

Efficiencies and Innovative Ideas identified by State Agencies which are either complete or in process June 13, 2013

Department of Administrative Services

We embraced LEAN early on starting in the fall of 2009 by undertaking a number of projects in Public Works where we saved 80 days per project through improvements in the contractor selection process. We also improved the Classification Selection process reducing by 3 the number of days to approval. We streamlined the accounts payable process to move to scanning documents, eliminating steps, reducing the administrative burden, eliminating bottlenecks, reducing the cost/need for paper and archive storage. Scanning of the images at the agency saved the state 9 tons of paper and more than 10,000 gallons of gas annually. Significant storage costs were also saved and 15 steps were removed from the process.

The antiquated and unsupported IFS Financial System was replaced with Lawson. This was an effort undertaken with no additional state staff and the least cost spent on such an effort in the nation. Today the state has a financial system that communicates with the budget system for the first time. This financial system provides us with much greater detail, functionality, versatility, transparency and reliance than our prior system.

In addition, DAS led the effort to consolidate accounts payable functions. The state by June 30th will have consolidated 265,000 AP processing functions into one unit. Administrative Services continues to drive down cost per transaction and improve efficiencies in this area. Forty-four positions were reduced to twenty-seven and efforts are underway to drive the cost per transaction down further.

ASOPS (Administrative Services Online Pay Statements) – ASOPS was developed in 90 days and implemented in May 2011 in response to a need to reduce the printing of paper pay statements for State employees who subscribe to pay by direct deposit. ASOPS met all the latest standards in web security and was available to all employees from the Internet as well as at work. Additionally, ASOPS has advanced self help features typically employed with many commercial applications (banking, etc). ASOPS has saved the State of New Hampshire a minimum of \$35,000 annually for the 2 years to date (since May 2011).

BASS (Benefits Administration Support System) – BASS was developed in less than 90 days and implemented in May 2012 in response to a critical need for the Department of Administrative Services ability to administer Health Benefits for State employees. In the fall of 2011 the contractor the State of New Hampshire had hired to administer State employee Health Benefits was behind in implementing their on line system and the Open Enrollment held a month late in December was fraught with errors. The State limped along trying to provide enrollment and update information to the State's contracted Health Carriers through a unsupportable manual process. BASS replaced

this manual process and saved the State of New Hampshire effectively up to \$673,303.95 for FYs 2012 – 2014 contracted services and additional unidentified costs for data conversion into NH FIRST.

Vehicle Utilization Improvements – Analyzing data from Fiscal Years 2010, 2011, and 2012, totaling mileage traveled, fuel used, maintenance costs, repair costs, and insurance costs per agency for all passenger automobiles and light duty trucks up to 10,000lbs, we were able to see significant savings. Since FY 2010 we have decreased the white fleet by 1.72% (35 vehicles). An additional 65 vehicles have been reassigned within agencies to ensure most efficient allocation. Miles traveled has decreased 2.39% (699,478 miles). Fuel consumed has decreased 4.46% (78,048 gallons). Maintenance and Repair costs have decreased 21.71% (\$477,980). The total amount of non business miles for state vehicles has been reduced by 40% or 431,715 from FY 2011 to FY 2012. We *are currently working with a vendor to establish a contract to lease vehicles as a tool to reduce the cost of in state mileage reimbursement.

Energy Usage – Executive Order 2011-1 required state government to reduce its fossil fuel use in state buildings by 25% on a square foot basis over a 2005 baseline by 2025. We accomplished a 29% reduction. We developed a high performance design standard for new construction. We have completed over 75 projects with capital funds over the last 4 years with an average payback of 5.3 years equating to about \$660,000 of savings in utility costs each year. These include projects such as the Glenciff Biomass Boiler and Hydroelectric Generation, DOT Wood Boilers and Weatherization, High Efficiency Dishwasher for NH Hospital, Energy Improvements at the Winnepesaukee River Basis Project and a number of Renewable Energy Projects. Additionally, fuel switching has also allowed the State to realize over \$6.8 million in utility avoided costs over the past 4 years. We automated the process of submitting energy data to the EPA to benchmark state owned facilities for energy usage.

Paperless Purchasing System - The Bureau of Purchasing installed a new procurement system as part of the Lawson financial system. As part of the initiative, Purchasing eliminated multi copy requisitions and purchase orders and required all state agencies to submit requisitions electronically eliminating paper and streamlining the process.

Service Contract Consolidation - In an effort to centralize service contracts the Bureau of Purchasing significantly increased the amount of multi agency contracts adding over 26 new service categories over the last three years.

Strategic Sourcing - Purchasing staff have been trained and are ready to implement a strategic sourcing module. This module will allow vendors to submit all their bids electronically and expedite the bid award process. It will also allow vendors to access and manage their vendor information without the need to have staff to intervene in the process.

P-Card – The Bureau of Purchasing is currently developing a user manual and rules for use of Procurement Cards by state agency personnel. The P-Cards will replace the

multi copy field purchase orders and streamline the acquisition process. We are currently planning to initiate a pilot with the Department of Transportation in July. Eventually we would like to expand the P-Card to pay for large purchases to take advantage of the rebates.

Electronic Auctions – We have entered into a contract with a vendor to sell state surplus property on line through the internet. Early results have been very positive with increased revenue for surplus property sales. The public can now purchase surplus state assets throughout the year as well at live auctions in the spring and fall.

New Inventory System for Surplus Foods – We have received a grant for approximately \$200,000 to install a new automated inventory system for federal surplus foods. Our program delivers surplus USDA foods to 350 schools throughout the state 10 times a year. The funding will be utilized to implement the asset inventory system that the State purchased with NH First. Surplus Foods will be the first state agency to use the asset inventory system. The system needs to be completed and on line before September of 2013.

Fleet Fuel Card – We have established a contract with a contractor to provide a state fleet fuel card for state agencies to utilize to purchase fuel when traveling out of state or when the state DOT fueling stations are not available. These cards eliminate the state tax from the invoice and reduce billing requirements at no cost to the state.

Energy Management – Current Performance Contract Initiative – Looking to complete \$20 million+ in energy upgrades to state buildings in the next 4-6 years. Projects may include Hazen Drive (proposals currently under review), Cannon Mountain, NH Hospital, Employment Security, Juvenile Justice Services, Liquor Commission, and/or the courthouses. These projects could result in \$1 million or more in energy savings annually and could significantly reduce the amount of fossil fuels used for energy in state buildings.

New Chart of Accounts – As part of the new Lawson financial system, we created a new chart of accounts that makes state spending more understandable and transparent to decision makers and the public. The former chart had 75% in miscellaneous.

Transparency Website – DAS and DOIT worked together to develop a transparency website to make every financial transaction available to the public. US PIRG recognized this improvement moved the State of NH up from a D- to a B-.

Cleaning Products – All cleaning products for in house and contracted custodial staff have been converted to green products.

Recycling Program – We expanded the recycling program to include cardboard and other recyclables. In FY 12 we recycled 98% of our construction and demolition debris on Bureau of Public Works projects with 16,991,100 pounds of construction debris being recycled instead of the landfill. Other items of interests include shredded and mixed paper where we increased the amount of recycling by 25% to 644,035 pounds

and all comingled containers (plastic, tin, bottles, cans, and glass) which were up 600% in FY 12 to 316,543 pounds that were recycled.

Tri State Purchasing – expanded tri-state purchase opportunities with Vermont and Maine to purchase road paint, drainage structures, trucks, linear posts, signs and sheeting to maximize savings.

Manual of Procedures – Long outdated manual of procedures identifying practices agencies should follow administratively is now 50%+ updated.

Vehicle Damage Appraisal Services - In April of 2011 we put together a vehicle appraisal contract to assist state agencies that have state vehicles that require auto body work. For a very minimal fee (\$145), the appraiser will provide an independent appraisal of the damage to the vehicle that the respective state agency can then utilize as a basis to compare pricing from auto body shops to complete the auto body work. After the auto body repairs are completed the appraiser will inspect the car to ensure that the auto body repairs were completed properly, that the proper parts were installed and more importantly that the car operates properly and is safe to drive. If the repairs are not correct or the vehicle is not safe the appraiser will ensure that the auto body shop completes the work to his satisfaction.

Dental Benefit – This benefit was converted from a fully insured benefit to a self funded benefit thereby saving the state \$1 million in the first year and enabling the state to set rates and retain savings from better than expected claims experience (2008).

DAS is presently implementing the Lawson Human Resource System. This system replaces our antiquated and unsupported Government Human Resource System. It touches on the lives of over 15,000 employees and runs on a rules based system. A great deal of effort has been required of state IT and HR staff which are doing an incredible job with this challenging effort.

Department of Corrections (Achievements & Events)

1. SFY 2010 - 2011

- Effective 7/1/2009, closed Lakes Region Facility (LRF); abolished 74 LRF positions & 7 non-LRF positions
- Refurbished the Northern Correctional Facility (NCF) gym into a 112 bed dormitory for minimum security inmates
- Created the Community Corrections Division
- Established the Business Information Unit
- Implemented the provisions of SB 500
- Centralized the Field Services' restitution collections unit and instituted the mailing of monthly statements to offenders
- Created the Director of Professional Standards and the Director of Security & Training by eliminating 3 positions
- Enhanced Correctional Information System (CORIS) reports

- Automation of facility counts
- Changeover to energy efficient ozone equipment in laundries

2. SFY 2012 – 2013

- SB 52 enacted; negating many provisions of SB 500
- Abolished 106 positions, including 40 staff laid off
- Abolished 3 unclassified positions (LRF warden, MD & DMD)
- Converted Concord Prison boilers from oil to natural gas
- Reduce fleet from 76 to 63 vehicles; instituted greater carpooling
- Placed correctional counselors/case managers in the four largest Probation/Parole offices
- Implemented the Ohio Risk Assessment System (ORAS) for both Probation/Parole officers and members of the Adult Parole Board
- Transferred four positions to DAS's Accounts Payable Shared Center
- Initiated self-funding Canteen operations with non-general funds
- Contracted with furniture store in Franklin as an outlet for Hobbycraft products
- Contracted for replacement of doors in the Secured Housing Unit (maximum security)
- Closed down the NCF dormitory/gym. Converted the capacity to 56 beds for future use, if needed.
- Converted the inside canteen into a new Family Connections Center within the Concord Prison
- Completed the construction of the new Residential Treatment Unit (RTU) bringing the Department closer to full compliance with the Holliday court order
- Met the \$6,000,000 budget cut by keeping positions vacant; resulting in overtime deficit and a tired and stressed workforce
- Achieved four straight years of lowering recidivism and a two year downward trend of parole revocations

Department of Cultural Resources

1. Moving document submissions for State Historical Resources Council review from a paper format to a web-based format, saving paper, copier ink and postage costs, as well as staff time on a quarterly basis.
2. Creation and publication of the most recent five-year state preservation plan using online and digital tools, including a blog, e-newsflashes, an online questionnaire, and the division's web site. See <http://www.nh.gov/nhdhr/programs/plan.htm>.
3. Creation of the online historic highways markers map, in partnership with NHDOT, rather than reproducing costly and immediately out of date paper brochures or continuing the use of an online database that DOIT could no longer maintain or fix once it became inoperable. See http://www.nh.gov/nhdhr/markers/markers_map.html -- use of existing free software that the public is already familiar with.

4. In 2008, transition from a paper quarterly newsletter to an electronic one (via Constant Contact). This transition also allowed the division to begin distribution of e-newsflashes for more time-sensitive items.
5. Creation of a Geographical Information System for known archaeological sites in New Hampshire. Although the location of archaeological sites is protected under state and federal laws, qualified cultural resources management consultants and selected state and federal agencies now have access to this data as a GIS layer, which is far more accurate and protects original paper files and mapping in the division's collections (a grant application is now being assembled to fund a similar data layer for "above-ground" resources such as buildings, landscapes and structures).

Efficiencies Gained through the use of Programmatic Agreements:

1. In 2010 the division entered into a Programmatic Agreement with the Federal Emergency Management Agency, the NH Department of Safety and Office of Emergency Management, and the Advisory Council on Historic Preservation. The agreement governs the Section 106 review of projects funded or otherwise assisted by FEMA that may affect historic and archaeological resources in New Hampshire. The agreement outlines expedited review processes, exempted activities, standard treatment options and other considerations.
2. In response to the tight deadlines associated with funding through the American Recovery and Reinvestment Act, New Hampshire was among the first states to taper a prototype Programmatic Agreement from the US Department of Energy to meet New Hampshire's goals and needs. In 2010 the division entered into the agreement with the NH Office of Energy and Planning. The agreement included a long list of activities exempted from Section 106 review – projects that were expected to result in no effects to historic resources.
3. The division also entered into Programmatic Agreements with the Community Development Finance Authority and various local governments to expedite Section 106 reviews under two rounds of the Neighborhood Stabilization Program, funded through US Housing and Urban Development. In particular, the agreement expedited the identification of historical buildings by encouraging the evaluation of entire neighborhoods prior to the start of work.

Commissioners Roundtables on Cultural & Heritage Tourism (quarterly): Facilitate discussions within the arts and culture community, assisting them in strategizing ways to increase their partnerships with other organizations and businesses in an effort to draw on each other's strengths, raise their profiles and increase their positive impacts on our communities.

"Barnstorming" Tour (fall 2012): Partnered with DTTD to bring their new "Live Free and..." campaign directly to the cultural community, in an effort to get them to incorporate the new branding into their own marketing. Visited 7 communities across the state within a few weeks.

Arts, Culture and the Law Conference (2011, 2012): Full day of concurrent workshops related to legal issues in the arts and culture industry. Presenters included attorneys as well as representatives working in the arts and at cultural organizations. Partners: Department of Cultural Resources, Department of Justice, UNH School of Law, NH Center for Nonprofits, NH Business Committee for the Arts.

Culture OneStop (2013): A day-long event for board and senior staff at cultural organizations. Commissioners from 12 state agencies presented information about their agencies during hour-long panels that included question and answer sessions, as well as via short presentations.

NHAIS Local Open Source Library Automation Project. Allows under automated and non-automated libraries access to on-line catalogues.

Downloadable Book Consortium Allows 192 Public libraries to share 6,000 e-book titles and 6,000 digital audio book titles. Without this shared service only a few of the largest libraries in the state would have the ability to offer this technology to their patrons.

Department of Resources and Economic Development (see attached)

Department of Education Vocational Rehabilitation

A centralized financial process has been successfully in place since 2008. An upgrade of the Vocational Rehabilitation (VR) Case Management System made it possible to process client authorizations, purchase orders and payments in the Concord Central Administrative office instead of the seven field offices. This change provides an opportunity for the Administrators in Central Office to review proposed client services and procurement of equipment prior to authorizing them. This step assists in the auditing of VR policy as it relates to client services and cost containment areas.

The largest improvement to our agency is the cost efficiencies that have been realized. The administrative funds in Vocational Rehabilitation are limited and there is a critical need to expend funds wisely and to look for opportunities to maintain a healthy administrative/client service ratio but at the same time provide supports to the VR counselors and clients. The time that the account technicians were previously spending in the field offices processing payments is now used for assisting counselors in other areas that are value added and benefit clients directly and indirectly without increasing staff. The account technicians have been reclassified to rehabilitation technicians. The time is now devoted to directly assisting the counselors and clients and with no additional cost to Vocational Rehabilitation or increase in the administrative costs:

When a rehabilitation technician is on extended leave or vacation, Central Office is able to run the financials for the office and send the authorizations for client services to the vendors without interruption. This was not possible prior to centralization.

The centralization of the financials made it possible to move to direct uploads of payments through NH First as well as move to a paperless system. All invoices are scanned into the case management system at the field offices, attached to the authorization and/or purchase order and stored electronically. No more mailing packages from the field offices, filing or misplaced invoices. The Office of Business Management was alleviated from data entering thousands of payments by hand and eliminating duplication of effort. These three significant changes: centralized financials, scanned invoices and direct uploaded payments has been a great opportunity to demonstrate positive system change, cost and time efficiencies as well as environmental friendly processes.

Berlin (Rehabilitation technician comments) – *“Overall the turn around time for payments and authorizations has been very good”. “I am able to assist and guide staff and counselors with financial questions/issues, budgets, computer issues, acquiring quotes/ordering materials/equipment, CPT, customer plans and assist with waivers and amendments, tracking of reports for invoices, tracking customer reimbursements, portfolios in Choices, customer/vendor contacts and office operations”.*

Lebanon (Counselors comments directed to the central office accounting staff that complete the centralized work) – *“I want to let you know how much I appreciate everything that you have done for us. We were talking about how awesome you have been”. “Thanks for keeping things so well organized”. “The authorizations and invoices are being done promptly and it has had no negative impact”.*

Portsmouth (Counselors comments directed to the central office accounting staff that complete the centralized work) – *“Thanks for your help. I really enjoy working with the staff at Central Office. “Thanks for being an important part of the Portsmouth “Team”. Your help is much appreciated”. The Portsmouth rehabilitation technician is now able to assist counselors with client intakes, closing cases, vendor and client contacts, case notes, new vendor requests, reviewing the ULO, assisting with projections and entering line items into CMS”.*

Department of Environmental Services

DES has invested significant staff time in a number of innovations and efficiency efforts (both Lean and non-Lean events) over the last 3-5 years. Below is a summary of some of our non-Lean efficiency efforts. We have divided the efforts into four categories; department wide efforts, singular bureau efforts, software as service applications, and use of freeware. Wherever possible, we have provided links for you to see our innovations.

