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This document is in response to the County of Orange, Case Management Services Performance Audit Report dated June 2023, performed by Moss Adams LLP.

## 1) Validating Performance Comparison Efforts

### **Finding:**

*Despite challenges with calculation methodologies and historical data retention, the overall message in the County and Contractor Case Management Analysis report appears to be an appropriate reflection of relative performance between the County and Maximus case management. However, there are opportunities to enhance performance reporting to promote precision and understanding of the metrics presented.*

### **Recommendation:**

- A. Performance metrics should be accompanied by a metrics definition document to ensure consistency of calculations and clarity for stakeholders.
- B. The County should establish procedures to ensure that all data used in performance comparison efforts at the time of calculation is consistently retained. Data is pulled in real time.
- C. To continue including 30-day and 90-day retention metrics in performance comparison efforts, the County should develop a process to update the date of employment based on supporting documentation to ensure precision.
- D. