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January 15, 2003

Honorable Jerry Luke LeBlanc, Chairman  
Performance Review Subcommittee of the  
Joint Legislative Committee on the Budget  
and Members of the Subcommittee  
P. O. Box 44294  
Baton Rouge, LA 70804

Re: Exceptional Performance and Gainsharing Incentive Program  
Proposal by the Department of Health and Hospitals, Office  
of Public Health, Special Nutrition Program for Women,  
Infants, and Children (WIC)

Dear Committee Members:

In accordance with Louisiana Revised Statute (R.S.) 39:87.5(D)(8), we have completed our analysis of the material and substantive accuracy of the proposal submitted by the Department of Health and Hospitals (DHH), Office of Public Health, for a reward based on the Exceptional Performance and Efficiency Incentive Program. The proposal submitted by DHH asks for \$15,000 in supplemental compensation for three individual employees based on their exceptional performance with regard to the WIC Program during fiscal year 2002. According to the proposal, these employees are responsible for developing the WIC Streamlining Project. The goal of this project was to provide WIC services more quickly and efficiently while still adhering to all federally mandated guidelines.

Attachment 1 to this letter provides the results of our verification and analysis of the proposal (Attachment 2). In summary, we found the following:

- DHH requests \$15,000 in supplemental compensation for three employees. These employees were employed by DHH for the entire period covered by the incentive proposal (fiscal year 2002).
- We cannot determine if the proposal is materially accurate because program personnel did not furnish us with any time-related data or other evidence to support the major claims. These claims include:
  - The time frame for receiving WIC services in the public health units has decreased from two to four hours to only one and one-half hours because of the WIC streamlining process (Attachment 2, page 3).

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- Because the WIC participants are now kept busy during the process, the time spent in the health units appears to go by more quickly (Attachment 2, page 3).
- The average estimated time to complete nutritional counseling is 20-30 minutes per participant in the regular clinic and only six to ten minutes in the streamlined clinic (Attachment 2, page 5).
- The value reported in the proposal for the performance indicator *Number of monthly WIC participants* actually represents the average number of monthly WIC participants (Attachment 2, page 4).
- The Office of Public Health failed to provide us with the information required to verify the WIC program's end-of-year actual position counts for fiscal years 2001 and 2002 (Attachment 2, page 7).

I hope this information is useful in your legislative decision-making. A copy of this information has been provided to DHH.

Sincerely,



Daniel G. Kyle, CPA, CFE  
Legislative Auditor

DGK/ss

Attachments

[DHHWIC03]

## **Office of the Legislative Auditor**

*Department of Health and Hospitals (DHH), Office of Public Health,  
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)  
Verification of Proposal Based on the Exceptional Performance  
and Efficiency Incentive Program*

Louisiana Revised Statute (R.S.) 39:87.5(D)(8) requires the legislative auditor to verify the material and substantive accuracy of the information contained in a proposal submitted pursuant to the Exceptional Performance and Efficiency Incentive Program. R.S. 39:87.5(D) provides the types of performance to be achieved to qualify for a reward. A proposal may be based on exceptional performance wherein an agency demonstrates that it has consistently met or exceeded a significant number of the standards for its key and supporting performance indicators related to a particular activity.

DHH, Office of Public Health bases its proposal (see Attachment 2) on exceptional performance, specifically the achievement of three employees in developing the WIC Streamlining Project. The goal of this project was to provide WIC services more quickly and efficiently in Louisiana's public health units, while still adhering to all federally mandated guidelines.

### **Proposed Reward Amount**

DHH is requesting supplemental compensation of \$15,000 to be distributed to three employees who developed the WIC Streamlining Project. These employees are Ms. Debra Luthy (Chief of Nutrition Services), Ms. Melissa Guillory (Regional Nutritionist), and Ms. Pamela Denise Harris (Regional Nutritionist). Civil Service Rule 6.16.3 states that to be eligible for any gainsharing program, an employee must have been employed in the agency, program, or activity during the period when efficiencies were realized and at the time that the reward is distributed. DHH bases its proposal on exceptional performance during fiscal year 2002. All three employees were employed by DHH during this time period.

### **Accuracy of Information in the Proposal**

**This proposal contains claims regarding the efficiencies and benefits of the WIC Streamlining Project, but program personnel did not provide us with any time-related data or other evidence to support these claims. These claims include:**

- As a result of the streamlining process, the time frame estimated for completion of the WIC process is now one and one-half hours. Before this, the time was two to four hours depending on the location of the WIC clinic (Attachment 2, page 3).
- Because the WIC participants are now kept busy during the process, the time spent in the health unit *appears* to go by more quickly (Attachment 2, page 3).

- The average *estimated* time to complete nutritional counseling is 20-30 minutes per participant in the regular WIC clinic and only *six to ten minutes* in the streamlined clinic (Attachment 2, page 5).

Program personnel have not conducted any formal studies and did not provide other evidence to substantiate these claims. Also, we found little documentation to indicate the number of public health units currently using the WIC Streamlining Project as program personnel could only provide us with data for one month in fiscal year 2003. According to program personnel, no comprehensive documentation exists to show how many WIC clinics are using the streamlined process of certifying and recertifying WIC participants. However, the proposal states (on page 5) that a majority of the clinics use the process. Without any comprehensive documentation, we cannot determine if the proposal's claims are accurate.

### **Inaccuracies in the Performance Indicator Values**

- 1. The value reported in the proposal for the performance indicator *Number of monthly WIC participants* (Attachment 2, page 4) actually represents the *average* number of monthly WIC participants.**
- 2. We could not verify the fiscal year 2000 and 2001 values reported for the performance indicator *Cost per WIC client served* (Attachment 2, page 4).** Program personnel did not provide us with the monthly breakdown of administrative costs needed to reconcile the time discrepancy between state and federal fiscal years. As a result, we based our calculations on a federal fiscal year grant, which only approximates the annual cost per client served. Using the federal fiscal year grant, we calculated the actual cost per WIC client served for fiscal years 2000 and 2001 to be \$12.67 and \$12.58, respectively, not \$12.10 and \$12.05 as reported in the proposal.
- 3. The fiscal year 2000 reported value of \$35.44 for the performance indicator *Average food benefit per month* is unreliable (Attachment 2, page 4).** Using the methodology and source documentation program personnel provided, we calculated the actual value to be \$38.87.

The values for the standards reported in the proposal for the fiscal year 2000 performance indicators *Number of monthly WIC participants* and *Average food benefit per month* (Attachment 2, page 4) do not agree with the values reported in LaPAS (the Louisiana Performance Accountability System).

| Fiscal Year 2000 Performance Indicator | Proposal |         | LaPAS    |         |
|--|----------|---------|----------|---------|
|  | Standard | Actual  | Standard | Actual  |
| Number of Monthly WIC Participants     | 132,000  | 131,364 | 142,000  | 131,364 |
| Average Food Benefit per Month         | \$35.80  | \$35.44 | \$35.00  | \$35.44 |

We could not verify the fiscal year 2001 and fiscal year 2002 end-of-year actual position counts for the WIC Program (Attachment 2, page 7). Program personnel did not provide us with the information required to verify the fiscal year 2001 and fiscal year 2002 end-of-year actual position counts for the WIC Program. The proposal shows the WIC Program with 28 positions for fiscal year 2002, but these positions are only for the central office of Nutrition Services. Staff who provide WIC services in the parish health units are included in the Office of Public Health position count. However, these employees also perform duties unrelated to the WIC Program.

## Attachment 2

Department of Health and Hospitals,  
Office of Public Health  
(WIC Program)

Proposal for Incentive Fund Reward  
Based on Exceptional Performance

# REWARD PROPOSAL BASED ON EXCEPTIONAL PERFORMANCE

DEPARTMENT:  SCHEDULE:

AGENCY:  PROGRAM:

ACTIVITY:

SUBJECT FISCAL YEAR:

*This proposal is for a reward based on exceptional performance.*

*Provide a brief summary of the proposal, noting whether this proposal is based on the exceptional achievements of a particular activity which is a subset of a program, or upon the achievements of an entire program, multiple programs or the agency. Include information about the reward requested and its proposed use. Please limit this description to about 125 words.*

The WIC Streamlining Project is an achievement based on a particular activity of certifying and recertifying eligible WIC participants who are seeking WIC only services in the clinic sites. Participants who access the public health unit for WIC and immunizations only would also fall into the WIC Streamlined clinic. Participants who are continuing to access EPSDT services in the Child Health Clinics would continue to access WIC benefits through the standard face to face contact. The reward requested is for supplemental compensation to be distributed between the three members of the team responsible for development.

Application prepared by:  Date:

Signature *Sharon Howard by Ruth Stafford*

Agency head approval:  Date:

Signature *Madeline W. McAndrew*

Received by the Performance Review Subcommittee: Date:

Sent to the Legislative Auditor Date:

Response from Legislative Auditor: Date:

Disposition by Subcommittee:  Date:

## REWARD PROPOSAL BASED ON EXCEPTIONAL PERFORMANCE

### *Part One: Explanation of the Activity and the Exceptional Performance*

Describe the activity (the "subject activity"), program and performance data upon which your proposal is based. The subject activity may be a subset or component of a program (or equivalent), or involve the efforts of one or more programs or the entire agency. Be specific in identifying the organizational unit or area where the exceptional performance was achieved. Section A. is used to give a narrative description, and Section B. is used to provide the specific performance data.

**Provide a detailed narrative description of the subject activity or program(s) and summarize the exceptional performance achieved by that entity.**

The Nutrition Services Section in the Office of Public Health is the program in the Center of Preventive Health charged with improving the nutritional status of the population of Louisiana through education and provision of healthy foods through two programs administered by the Nutrition Services Section, the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) and the Commodity Supplemental Food Program both of which are 100% funded through the United States Department of Agriculture. The exceptional performance presented here is in relation to the WIC Program.

The WIC Program came into existence in Louisiana in 1974. Nationally the program is a discretionary program. The total funding grant for Louisiana in the federal fiscal year 2002 was approximately \$79.5 million. The food portion of the grant was \$59.2 million while the administrative portion was \$18.3 million. Each state's funding formula is based on their participation rates. Louisiana's WIC participation rate experienced a significant increase in federal fiscal year 2002 of 5%.

Food benefits are provided to WIC participants who qualify for services based on income (within 185% of poverty), identity, residence and nutrition risk. Eligible participants receive food instruments (checks) allowing the purchase of specific foods at the WIC authorized vendors in their communities. WIC serves pregnant women, postpartal and breastfeeding women, infants and children up to age 5. The major thrust of the program is to educate participants on healthy eating to promote a good health status.

## REWARD PROPOSAL BASED ON EXCEPTIONAL PERFORMANCE

*Describe the activities and achievements forming the basis for this proposal, including as much detail as is practical. Use the activity names, program names or references as specified in your operational plan, AFS, expenditure organization, the Discretionary/Non-Discretionary Budget Addendum, or equivalent. Include the number of years that your agency has performed the subject activity, and also whether it is mandated by law. Provision of more information will afford reviewers the maximum insight into the circumstances upon which this proposal is based.*

The WIC Streamlining Project is a plan developed by nutritionists in the OPH Region II (Debra Luthy, Melissa Guillory and Denise Harris) to restructure clinic flow and decrease processing time in the provision of WIC services to individuals accessing WIC only services in the Louisiana Public Health Units. Modifications in how appointments were scheduled were made by the Region II nutritionists to facilitate the process. Individuals were scheduled in groups by category type as defined in the WIC Policy Manual, i.e., prenatal woman, child, etc. as well as by age groups in the case of children for WIC certification (WICC) and WIC re-certification (WICR) appointments only. Individuals receiving prenatal medical care or KIDMED screening services in the public health unit continue to be seen on an individual basis, as was previously standard practice.