I. Department-wide Innovation Efforts

1. Developed a Web-based Environmental Dashboard – summarizes environmental conditions and trends for the public -
<http://des.nh.gov/organization/commissioner/environmental-trends.htm>
2. Developed and maintained a robust website with most DES programs well represented – most forms on-line: www.des.nh.gov
3. Created the DES Environmental OneStop site which has put large percentage of DES public documents pertaining to over 40,000 sites of interest in NH in a web-accessible & searchable space.
4. Creation of a large electronic library of plain-language Fact Sheets -
<http://des.nh.gov/organization/commissioner/pip/factsheets/index.htm>
5. Creation of an “Items Request Tracking (IRT) System” for electronically tracking Fiscal Committee/Governor and Council items. The IRT system has been adopted by other state agencies including Safety, HHS, Transportation and is being looked at by Administrative Services, Education and Energy & Planning. It could serve as a statewide system for paperless Governor and Council process (DES shared the “code” with other agencies for no cost)

II. Individual Bureau and Program-Level Innovation Efforts

1. Hazardous Waste Management Bureau: Moved several certification programs to an on-line process to decrease the volume of paper forms being processed and increase the ease of operators to enroll in the programs. Examples include:
 - Small Quantity Generator Self-Certification Program
<http://des.nh.gov/organization/divisions/waste/hwcb/hwcs/sqgcp/index.htm>
 - Hazardous Waste Coordinator Training Program
<http://des.nh.gov/organization/divisions/waste/hwcb/hwcs/hwccp/index.htm>
2. Hazardous Waste Remediation Bureau: Automatic generation of statutorily-required cost-recovery bills. Less work for staff, improved cash-flow for program, and quicker progress on site clean-up.
3. Solid Waste Management & Hazardous Waste Remediation Bureaus: Changes to monitoring programs associated with landfills resulted in \$550,000 savings to NH municipalities over first six months, ranging from \$1800-\$46,000 per customer.
4. Watershed Management Bureau: Extensive use of volunteers for many years to gain wider coverage for monitoring of surface water quality (Volunteer Lake and River Advisory Programs). Many online tools and guidance documents available electronically.

5. Contaminated Site Programs: On-line document submittal & response makes programs almost paperless.
6. Oil Remediation & Compliance Bureau – Underground storage tank inspectors using PDA's, portable printers for field inspections – able to enter data, provide facility officials with inspection report on-site – currently converting application to run on tablet-type Toughbooks with larger screen.

III. Software as a Service (SaaS) Applications Used by DES Staff

The software packages listed below are being used by DES staff to enhance their jobs, expand communication efforts with the general public, be able to share technical data faster, and obtain more accurate information.

1. Doodle <http://www.doodle.com/> - event scheduling used by DES to coordinate meetings with various outside entities. For more information, see <http://en.wikipedia.org/wiki/Doodle.com>.
2. Mosaic Parcel Map – GIS Property database used by DES for various compliance, permitting and enforcement efforts, data via the Department of Revenue Administration (DRA), and UNH Technology Transfer Center.
3. Survey Monkey - used by DES to survey both staff and outside groups on important issues affecting the department. <http://www.surveymonkey.com/>, more at <http://en.wikipedia.org/wiki/SurveyMonkey>
4. GoToWebinar <http://www.gotomeeting.com/fec/webinar> software that allows DES staff to host webinars, includes limited video conferencing, and hosting of recorded webinars (every agency has to purchase its own full license) Examples of 2 webinars already posted by DES.
 - Determine if a Permit is Required to Repair or Install a Dock <https://www.surveymonkey.com/s/docks>
 - Determine if a Shoreland Permit is Required <https://www.surveymonkey.com/s/shoreland>
5. Twitter <https://twitter.com/NHDES>. Beach program tweets beach advisories
6. MailerMailer <http://www.mailermailer.com/index.rwp> DES uses mailermailer to send press releases, beach advisories, air quality action alerts and newsletters to electronic subscribers. DES sends roughly 125,000 emails a year with this service.
7. News Clips <http://fednews.com/> a daily electronic news service used by the DES Public Information Office who reviews morning news reports from all New Hampshire based media (print, radio, tv). The articles are selected based on a

set of key words tracked by DES. The selected articles are then shared with the entire agency via email, which helps to keep everyone informed.

8. Google Drive (formerly Google Docs) http://en.wikipedia.org/wiki/Google_Drive free consumer version. Document sharing and collaboration. Multiple users and projects, including sharing Quality Assurance Project Plans with EPA Region I staff via an online tracking spreadsheet.
9. Google Drive with Google Fusion Tables <http://www.google.com/drive/apps.html#fusiontables>. More at http://en.wikipedia.org/wiki/Google_Fusion_Tables. Examples (embedded in DES OneStop):
 - Large Groundwater Withdrawal Permit Monitoring http://www2.des.state.nh.us/WSEB_LGWP/WSEB_LGWP.ASPX
 - Surface Water Quality Report Cards http://www2.des.state.nh.us/WaterShed_SWQA/WaterShed_SWQA.aspx
 - Beach Locations and Advisories http://www2.des.state.nh.us/WaterShed_BeachMaps/WaterShed_BeachMaps.aspx
10. YouTube DES has its own channel.

IV. Open Source Software Applications Used by DES Staff

These are two of the open source (i.e. “free”) software being used by DES.

1. WordPress <http://wordpress.org> , to facilitate communication and coordination between work group members both inside and outside DES. Examples:
 - NH Watershed Protection and Restoration Forum <http://xml2.des.state.nh.us/blogs/watershed/>
 - Lake Reflections, http://xml2.des.state.nh.us/blogs/lake_reflections/
 - Customer Service Initiative (for select state staff only, username and password required)
2. WebTrends>AwStats <http://nhstaff.nh.gov/analytics/cgi-bin/awstats.pl?config=www.des.nh.gov> Provides statistics on DES webpage hits, downloads and access. These reports are produced by DOIT Web Support for DES use.

Department of Health and Human Services - (Projects which have or are expected to significantly improve efficiencies or effectiveness)

SERVICE DELIVERY

Care Management

The Department is implementing a three-phased approach to transitioning Medicaid services from a fee-for-service system to a managed care system under which services will be provided by a Managed Care Organization for a capitated rate. The program will be implemented in three phases:

- Step 1-All Medicaid medical, pharmacy, and mental health services for all populations with a few the exceptions, such as spend down populations.
- Step 2-Specialty services for long term care populations, including nursing home services and specialty services for those dually eligible for Medicaid and Medicare.
- Step 3-Medicaid expansion population under the Affordable Care Act, if NH chooses to exercise the option to expand.

The program start date is contingent on the development of the provider networks. We have set forth a timeline that culminates with the program start that will begin once the managed care organizations are able to demonstrate that they have met certain milestones in putting together the provider network to serve the Medicaid population. Step 1 savings are budgeted at approximately \$17 million per year and Step 2 savings at \$25 million per year.

Children's Health Insurance Program (CHIP)

In July 2012, New Hampshire transitioned the administration of its Children's Health Insurance Program (CHIP) from a 'combination' program - one that offered Medicaid to infants 0-12 months old and a commercial product to children 1-19 - to a 'Medicaid Expansion' model of administration. As a result, children from 185-300% of the federal poverty level now receive full Medicaid benefits. In making this change, NH was able to reduce the per member per month cost of coverage for the 1-19 year olds by roughly 40% from \$243 to \$144. Additionally, we were able to save families the cost of premiums and co-pays which were dramatically higher than what is expected of children covered by Medicaid resulting in increased enrollment (a CMS goal). Moreover, the Medicaid benefit is richer when compared to the commercial offering. In short, we are covering more kids with better coverage for less state funds and lower family contribution.

Service Delivery System Transformation

Under the pressures of higher demand for services but with less funds available to provide them, the Department seeks to transform its service delivery system (the way in which the Department's clients receive services) to be more integrated and efficient while also improving the quality of client care and outcomes. The Service Delivery Transformation Project will gain a clear understanding of the way the current service delivery system operates, as well as the ability to measure quality of services provided. Through data analysis the Department intends to implement changes in policies, procedures, information systems, partnering, contracting, etc. to achieve a more integrated and efficient operation while improving the quality of client care and outcomes.

