug~~ 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-alcohol and other drug~~ 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

Figure 7.2.b11 (Source: DAODAS Division of Programs and Services, Office of Management Information and Research Section; Unduplicated Clients/Matched Clients)

Efficiency and Effectiveness Measures											
Timely Entrance into Services											
	Performance by Fiscal Year									Goal	N Clients
Efficiency and Effectiveness Measures	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Assessment Within Two Days of Intake	57.458.2%	72.357.4%	75.572.3%	79.975.5%	82.179.9%	7882.4%	75%	35.867	34.085		
Clinical Service Within Six Days of Assessment	44.545.6%	44.944.5%	46.444.9%	52.346.4%	62.752.3%	5062.7%	50%	21.279	22.183		

Note: Due to initial errors created by the change to a Web-based reporting system, FY05 data – based on the first three quarters – appears artificially low.

Figure 7.2.b (Source: DAODAS Division of Operations, Management Information and Research Section; 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											
	Performance by Calendar Year										
Prevention Program Outcomes	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
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%	11.57%
Total Number of Purchase Attempts Conducted	1,915	1,703	2,081	3,562	4,045	4,291	4,536	4,451	4,818	5,209	5,202

Note: As of this writing, FY05 data was not available

Figure 7.2.e7.2.c12 (Source: DAODAS Division of Programs and Services/Operations, Office of Management Information and Research Section; Division of Program Accountability, Office of Prevention and Planning Section Unduplicated Clients/Matched Clients.)

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

*For the first time, the department DAODAS has been able to provide quantifiable prevention programming outcomes. Outcomes for multi-session prevention education programs for youth ages 10 to -20 are (*indicates significance): a 19.8% reduction in the number of alcohol users*; a 29.7% reduction in the number of marijuana users*; a 7.1% reduction in the number of cigarette users; a 12.7% improvement in perceived risk/harm of ATOD alcohol, tobacco and other drug use*; and a 3.1% improvement in decision-making skills* (*indicates significance). The department has also increased use of evidence-based programming, from funding 56 such programs in 2004-FY04 to funding 81 in 2005-FY05.*

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. FY04 was another year of sustained quality for providers in all areas. The dip from FY03 to FY04 can be accounted for due to a change in the rating system and a more rigorous review. The following table shows the trends since 1997. (Note: FY05 feedback is not available, as a decision was made to decrease the number of annual CCR visits, completing visits to all agencies over two fiscal years.)(Note: The CCR process has been scheduled for two fiscal years. As a result, FY05 data is not available.)

Percent in Compliance

Functional Areas	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04
Financial Compliance	65%	65%	91%	89%	88%	93%	72%	88%
Clinical Quality Assurance	NA	NA	86%	91%	97%	97%	100%	90%
Prevention, Resource Center, HIV	97%	76%	95%	91%	98%	99%	98%	96%
Strategic Management	N/A	N/A	N/A	N/A	89%	98%	95%	82%

Figure 7.2.d7-2.d13 (Source: DAODAS Division of Quality Enhancement Program Accountability, Office of Prevention and Office of Planning Section; FY97-04 CCR Analysis.)

In the area of partner performance, the department has worked closely with DSS and contracts for ~~TANF~~ Temporary Assistance for Needy Families (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~~ alcohol and other drug education, assessment, treatment, relapse prevention, and transitional and wrap-around services.

In October 200~~4~~³, the PAIRS project was continued for an additional federal fiscal year (federal) with total funding of \$~~1.65~~ ^{2.25} million. This program enables four case managers to provide client services in four county authorities (inpatient) and transitional services at all 33 provider sites. For federal fiscal year 2004 (FFY2004), 13 local county authorities contracted to provide PAIRS case management services and to coordinate care and reimbursement for room and board in five women's residential centers. Transitional services are also available to all 33 local providers county authorities. These funds can be utilized to assist TANF-eligible clients with transportation costs to treatment, employment readiness, and with basic needs such as securing safe housing and payment for utilities. The end goal for many participants is for clients to regain custody of their children. Other benefits include reduced relapse rates, learning additional life skills, improving parenting skills and an overall better quality of life. In the first six months of federal fiscal year 2005, 253 women have been were served through PAIRS. Since October 2003, there have been 282 clients with 58 successful completions.

Another measure of partner performance is the association with ~~DHHS~~ and the department's DAODAS's operation of Medicaid utilization review (UR). This project service 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~~ fiscal year 1998 (~~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 at the publication date of this report.~~

<u>Outputs</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY05</u>
Medicaid Clients at Level IV (Hospital)	1,312	940	704	759	970	847
Medicaid Clients at Level III.7D	78	150	254	345	363	332

Note: Data for FY03 and FY04 is not available.

Figure 7.2.e7.2.e14 (Source: DAODAS Division of External Affairs and Providers Support, Office of Office of Utilization Review Section.)

~~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 local provider system has reached its maximum capacity, 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 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 South Carolina~~ meet an obligation known as the ~~Federal-federal~~ Maintenance of Effort (MOE) requirement. This means that the ~~department-state~~ 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-of~~ the amount for which the state is out of compliance. During fiscal year 2002 ~~state fiscal year 2002~~ FY02, the department reported that

it did not meet its MOE mandate by \$1,764,735,902,788. Federal law allows the state to apply to the Secretary of Health and Human Services for a waiver of the MOE requirement, if the state can prove “extraordinary economic conditions” (e.g., increase in unemployment rates, reduced collection of tax revenue). 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. DAODAS submitted documentation of such “extraordinary circumstances” and was granted a waiver for its ~~fiscal year 2003 (FY032)~~ SAPT Block Grant application. The department submitted documentation of these ‘extraordinary circumstances’ and was granted a waiver for its 2002 block grant application. ~~For~~In FY03, FY03/04 and FY05 (estimated), the state ~~did has~~ not meet its MOE compliance requirement due to state budget cuts, and as such, therefore is facing a potential \$5.87.3 million penalty, due to state budget cuts. However, the state has asked to be found in material compliance and will ask to be found in material compliance for FY05. That decision has been delayed as SAMHSA reviews the MOE criteria for all states.

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 provides 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 FY06~~5~~ will be to further identify new performance measures, as well as test existing measures for continued compliance with financial regulations.

7.4. What are the performance levels and key measures for human resources and trends of employees for key measures of satisfaction, involvement and development?

The agency considered 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, Budget reductions and changes in administration during from fiscal years 2001-2005 FY01 through FY05 made it necessary for DAODAS to internally reorganize several times. One such reorganization and realignment of job functions was effective July 1, 2004. This reorganization brought the total number of agency employees to 57.

Due to a mid-year loss of \$1 million that had been designated for internal operations, the DAODAS staff was reduced by 54% in the fall of 2004. This reduction was accomplished through attrition (two positions), the non-renewal of a state contract (eight positions), the release of temporary grant employees (1.5 positions) and the combination of a Reduction in Force (RIF) (eight positions) and the release of various at-will employees (seven positions).

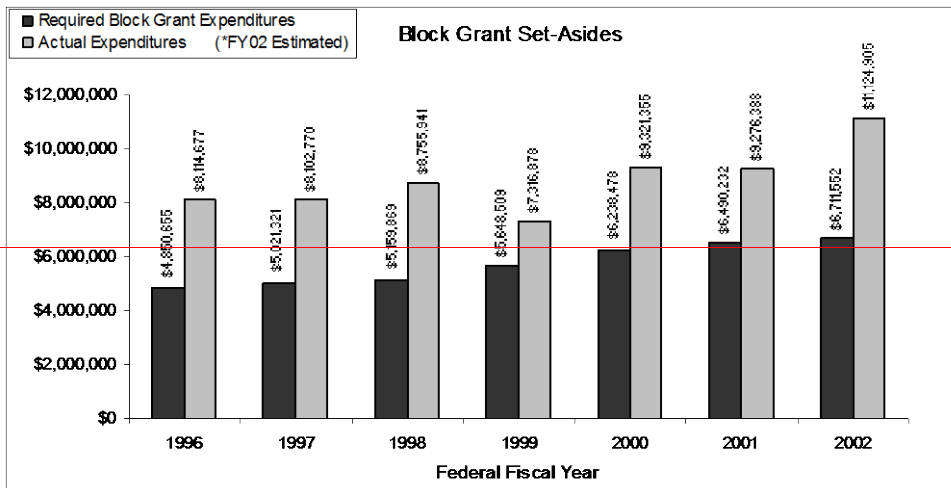
In developing the current work-force, DAODAS management evaluated the skills and adaptability of all agency employees, taking into consideration which staff members would be most willing and able to assume multiple and varied tasks and to ensure diversity. This is the key performance level for human resources.

The current DAODAS staff is quite diverse: 64.5% are female; 38.7% are minorities; and 74% are age 40 or older.

, 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.



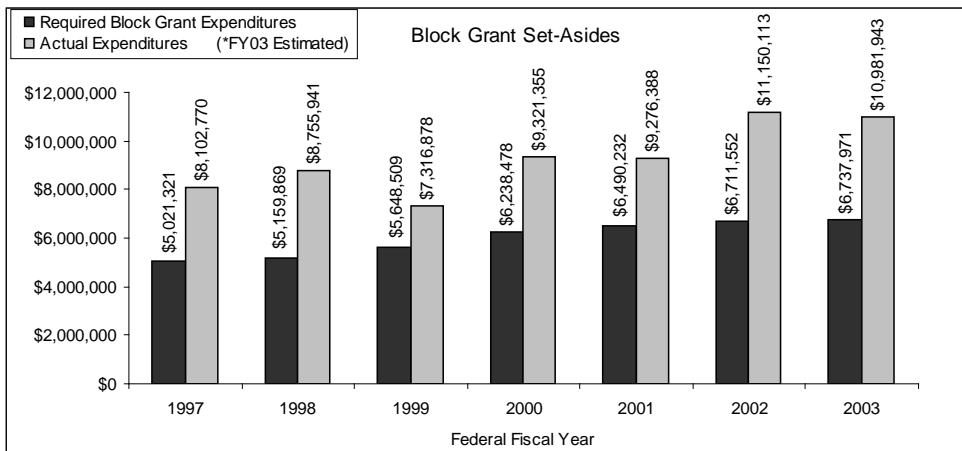


Figure 7.5.a7.5.a15 (Source: DAODAS Division of Finance and Personnel Operations, Block Grant Set-Aside Analysis, FY97-032.)

In addition, DAODAS requires that each county authority ~~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 receive nationally accreditation ~~on their-its~~ first attempt. This effort is ongoing and is a key requirement for contracting with the department to provide AOD-substance abuse services. Additionally ~~In addition~~, 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 FY04, 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 11.75% ~~percent~~ in ~~2004~~2004. By continuing to successfully achieve this requirement, the department has forestalled a possible 40% ~~percent~~ cut in SAPT Block Grant funding. The following chart details this trend. (Note: As of this writing, FY05 data was not available.)

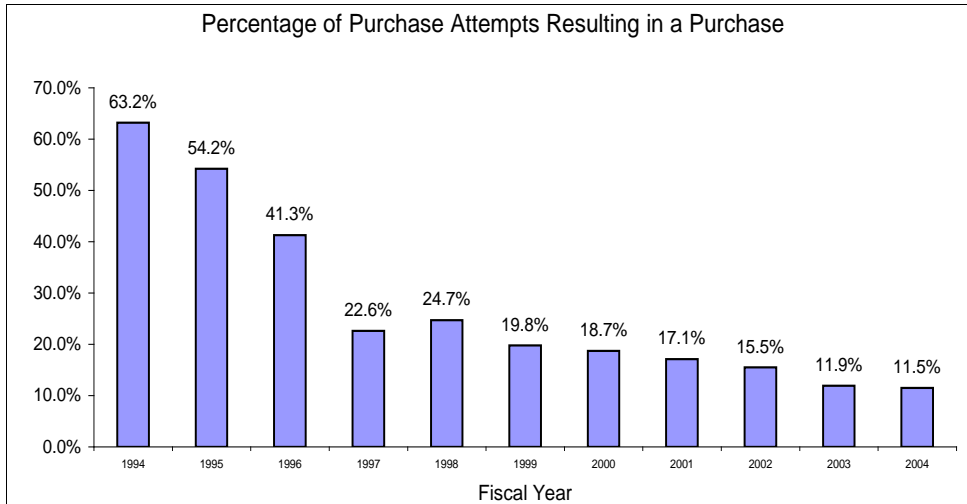


Figure 7.5.b 7.5.b16 (Source: DAODAS Division of Programs and Services, Office of Management Information and Research Section; 2004 Youth Access to Tobacco Study, Ages 14-17-)

Conclusion

There is still much work to be done in meeting the needs of the citizen-client. DAODAS estimates that approximately 235,884 236,000 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 resources as provided, and 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 FY076 budget request.