The goal of the WIC Streamlining Project is to provide services as quickly and efficiently as possible while still adhering to all federally mandated guidelines. Family members all receiving WIC services at the same health unit should be scheduled together to avoid a family having to make several trips to the health unit. In large families, the family may actually constitute a group. The time estimated for completion of this process is 1 1/2 hours. Prior to this the time was two to four hours depending on the location of the WIC clinic. Time begins when the individual for group appointment signs in and ends when the individual walks out of the health unit with WIC drafts in hand.

The anticipated benefit from utilizing the WIC streamlining process is that the CPA (Certifying Professional Authority) is able to provide a better overall nutrition education to a group opposed to one on one nutrition education. The individual WIC participants are more willing to share the knowledge they have with one another in a group, which makes for a more rewarding learning experience. The CPA's benefit because they do not have to repeat the same information over and over in their workday. For instance, instead of repeating the same information up to five times, they only have to present it once in a group. The participants themselves help to make the CPA's task of assessing nutrition intake an easier one by completing a nutrition information form, i.e., Infant Information Form, Prenatal Information Form, etc. The form allows the CPA to make quick work of identifying all appropriate nutrition risk codes. The process does not lessen the caseworker assistant's job tasks, however by rearranging the workload the peak work time is spread out alleviating some stress at the end of clinic. Because the WIC participants are kept busy during the process, the time spent in the health unit appears to go by more quickly.

Clinics began the process of conversion to this streamlined method April 1, 2001.

# REWARD PROPOSAL BASED ON EXCEPTIONAL PERFORMANCE

- A. Provide detailed performance data evidencing the exceptional performance represented in your proposal. Be sure to note those specific performance indicators and standards which are particularly important. Provide any separate or narrative background information necessary to highlight or support the exceptional nature of the performance. *All proposers must complete Format 1. Format 2 is to be used to report additional data which is not captured in LaPAS.***

Using Format 1, list all objectives and performance indicators for the subject year and at least the immediately preceding year (three years of data is best) for the program (or equivalent) in which the subject activity occurred. Provide the performance standards from the enacted budget/LaPAS. For proposals based on activities which occur at the sub-program (or equivalent) level which are not directly reflected in the agency's LaPAS performance data, the data for the program (or equivalent) comprising such activity is *required*. In cases where multiple programs are involved, provide the performance data for the entire agency.

***Format 1. Provide the LaPAS data using this format, attaching addenda as necessary.***

|  |  |         |              |         |              |         |
|--|--|---------|--------------|---------|--------------|---------|
| <b>Program (or agency):</b>                  | OPH WIC Program  |         |              |         |              |         |
| <b>Objective:</b>                            | Personal Health Services through the Nutrition Services activities, will ensure access to women, infants and children, services through its parish health units and private providers. |         |              |         |              |         |
|  | <b>FY 00</b>   |         | <b>FY 01</b> |         | <b>FY 02</b> |         |
| <b>Performance Indicators</b>                | Standard   | Actual  | Standard     | Actual  | Standard     | Actual  |
| <b>Number of monthly WIC participants(1)</b> | 132,000  | 131,364 | 122,000      | 128,210 | 109,800      | 126,818 |
| <b>Cost per WIC client served (2)</b>        | 12.10  | 12.10   | 12.10        | 12.05   | 12.53        | 13.15   |
| <b>Average food benefit per month (3)</b>    | 35.80  | 35.44   | 35.80        | 36.23   | 37.67        | 37.34   |
|  |  |         |              |         |              |         |
|  |  |         |              |         |              |         |
|  |  |         |              |         |              |         |
|  |  |         |              |         |              |         |