The first step to understand and analyze the current system is to collect data about how the system works. To do this the Service Delivery System Transformation – Data Repository Project was defined to create a Master Client-Centric Data Repository that integrates data about services delivered to clients. By consolidating clients information across internal silos as well as externally managed data stores (e.g. mental health facilities) the Department envisions the creation of a client focused solution that will show a comprehensive picture of services for specific client needs. Using data for decision making insures timely, accurate, efficient and effective management of the best possible practices and services to the citizens of New Hampshire.

The project started in January 2013 and is expected to be completed by this summer. Data from four DHHS program areas will be integrated – Division of Family Assistance, Division of Child Support Services, Division of Children, Youth and Families, and Bureau of Elderly and Adult Services.

Mental Health, Wellness Incentive Program

Individuals with a severe mental illness have been shown to have a lifespan 25-years shorter than individuals without a severe mental illness. NH applied for a highly competitive federal grant by partnering with the Office of Medicaid and Business Policy to design a highly innovative program to take on this issue and improve the health of NH citizens who have a severe mental illness and are at risk for early death. NH was one of a few states awarded this grant, which will provide support for individuals to participate in weight loss and exercise programs customized to meet their unique needs. Incentives are provided through the grant to encourage participation from consumers. In addition, this program (Healthy Choices Healthy Living) will also offer smoking cessation programs and incentives for consumer participation that are also customized to be most effective for this population. The program commenced this year and we anticipate will receive national attention as a best practice model. The program is already showing very promising results. In the area of smoking cessation for example, prescriptions for smoking cessation medication have increased 400% at the community mental health centers. We also continue to see very positive results from other components of the program targeting weight loss and improved lifestyles.

Mental Health, Readmissions to New Hampshire Hospital

The Bureau of Behavioral Health and New Hampshire Hospital have implemented at New Hampshire Hospital, “Project RED” which stands for “Re-Engineered Discharges”. It has been shown highly effective at reducing patient readmission rates to the hospital. Project RED has implementation being scheduled at hospitals across the country, and data from research conducted on the program has supported the effectiveness of the program in achieving the following outcomes:

- Decreasing 30-day readmission rates by 25%
- Decreasing utilization of hospital emergency departments
- Improving patient readiness for discharge and follow-up for continuing care

The program is currently accepted as a National Quality Forum (NQF) Safe Practice. The program has been endorsed by the Centers for Medicaid and Medicare Services

(CMS) and meets Joint Commission standards for discharge planning. NH is currently the first state to implement this program in a state psychiatric hospital. BBH and NHH will be collecting outcome data that will measure effectiveness to reduce readmission rates and discharge planning.

Facilitated Social Security Applications

State cash assistance to individuals with disabilities is 100% general funds. When these clients also receive Social Security disability cash benefits, the State dollar share drops significantly. The Division of Family Assistance ensures that clients applying for disability cash assistance follow up on their requirement to apply for Social Security disability benefits. Before this initiative began, the average APTD grant before this Facilitated Social Security Unit was \$203.88 per month. This is now projected at \$134.90. At a caseload of approximately 8000 clients, the annual savings are projected at \$6.6 million.

Mental Health, Transitional Housing

The Transitional Housing program was converted from a state-operated facility to contracted service. Following a public bidding process, a contractor was selected, contracts were approved and the contractor assumed responsibility for the program January 1, 2012 as anticipated in the budget. Savings generated from the privatization of the program were reinvested into the 10-Year Olmstead plan to continue moving these initiatives forward.

USE OF ENABLING TECHNOLOGY

Front End Operations

The Department has explored ways to improve service delivery, obtain operating efficiencies, and promote the well being of the state's citizens. One area reviewed was the process used to accept and process applications for services. This project is currently underway and includes the NH Easy on-line web application initiative, through which residents throughout the State can apply for benefits on-line from any computer that has web access. This new application process allows clients to create their own user accounts to track and manage all aspects of their applications. During the most recent reporting period, 2632 applications were submitted through NHEasy, which is 29% of the total 9026 applications received. Outreach efforts continue. A major efficiency is that NH Easy allows clients to screen themselves for eligibility before they actually apply for benefits, a significant time saver in that DHHS workers don't have to process applications and conduct interviews with people who screen themselves out. DHHS can now 1) allow clients to submit re-determination applications online; 2) allow clients to report income and other changes online; 3) pre-populate client re-applications when they reapply and are known to the system; and 4) test a working prototype of five "self service" kiosks to be deployed in district office waiting rooms.

Creating Telework Units in a few Pilot District Offices

In September 2010, DCYF began its first Telework Unit. In this unit, staff assigned to the Southern District Office were able to be more accessible to the community by having the necessary information technology to complete their job functions outside of the District Office. In this model, they are able to do all of their usual work assignments remotely from places within the community. DCYF believes this has beneficial to families and community stakeholders who will have better access to their assigned Child Protection Worker (CPSW).

Staff, supervisors, and administration had a year to plan the development of the unit. Careful planning was key to ensuring staff knew how to fulfill their responsibilities while also expecting and receiving close supervisory oversight and management. Flexibility has been critical along the way since Telework is new to the agency. The Telework staff meets as a group weekly, where they are able to hear about the work of their peers and discuss how to improve the functionality of the group.

Since its inception, the Telework Unit has demonstrated the ability to successfully manage casework responsibilities within the community and not from a district office. Data reports have shown that the unit has maintained higher-quality practice standards and have improved face-to-face interactions with children, families and the community. Qualitative surveys identify the perceptions of families and the community is that the agency is more available and timely in their responses.

Telework has been instrumental in enhancing not only staff response to the community but to the ability for DCYF to be embedded into the community. The technology

provided to them has created opportunities for Telework staff to develop enhanced relationships with community stakeholders. They are able to do work in “real time” in a school, police department, or local community agency. DCYF finds that the ability and capacity for Telework staff to be accessible to families in their home community and to strengthen their relationships with community partners results in overall better safety and permanency outcomes for children and families.

Use of Telemedicine for Child Psychiatry Services

A collaborative effort is underway to address the shortage of child psychiatry in the community by using telemedicine technology to assist community providers in the management of medication and other therapies. NHH and The Sununu Youth Center are collaborating on cross-coverage of the two facilities providing consistency and uninterrupted services. NHH will use telemedicine to support the Sununu Youth Center during off hours when a psychiatric consult is warranted. Once the initial services are established, an expansion of services will be implemented to include psychiatric consultations with juvenile justice probation offices and relevant wrap around services.

Health Information Exchange

The Department has received an award in the amount of \$5.5M from the American Recovery and Reinvestment Act of 2009 (ARRA), Title XIII – Health Information Technology, Subtitle B – Incentives for the Use of Health Information Technology, Section 3013, State Grants to Promote Health Information Technology. The purpose of the award is to promote the establishment of a New Hampshire state level Health Information Exchange that shall advance mechanisms for information sharing across the health care system. A Strategic and Operational Plan for the Health Information Exchange was developed through the collaboration of stakeholders from across New Hampshire's health care community. To date NHHIO has received over 30 signed Letters of Intent from large and small hospitals, critical access hospitals, home health and Visiting Nurse Associations, community health centers, behavioral health organizations and independent practice organizations, all of whom have realized the capability of the Health Information Exchange to increase the effectiveness of care coordination to help increase the quality of care, and decrease the overall utilization and cost. The contract with Orion Health was signed in February 2013 and the Health Information Exchange technical framework has been built. Test transactions between participants have been successfully exchanged. Full operation is expected to begin within the next few weeks. NHHIO expects to have over 300 providers on the network by end of calendar year.

Vital Records Inquiry (VRI) automation project

The divisions of Family Assistance and Child Support personnel are the primary users of vital records data with over 90 users statewide using VRI application. Prior to this application coming online, the process for obtaining vital records information was manual/paper and required "multi day" turnaround time. With this technical innovation, users can now access the same information within seconds, with just a few clicks of the keyboard.

This saves manhours for the Bureau of Vital Records that had to complete a Vital Records Request form and return it to us. This tool (VRI) allows our Division to have immediate access to this information. Previous to having this tool, we had to wait for the proof from Vital Records prior to determining eligibility which delayed benefits to eligible citizens of New Hampshire."

RESTRUCTURING THE ORGANIZATION

Consolidation of District Offices

Another element of the initiative to pursue operating and service consolidation initiatives is the consolidation of district offices. The Department created a plan in February 2010 to realign the district offices and to promote more self-service by clients such as NHEasy and to allow field staff the opportunity to telework or re-locate to smaller, itinerant sites. The Salem and Portsmouth offices were consolidated into the new Southern district office and the Department was able to achieve approx. \$700K in annual savings from this and a few other minor changes. Subsequent restructuring of the district office configuration has met with resistance and further consolidations are not contemplated.

Use of document imaging to streamline the eligibility process

The Department recognized the need to move from paper to electronic records to achieve operational and service efficiencies and did so by 1) establishing an electronic case record that is viewable, searchable and available for on-line processing 24/7, 2) establishing a case record that can be worked on by any caseworker regardless of work location or case assignment, and 3) establishing document management reporting for service oversight.

DHHS process approximately 9,000 applications per month for services. Prior to document imaging the process was paper-based. Today, the application process is electronic. Client paper applications and hard copies of verifications by eligibility workers are forwarded to a central scanning unit where they are digitized and filed to an electronic case file. This eliminated the need for file rooms and has and will allow DHHS to reduce the size of the district offices. Documents are no longer lost as happened occasionally with the paper files.. Since all eligibility work is digitized and filed electronically, workload can be managed among the district offices by moving documents from offices with high workloads to those with additional capacity.

Berlin Central Re-determination Unit

Eligibility for almost all assistance cases must be re-determined every six months. In a typical month, in addition to 9,000 new applications, DHHS processes 13,000 re-determinations. These were formerly processed at the district offices along with new applications. The re-determination process was redesigned so that most clients send their re-determination forms to the central scanning unit to be digitized. Using existing vacant positions, we created a centralized "Rede" unit in Berlin that now processes about a third of all paper redes for the entire state. This reduced work traffic in the other

district offices and allowed them more uninterrupted time to answer phones and do other work.

Concord Central Processing Unit

During the recession, caseloads climbed as much as 84% (food stamps) and eligibility determination workers had an increasingly difficult time answering the phones. Electronic case records provided the platform for one of our Concord locations to focus on assisting with specific caseloads to assist district offices. DHHS implemented a Central Processing Unit. The unit was staffed by moving vacant positions from elsewhere in the organization. These include: Spend downs (2,200 a month), Division web-mail (200/month), phone interviews (150/month), governor and commissioner referrals (50/month), low income subsidy for Medicare (200/month), Social Security inquiries (100/month). Additionally, a central phone number for client services handles an average of 3,500 calls a month, which would have been managed by the district offices.

Consolidation of DCYF and DJJS Organizations

Another consolidation initiative was the consolidation of the Division for Children, Youth and Families (DCYF) and the Division for Juvenile Justice Services (DJJS) into one Division. By doing so, it allowed for better oversight of the programmatic activities, to ensure consistent implementation of the Division's priorities. The consolidation also allowed the new Division to consolidate similar administrative activities thus making the Division function more efficiently effectively. Due to the consolidation there were some positions that were no longer needed by the new Division and the Department was able to achieve approximately \$310K in annual savings.

The merge of Child Protection and Juvenile Justice under one umbrella helped to solidify our efforts to address issues affecting youth and families in both systems. There needed to be consistent planning, practices, policy and law that are embedded in practice regardless of petition type or agency case manager responsible for the planning. It should not matter if a child is in out of home care due to a child protection or juvenile justice factors. What should matter is that similar permanency planning occurs for every child as soon as they are removed from their home of origin. Results of these efforts have included:

- Developing an integrated Case Practice Review process;
- Actively sharing training resources and conducting joint planning;
- Use of the same case management information system;
- An enhanced, shared service array; and
- Joint case-planning policy for families involved with both systems.

DCYF has implemented major initiatives for child protection and juvenile justice relating to safety, permanency and well-being. These have included rapid and substantive changes in both policy and practice and have involved and affected all levels of staff throughout the divisions resulting dramatic decreases in the need for out-of-home

placement services and has minimized the length of time children are in the state system. The results have also resulted in decreased costs over several years.

LCHIP

The Land and Community Heritage Investment Program (LCHIP) has

- improved its grant application form so it is easier for applicants to provide the information needed for the Board of Directors to make decisions about which project will get grant awards;
- improved its decision making process to ensure that grant making decisions rest in the hands of the Board of Directors;
- started distributing monitoring incentive payments (per RSA 227-M: 11 & 12) to grant recipients who demonstrate appropriate stewardship of the property for which LCHIP funds were granted;
- Reduced staff from 4 FTE to less than 3 FTE (because of decrease in work load related to budget reductions).

Police Standards and Training

Recruit iPad deployment and electronic training files - NH Police Standards, several years ago, looked at ways to become more efficient in regards to the delivery of materials to our recruit officers in training. Recruit officers spend 14 weeks in a paramilitary academy at PSTC to become certified during which they take over 50 instructional classes. For those classes, we were producing and printing course materials and handouts. Around that same time, we had incorporated an online training system through which we had begun giving exams to the recruits on that system using laptops. Each recruit was issued a laptop during their time at PSTC through which they would be able to take exams, and we began the delivery of course materials to them through the learning system which allowed us to almost completely eliminate paper printing and its associated costs.

More recently, over the last couple years, we transitioned away from laptops which were heavy and had limited battery life to iPads which are more portable, lighter and have exceptional battery life. We have also found that the iPads are more intuitive for the user making them easier to deploy. This transition to technology had made material delivery easier and more cost effective. Testing on the system is more immediate with results and also allows for us to perform quicker analysis of each individual question results to identify any deficiencies in material or learning delivery. While these changes don't affect the citizens of the state directly, it does allow us to provide better service to the officers and agencies that we serve in law enforcement.

Department of Safety

We were an early adopter of the LEAN method of process improvement, which consists of a team approach to systematically studying all phases and tasks of an operation and looking for opportunities to increase efficiency and reduce errors by eliminating redundancies and applying both common sense and technological solutions. The employees that are actually performing the tasks are part of the team because as the persons actually doing the job they are the most likely to come up with as to how it could be improved.

Through the LEAN process and simply encouraging the Division Directors and their staffs to identify problems and propose solutions, we embarked several years ago on a journey of continuous improvement which continues today. Here are some examples:

Early Successes with LEAN

Some early successes with the LEAN process have included reducing the time from arrest to prosecution for misdemeanors handled by State Police Prosecutors from 153 days to 51, by decentralizing Prosecutors and Paralegals; Reducing the amount of returned mail to the DMV from 18% to 2%, resulting in a \$225,000 saving in postage costs; Reducing the number of Governor and Council submissions returned for deficiencies from a nearly 100% first time failure rate to a 92% pass rate and shortening the time cycle by 52 days; Standardizing the Emergency Medical Services licensing process for a savings of 490 staff hours in each 2 months cycle; Reducing the Circuit Court processing time for State Police cases from a 14 month backlog to current after 8 months of effort.

Virtual Video Hearings

The Bureau of Hearings has recently developed the capability to conduct web-based hearings. Anyone with a computer that has an attached camera and microphone can attend a "virtual" hearing from their home or from an attorney's office. Police officer witnesses can participate from their home or from the police station, all monitored and orchestrated by a Hearings Examiner in Concord. This has proved to be a great convenience for litigants, their attorneys, and police officers, and has saved travel time and police overtime expenses.

Traffic Ticket Arbitration System

Faced with State Police overtime costs that seemed to be skyrocketing each biennium, the Division partnered with the Administrative Office of the Courts to develop a pre-trial arbitration system, whereby persons who plead not guilty to traffic offenses meet with the Prosecutor at the courthouse and are given an opportunity to tell the Prosecutor their reasons for pleading not guilty and an opportunity to argue for a more favorable outcome. In many cases it appears that the motorist either did not understand the system or simply wanted more time to pay the fine. The total number of cases going to trial has dropped dramatically, and the necessity for Troopers to come to court, for which they collect a minimum 4 hours of overtime if the trial comes at some other time than their regular workday and shift, has diminished and we were able to reduce our Court Overtime budget by six figures.

Intelligent Road Toll Collection and E-Filing System

The Road Toll Bureau recently installed a new, more up to date computer system that has enhanced our ability to detect underpayments and potential fraud, and allows us to select auditees and target audits much more effectively and to avoid hiring additional personnel. This new system provides for electronic submission (e-filing) of reports, which is a great convenience to most licensees.