(1) The numbers of monthly WIC participants indicated in this chart do not accurately reflect the changes in participation that occurred from FY00 through FY02. The monthly participation indicated in the chart below is more reflective. Monthly participation was higher in FY00. The participation rate began to drop in the fall and winter of FY00 - FY01 due to a statewide layoff in field staff in OPH. The original WIC Streamlining had been developed in FY99 - FY00 for Family Road, a satellite clinic of the E. Baton Rouge Parish

## REWARD PROPOSAL BASED ON EXCEPTIONAL PERFORMANCE

Health Unit, to enable WIC services to be provided with a limited amount of staff. That project was then expanded to a small health unit as a pilot site for WIC Streamlining with the thought of the process being introduced statewide. The clinics statewide were trained on the process during the summer of 2001. The attached chart shows the decline in participation followed by continuous increases in monthly participation beginning in the fall of 2001 through 2002. At this point a majority of the clinics are using the process. The process has some flexibility so that the clinics can adapt it to their facility.

### Total Monthly WIC Participation for FY2002

|                |         |               |         |            |         |
|----------------|---------|---------------|---------|------------|---------|
| July 2001      | 122,787 | November 2001 | 125,865 | March 2002 | 128,226 |
| August 2001    | 124,241 | December 2001 | 125,063 | April 2002 | 129,637 |
| September 2001 | 123,713 | January 2002  | 127,158 | May 2002   | 130,167 |
| October 2001   | 127,165 | February 2002 | 127,066 | June 2002  | 130,722 |

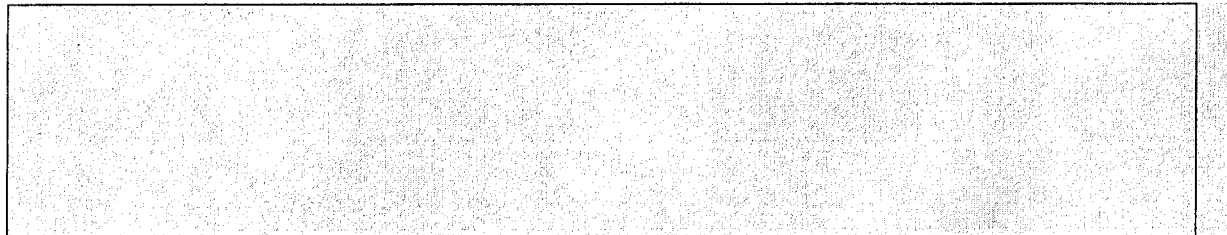
- (2) The rise in cost for each participant served in FY02 is the result of transitioning from more expensive staff providing WIC (R.N.'s) to less expensive staff (L.P.N.'s, Health Educators and Public Health Nutritionists 1 & 2's). The transition has only just begun. The higher cost resulted due to the new staff having a learning curve of approximately 6 months while the experienced staff continued to operate and maintain quality services.
- (3) The average food benefit per month increased as the cost for food increased.

Use "Format 2" for instances where the agency's performance data in the enacted budget and LaPAS does not reflect the efforts and achievements associated with the activities forming the basis of your proposal. Provide clear and specific evidence of the establishment of an expected level of performance at the beginning of the fiscal year or before the activity was undertaken, which expectation could then be compared to actual achievements at year's end. Citation of specific source documents for this data is *required*.