Energy Saving Initiatives

The heating and air conditioning systems in our building are now controlled centrally from Concord with night and weekend setbacks. The HVAC system at the Forensic Laboratory has been revamped to greatly reduce energy use. New rooftop units at the James H. Hayes Safety Building on Hazen Drive are far more efficient than the previous ones. Low energy light bulbs have replaced the old style incandescent bulbs and corridors, restrooms and meeting rooms have been equipped with sensors that turn off the lights after periods of inactivity. A policy now requires that computers be shut off whenever the assigned user will be away from their office overnight or for a substantial amount of time during the workday. Electric consumption is centrally monitored to detect any attempt to defeat these measures. Waterless urinals have replaced conventional fixtures in restrooms that receive the heaviest public use. Windows at State Police Troop Stations and DMV Substations were replaced with new, energy saving ones and garage doors to bay were replaced, reducing air leaks and saving on heat and air conditioning costs. Parking lot lighting at our main headquarters was replaced with new, more energy efficient fixtures and after the building is closed to the public on nights and weekends these lights are controlled by devices that sense movement and only come on when there is actually someone in the parking lot. They turn themselves off when the movement subsides.

These incremental measures, many of them funded by energy grants, have produced savings on our utility bills.

VOIP Telephone System

An incremental transition to the new Voice over Internet Protocol (VoIP) phone system will eliminate toll calls (intra and inter agency) and provide offices with readily configurable phones with features that the former Centrex system was not capable of.

WebEx System

DMV now has a WebEx system that is also made available to the other Divisions upon request and that allows virtual meetings to take place with employees and stakeholders at remote locations, saving travel time and expense. The Director of State Police now holds weekly "virtual" meetings with his command staff and Troop Commanders. Where they once had to travel great distances to Concord meetings could only be held monthly. Now, time and travel are saved and news can be shared and problems solved as they arise and not waiting for next month's meeting.

Lowering the Cost of Training and Testing and Making it More Widely Available

Through free shareware called “Moodle”, the Fire Academy has become the impetus for more computer-based training, not only for the Fire Service, but has made their expertise available to the other Divisions. State Police this year will begin to disperse some virtual training programs to Troopers, who will be able to take the lessons on their in-car computer systems, at the troop stations, and in their homes. This will enable us to ensure that each Trooper is provided with training in the high risk/low frequency tasks that are most important for their safety and that of the public, and protect the State against civil liability. State Police Troop G is now developing a pre-exam study guide for commercial vehicle license applicants. At DMV, driver license applicants can take their “written” exams by computer at a kiosk and the results are automatically tallied and the tests scored. This saves time, improves accuracy, and practically eliminates any opportunity to cheat on the exam.

State Police Fleet Savings

In addition to the department-wide transition to synthetic oil for oil changes, the State Police when purchasing replacement cruisers is replacing V-8’s with 6-cylinder vehicles for all but the interstate and toll road cruisers. The smaller engines are still powerful enough to do the job and the miles per gallon factor much more favorable.

Backlog Reductions and Improved Customer Service

At DMV, and other locations such as the State Police Forensic Laboratory, Criminal Records and the Gun Line, they continuously monitor workload and backlogs and efforts at continuous improvement through the LEAN process. Workflow improvements at the Gun Line have reduced the number of complaints from federally licensed firearms dealers regarding the length of time that it takes to process background checks on firearms purchasers.

New DMV Information Management System

The MAAP and VISION capital budget projects, which are completely overhauling DMV’s antiquated, decades old computer system, have already resulted in dramatic improvements to productivity and customer service. These two projects are nearing completion and not a minute too soon, because components of the old system that are still in use are so obsolete that they are no longer supported by the companies that developed them and there are very few people who are familiar enough to troubleshoot them.

Cross Training of Employees and Renovation of Counter Space

Cross training of employees has enabled a merger of functions at DMV between the Registrations and Driver Licensing sections and the result is hybrid counter clerks that can perform both functions. Since busy times for one section are often the least busy times for the others the former long waiting lines at our offices have become a rarity. Management in Concord now has the ability to do real-time tracking of the average wait at the Concord office and at the substations and to match staffing more closely to demand. Our new Nashua substation and a major renovation to the Dover Point substation now those locations to provide a wider range of customer services that were formerly only available at the Concord office.

The Fire Marshal's Division of Fire Safety has cross-trained some of the inspectors for the trades that they regulates so that a single inspector can conduct more than one type of inspection, providing more timely service and backlogs and travel time and expense.

Online Driver License Renewal and Traffic Ticket Payment

Programs such as online driver license renewal and online traffic ticket payment, and having every one of our town and city clerk municipal agents online with the central DMV computer have been additional critical steps in our continuous improvement plan. We must caution, however, that any further cutbacks in personnel could quickly require the closing of more of our 14 locations and reverse all of these gains, because our current staffing is the absolute minimum required to do the job.

Improved Call Handling

DMV management now tracks the number of phone calls received, the number of times all lines are busy, average wait time for a customer, longest wait time, and the most frequent customer questions and inquiries. We now put calls into a queue where the caller can choose to wait for the next available customer service representative or leave a message after receiving a series of prompts with useful information.

Replacing Troopers with Civilian Employees for Tasks that Do Not Require Powers of Arrest

We have replaced State Troopers with civilian mechanics for conducting compliance visits to auto dealers and inspection stations, and are in the process of replacing Troopers with civilians under supervision of a Trooper to conduct commercial vehicle (CDL) license exams and road tests. These civilian employees will also be extensively used in the annual inspection of all school buses in the state. They are hired at a lower wage rate; their initial costs are lower due to not needing expensive uniforms, weapons and other tools of the law enforcement trade and are not in the costlier Group II retirement system.

"Quick Scan" System in the DMV Title Bureau Has Reduced Backlogs

The DMV Title Bureau employees have been trained to "Quick Scan Examine," a process that allows them to utilize the NMVITIS resource and look for key factors needed to successfully issue a title. This process has decreased the issuance time from 30 business days to 5-12 business days, which is a boon to auto dealers and to persons selling vehicles at private sale. We have additionally identified key times when additional staff is needed, and increased the use of part-time employees during those identified times.

E-Ticketing

The State Police e-ticketing process is saving Troopers time and allowing them to spend more time on patrol, thus addressing one of the observations in a recent LBA performance audit. It also has allowed the DMV Financial Responsibility Bureau to keep abreast of an increasing workload without the addition of more personnel. Tickets are now received in a timely manner; we have an increased ability to accept credit card

payments by telephone, the majority of tickets are written directly to the database, minimizing manual data entry, there are more paperless transactions and a reduction in telephone calls attempting to resolve illegible handwriting. The next goal will be the implementation of the e-ticketing process by local law enforcement agencies. This was all accomplished with federal funding from the NH Highway Safety Agency.

Crash Records Management SystemA new Crash Records Management System is in the final testing phase and when fully implemented State Troopers will be completing reports on the traffic accidents they investigate from the laptop computers in their police cars. The system will then be deployed to local police as well. This will also allow the Troopers to spend more time on patrol and answering calls, and will reduce data entry time at DMV and improve the accuracy of crash reports. The more comprehensive data set that will result will enable State Police to download crash data more closely to a real time basis and we will be able to better analyze when, where, how and why these crashes are happening and to deploy State Police resources to locations with the highest percentage of serious crashes and at the times when they are most likely to occur. It will allow management to emphasize ticketing for the violations that cause the most crashes. DOT will be using this same data to identify road hazards that can be abated by such things as rumble strips, elimination of roadside objects, installation of guardrails and other environmental changes to reduce crashes. This multi-year project was funded with funds from the NH Highway Safety Agency.

Health and Wellness Initiatives

The State Police recently formed a Peer Support Unit consisting of Troopers of various ranks trained to provide support to Troopers and civilian employees and their families that have been affected by job-related stress induced by the many traumatic and critical incidents that they handle as well as some that occur off the job but affect an employee's health or job performance. This measure promises to reduce time off the job lost due to medical reasons and problems in the home, and to increase productivity.

Adopting of Performance Measures

To assist us in the preparation of this biennial budget request, we adopted the Balanced Scorecard from among the many different approaches to performance-based budgeting and strategic management and in adapting it to our needs we soon realized that our existing data systems did not collect all the necessary information. Although outputs abound in this area of government, outcomes in the public safety business are more difficult and in some cases impossible to measure.

In manufacturing it is relatively easy to measure outcomes in terms of the number of additional widgets produced per unit of time and factoring in the number that fail to pass inspection and the causes of those failures, and matching demand more closely to production capacity. In public safety we can tally the number of traffic tickets Troopers issued last year (an output) and compare it with the number of fatal traffic crashes in the state, and claim a victory (an outcome) if there were fewer fatalities this year than last.

However, is that an accurate way to measure? Troopers only have primary responsibility on the interstate highways and toll roads, shared responsibility in towns of less than 3,000 population, and only write tickets in cities and towns of greater than 3,000 population when passing through. Where the state experiences plus or minus 100 traffic fatalities a year, such factors as a winter with high snow banks that provide a softer landing for vehicle that go off the road, or several multiple vehicle crashes such as on with a bus full of people and several killed, can make a double digit difference in the fatality count. Can State Police take the credit for a decrease in fatalities, and should they assume the blame for an increase? And, the number of traffic tickets written, given the relatively small size of the State Police, can be significantly affected by such factors as vacancy rates or several high profile crimes that divert resources from patrol to investigations.

The choice of performance measurements requires much more than guesswork, and when beginning such an effort, it is common to find that we have not been measuring the things we will now need to measure, and therefore there is no historical data to compare with.

We received valuable assistance from the graduate program at Dartmouth College as we began this effort. We continue to revamp our data collection processes as we go. Meantime some of our performance measures had no historical data to rely on. Thus, in applying Balanced Scorecard principles, in a number of instances this biennium's effort had to focus on establishing baselines against which future results will be measured.

Our aim is to add future value to our Department and thus ensure that the people of New Hampshire benefit from this value through our investment in customers, employees, processes, technology, and innovation.

THE 4 QUADRANTS WE MEASURE

Financial – Development of target objectives and matching inputs to outcomes in terms of dollars spent and resources consumed. Development of tracking methods to quickly identify and react to fiscal concerns constituted is the essence of ensuring that our citizens receive maximum value for the dollars entrusted to us in the budget and that our revenue collection processes are effective, reliable and efficient.

Customer Service – The Department recognizes that we have both internal and external customers. Our focus on *internal customers* ensures that we have good communications up and down the chain of command and laterally between divisions and units, and between individual employees who trust and respect one another and collaborate effectively. Our focus on *external customers* recognizes that the Department of Safety touches nearly every citizen of New Hampshire in some way throughout their lives. If customers are not satisfied with the service we provide, they have no option to go elsewhere, for we have a captive audience. This makes it even more important than in a private business to be sure our customers and stakeholders, including the many visitors to our state, are served efficiently and courteously.

Internal Business Practices – Metrics based on our business practices allow us to know how well the Department is running, and whether what we deliver meets the expectations of our customers and stakeholders. We have developed and continue to develop various dashboards that enable management to react as much as possible in real time to identify and solve problems. Much of this depends on robust information management systems which we have developed in the Road Toll Administration and very recently in the Division of State Police, and which we continue to develop in the Division of Motor Vehicles as part of VISION, a complex, multi-year process of rebuilding the entire DMV records management and processing system using an integrated approach.

Learning and Growth - Our employees are our main – and most costly – resource. They are our main repository of knowledge and in this current climate of rapid technological change they must be put in a continuous learning mode so that we can “grow” our employees and develop mentors and tutors within their work areas so they can readily get help with a problem when needed. As the size of our workforce and the availability of overtime funds have shrunk in recent years we are attempting to cope by relying increasingly on e-learning systems, with DMV and State Police becoming the test bed.

CURRENT AND ONGOING PERFORMANCE MEASURES WE USE

The *Bureau of Hearings Administrative Hearings Unit* relies on employee performance evaluations looking for timely and error free hearings reports, the degree to which hearings may be overturned by the courts, and timely and accurate scheduling of hearings.

Their *Prosecution Unit* evaluates the number of cases handled per Prosecutor, vs. the number of cases, resolved, tried, and the outcome in court, or “win/loss” record. However, a Prosecutor has an ethical obligation not just to win cases, but to see that justice is done. This means he or she should drop charges or offer a plea to a lesser offense if it appears that the defendant was the victim of an over-zealous officer. Additionally, sometimes a defendant will be charged with several different offenses arising from the same acts in order to establish probable cause for the arrest, but going forward with all the cases would constitute overkill. Without a way to measure these intangibles, total reliance on a win/loss ratio could result in unfair comparisons between prosecutors and possibly place pressure on other prosecutors to increase the number of convictions at the expense of seeing that justice was done.

The *Bureau of Emergency Medical Services* monitors the performance of EMS students based on the pass/fail rate of the national standardized examinations for certification and licensure, and links these to the students’ instructor/coordinator, which serves as a

surrogate marker for the effectiveness of instructors and the quality of EMS providers they are going to produce.

Information from the EMS electronic reporting database (the TEMSIS system) is used by the *Medical Control Board* as part of their process to continually update the New Hampshire EMS clinical protocols to the most current medical practice.

The *Bureau of EMS* has installed a process to measure certain performance outcomes statewide in line with benchmarks on medical interventions vs. clinical outcomes.

The *Fire Academy* is nationally accredited by the National Board on Fire Service Professional Qualifications that governs their cognitive and psychomotor testing and they must periodically prove they adhere to those standards in order to keep their accreditation.

The *State Police Forensic Laboratory* is nationally accredited to the ASCLAD/LAB standards and is periodically examined by this organization. The Laboratory is currently migrating to the still more stringent ISO standards.

The Emergency 9-1-1 system in the *Division of Emergency Services and Communications* is nationally accredited and has to prove that it is meeting those best practices nationally in order to maintain its accreditation.

Recognizing the talent that the Analysts in the recently established *Information and Analysis Center* possess, we are developing a capacity to do conduct geospatial predictive analytics. This method statistically characterizes the locations and times associated with previous or known accidents and crimes. Identifying statistically similar areas that are at increased likelihood for future incidents allows us to develop models useful to focus resources on areas prone to a future incident. Once this system is mature it will support risk-based deployment of Troopers to those locations when and where they are most likely to be needed, rather than “flying by the seat of our pants.”

The Statistician who formerly worked at the DMV has been internally transferred to the State Police Operations Bureau in order to work more closely with that Division on the development of performance measures and expanding their use of the LEAN process.

BALANCED SCORECARD EFFORTS

Currently, each Division has working groups that have been tasked with developing performance measures that will enable them to work toward positive outcomes in each of the 4 quadrants of the Balanced Scorecard. The results of their efforts will be evaluated by the Commissioner, Assistant Commissioner, and the Chief of Policy and Planning and the necessary data collection processes will be implemented, where

lacking, to enable us to establish a baseline and tracking history. Here are some examples that various Divisions have come up with:

In the *Division of Administration*:

Customer Satisfaction will be measured by conducting a survey of internal and external customers of the Division to establish a baseline; and providing improved signage to guide customers upon entry to the headquarters building.

Financial Efficiency will be improved by streamlining the International Fuel Tax Agreement renewal process, increasing replacement of paper forms now stored in the Warehouse with electronic forms, bar coding inventory at the Warehouse and Garage, and improving Credit Card Reconciliation in the Business Office.

Internal Business Practices will be improved by identifying vendors that receive multiple checks and batching and combining them to reduce mailing costs, and conducting a LEAN event to examine ways to reduce postage costs for license plates and other mailed items.

Employee Development and Growth will be promoted by providing all new hires with training in Communications Skills, Work Team Assessment and Team Building, and Coaching in the Workplace, and conducting a training needs assessment.

In the *Division of Motor Vehicles*:

Customer Satisfaction will be measured by gathering data one week per month on a rotating basis to ensure that transaction/process time is less than or equal to 15 minutes statewide, from building entry to completed transaction, by monitoring transaction times 3 times per day, at 9 a.m., noon, and 2 p.m. The DMV website will be updated monthly by the issuance of a new standard operating procedure setting forth the responsibility for keeping it updated. Current customer feedback questionnaires are favorable 92% of the time and the goal will be to improve this to 95% by the end of the biennium.

Financial Efficiency will be improved by increasing the number of online transactions from the current 27% of driver license applicants to 33% by the end of the biennium, increasing online traffic ticket payments from 25% to 31%, and reducing consumable expenses by 3% each fiscal year of the biennium.

Internal Business Practices will be improved by combining the International Registration Plan, International Fuel Tax Agreement, and Unified Carrier System registrations into a single, one-stop shopping system by the end of the biennium, providing for the processing of non-U.S. citizen driver license applications at Manchester and Nashua as well as Concord, and allowing driver record requests to be processed at Manchester and Nashua as well as Concord. A LEAN event will be conducted to examine and streamline the refund process. New eye test forms for Driver

Licensing will be adopted and issued in order to simplify and add accuracy to the process.

Employee Learning and Growth will be enhanced by producing by the end of the biennium an employee Job Function Manual for each job in each Bureau, in electronic and hard copy. Additional cross training will take place so more employees will have job knowledge and expertise in tasks currently performed by only 1 or 2 persons. Eighteen functions have been identified as ripe for cross training and 1/3 of these will be accomplished each year.