#### **Format 2.**

|                                |  |                           |
|--------------------------------|--|---------------------------|
| <b>Program (or agency):</b>    | OPH WIC Program  |                           |
| <b>Performance Expectation</b> | Ave. estimated time to complete nutritional counseling per participant |                           |
|                                | <b>Regular WIC Clinic</b>  | <b>Streamlined Clinic</b> |
|                                | 20 - 30 minutes  | 6 - 10 minutes            |

## REWARD PROPOSAL BASED ON EXCEPTIONAL PERFORMANCE



*In this space describe the circumstances and process related to development of the performance expectations presented in Format 2, including reference to specific source documentation.*

**In a regular WIC clinic, a Competent Professional Authority (CPA) would counsel each individual participant on nutrition for 20 -30 minutes. Since many participants have the same nutrition risk codes that would mean that the CPA would repeat counseling several times per day to individuals. In the Streamlined Clinic if a group of 5 received nutrition counseling that would mean that the CPA would counsel the group in general resulting in a decreased amount of time per participant.**

**REWARD PROPOSAL BASED ON EXCEPTIONAL PERFORMANCE**

C. Expenditures. For the subject year and the preceding year, provide the following expenditure data for the program(s) (or equivalent) in which the subject activity occurred, as well as that for the entire agency. *Provide this data using the format below, attaching addenda as necessary.*

| Program: | WIC Program                     | Preceding Year      | Subject Year        |
|----------|---------------------------------|---------------------|---------------------|
|          |                                 | FY 2001             | FY 2002             |
|          | End-of-year actual expenditures | \$75,510,575        | \$77,738,472        |
|          | End-of-year actual T.O.         | 29 (Central Office) | 28 (Central Office) |

| Program: |                                 | FY | FY |
|----------|---------------------------------|----|----|
|          | End-of-year actual Expenditures |    |    |
|          | End-of-year actual T.O.         |    |    |

| Agency: | Office of Public Health         | FY 2001       | FY 2002       |
|---------|---------------------------------|---------------|---------------|
|         | End-of-year actual Expenditures | \$209,771,623 | \$230,470,964 |
|         | End-of-year actual T.O.         | 2028          | 1941          |

***PART TWO: ACTIONS OF EMPLOYEES***

Complete this Part if the achievements evidenced in your proposal are the result of the efforts of specific employees. Present this information in narrative fashion. You must include the employee names, job titles, and general contribution to the effort.

*Use this space or attach a separate addendum.*

*The WIC Streamlining Project was adapted from a process developed for a satellite site of the East Baton Rouge Health Unit which was not like the typical OPH health unit in Region II. The development team consisted of then Regional Nutritionist, Debra Luthy (now Chief of Nutrition Services); Nutritionist 4, Melissa Guillory (now Regional Nutritionist for Region 2); and Nutritionist 4 Pamela Denise Harris (now Regional Nutritionist for Region 9). All three of these employees worked as a team to adapt the process for the standard health unit situation. Ms. Luthy directed the set up of the pilot site at the Ascension Parish Health Unit. Ms. Harris spent a considerable amount of time training the staff at the pilot site. Ms. Luthy trained each region of the state on the WIC Streamlining Process. All three employees played a role in the development of forms to be completed by the participants to assist the CPA's in quickly identifying WIC nutrition risk codes.*

**REWARD PROPOSAL BASED ON EXCEPTIONAL PERFORMANCE**

**PART THREE: EXPLANATION OF PROPOSED REWARD AND ITS USE**

**I. Aggregate amount of reward requested:**

\$15,000.00

**II. Explain how the proposed reward funding would be used, whether for non-recurring expenditures or supplemental compensation, or both:**

**A. Non-recurring expenditures**

*Provide a synopsis of how the proposed reward would be used for nonrecurring expenditures.*

**B. Supplemental Compensation**

*Provide a synopsis of the supplemental compensation plan for use of this reward, and how it would specifically be distributed among the staff responsible for the achievements evidenced in this proposal as described in Part Two (see R.S. 39:87.5(D)(6)).*

*Note: All proposals for supplemental compensation must be in compliance with rules of the Performance Review Subcommittee and the Department of State Civil Service.*

*The reward should be distributed between the three members of the development team, Debra R. Luthy (currently Chief of Nutrition Services in the Office of Public Health), Melissa Guillory (currently the Regional Nutritionist in Region II of the Office of Public Health) and Pamela Denise Harris (currently the Regional Nutrition in Region IX of the Office of Public Health).*