In the Division of State Police:

Customer Satisfaction will be measured by surveying all Chiefs of Police in the State do determine their degree of satisfaction with services provided by the State Police and compared a year later with an initial goal of at least a 5% annual improvement. A method of surveying the general public's satisfaction with the State Police will be developed. Methods suggested to date include placing questionnaires in fast food restaurant and at shopping malls, inviting visitors to the website to fill out a questionnaire, or randomly mailing questionnaires with return postage paid to citizens who have had a recent encounter with a Trooper, such as calling to make a report or request a service, or being stopped for a traffic violation. Here, the initial goal would also be a 5% improvement.

Financial Efficiency will be measured by tracking fuel consumption, looking for an average 1.5 mpg increase in the average Trooper's fuel consumption with the division's policy of purchasing only 6-cylinder cruisers for all but the interstate and toll road patrols, our "anti-idling" policy and close attention to tire pressures. A second goal will involve measuring court overtime costs in dollars and looking for a 3% annual reduction for the biennium as we continue to expand the traffic ticket arbitration program statewide. They will look to reduce the cost of Contracted Services by seeking additional competitive bids for all services required, with a goal of a 3% per year savings. The number of at-fault collisions by Troopers will be analyzed and methods developed to reduce the number of at-fault collisions by at least 5% annually.

Internal Business Practices will be measured by leveraging technological advancements to provide efficiency and enhance services. Training more employees in the new Lawson personnel system, electronic ticketing and the crash records management system, the goal will be to have 90% of the employees trained by the end of the first year and 95% by the end of the second year. A second goal will be to promote the efficient use of people and equipment by conducting more LEAN performance improvement events. The first LEAN events will focus on the Safety garage and equipment control, including bar coding of inventory and evidence.

Employee Development and Growth will be tallied by initiating a regular cycle of training with a focus on the low frequency/high risk tasks delivered by computer thereby increasing training hours by 10% a year, and development of a formal training plan and

making available to all employees, both sworn and civilian to increase division participating in training programs by 10% over the biennium.

In the Division of Fire Safety:

Customer Satisfaction will be enhanced by conducting a customer satisfaction study to establish a baseline and implementing or changing practices based on the results.

Financial Efficiency will be achieved by phasing out the use of identification cards for various trades certifications at renewal time, replacing them with certificates sent electronically, resulting in a savings of approximately \$23,000 over the biennium.

Internal Business Practices will be improved by providing wireless access for Investigators and Inspectors conducting a LEAN event to streamline licensing processes, and developing a new case management system for inspectors and investigators.

Employee Development and Growth will be enhanced by continued cross training of mechanical inspectors, and developing a written policy for notifying all employees of training opportunities.

In the Division of Fire Standards and Training and Emergency Medical Services:

Customer Satisfaction will be improved by developing and distributing formal policies in telephone etiquette, and emails, and a mechanism will be developed to survey customer opinions as to the Division's telephone and email performance. Customer surveys will rate customer reaction to the new North Country training facility once it is up and running.

Financial Efficiency will be improved by establishing criteria for defining what is "equipment" based on cost, life expectancy and mission of the device, establishing current life expectancy for the facility and equipment, and developing preventive maintenance protocols to increase life expectancy. Division programs will be identified and categories of cost (equipment, staff, consumables, etc.) established for each program to evaluate the cost and integrate into the decision process as to which programs will be offered/continued, along with a program for post-program cost analysis.

Internal Business Practices will be improved by developing an improved reciprocity process for Fire and Emergency Medical Services certifications, streamlining the course approval process, and improving the process for learning props and equipment management and delivery to training sites.

Employee Development and Growth will be enhanced by conducting an employee survey as to their perceptions and needs as to professional development, analyzing the results, and taking needed actions, and devising a mechanism to obtain employee

feedback on each training event they attend. A mechanism will be developed to allow more employees at field offices to participate in meetings held at the Fire Academy. A new employee orientation packet will be developed for use with new hires.

In the *Division of Emergency Services and Communications (E-911)*:

Customer Satisfaction will be rated and improved by surveying regional dispatch agencies and the Computer Aided Dispatch User Group (89 agencies) to establish a baseline. The public will be surveyed via the Division's website. Agendas for the CAD group will be developed that include progress reports.

Financial Efficiency will be improved by reviewing the administrative policy on "price matching" for vendors with a State contract, to reduce purchasing expenses, encouraging vendors to waive shipping charges on items with a minimum purchase, and holding monthly meetings on budget issues to reduce instances of reactionary or defensive budgeting practices.

Internal Business Practices will be enhanced by establishing a formal Employee Recognition Program, working with the new Lawson payroll program to include features that are more easily adaptable to a 24/7 operation, improving the recruitment and hiring process to allow speedier filing of vacant positions and to reduce overtime costs for covering vacant positions.

Employee Development and Growth will be improved by sharing feedback from Medical Dispatch Evaluation Records within 72 hours after supervisory review, requiring employee signoffs on all policy and protocol changes that affect them, and having Supervisors hold career development meetings with employees to determine their interest and inviting them to submit a career development wish list and register for programs as they become available, tracking progress on a spreadsheet.

As can be readily seen from the above, our Divisions and employees are struggling with how to adapt a performance management scheme that was developed for use in other businesses and agencies that deal more in finite products such as number of parts produced, miles of roads paved, etc., to the very different demands of public safety services. It is apparent that more training will be needed and more baselines for measurements will have to be developed. It was understood when performance management was first discussed in the prior Legislature that this would be a multi-year project before it could come to fruition. We know that our efforts will improve as we move down this road.

Department of Transportation

At this time, the Department is managing 91 active construction projects with a combined bid total in excess of \$670 million dollars. Recently, work was completed on the Manchester Airport Access Road and the Spaulding Turnpike expansion.

In Project Development, some of the projects currently underway include:

- Capacity improvements on I-93 (south of Exit 3);
- Replacement of the Memorial Bridge in Portsmouth;
- I-89 capacity improvements at Exit 20 in Lebanon;
- Highway widening and bridge construction on the Spaulding Turnpike in Newington-Dover;
- Recent Completion of construction of Open Road Tolling on I-93 in Hooksett.

In the area of Operations:

- Purchase costs of diesel and gasoline were hedged to ensure budget stability;
- A study recently completed with Northeastern University to evaluate the business practices, workflow and capacity of the Concord highway garage;
- The ability to lease-purchase equipment was employed to have access to equipment that is difficult to rent on an hourly or daily basis such as mowers and asphalt rollers;
- Changes to staffing practices at toll plazas were instituted;
- The cross-utilization of employees between the Bureaus of Highway Maintenance and Traffic was introduced.

To reduce utility costs:

- The Department has initiated the process to shut off non-critical street lighting;
- Wood furnaces have been installed in many patrol sheds;
- The use of LED lighting in traffic signals and flashing yellow warning lights has been expanded;
- Virtualization of 15 computer servers into a single unit was recently completed.

The Turnpike Bureau has introduced several cost savings measures that have and will continue to result in reduced operational expenditures. These efficiencies include the following initiatives:

- Implementation of Lean Staffing in Toll Operations, (estimated annual savings of \$2.0M);
- Refunding of the 2002 and 2003 series bonds keeping the same term, but lowering the interest rate (\$107.5M in total bonds refunded), saved a total of \$14.8M in interest payments with an annualized savings of \$1.35M per year. These savings helped us accelerate the Hooksett Open Road Toll Project;
- Instituted various energy reduction initiatives (estimated annualized savings of \$220k);
- Implemented various winter maintenance initiatives that have resulted in more efficient and reduced use of salt (estimated savings of \$415k per year).

In May the Department issued \$115 million of GARVEE bonds to construct three portions of the I-93 Project:

- Exit 2 Interchange and Mainline Improvements;
- Exit 3 Area – Southbound Mainline and NH 111;
- Exit 3 Area - Mainline, Northbound Ramps and NH 111A Improvements.

This critical financing was accelerated in close consultation with the State Treasurer, to take advantage of some of the best lending rates in history. NH secured a rate of 1.26%, and will pay off the bonds in entirety in seven years. When compared to previously planned longer duration bonds, NH taxpayers will save tens of millions of dollars in future debt service that can be put to better use in future construction. I am pleased to report that in late February the Governor and Executive Council approved an engineering contract funded entirely from savings from bid prices on the second of three projects from this bond issue for the widening of I-93 north of Exit 3. This planning and use of great pricing from our contracting community is serving the taxpayer well.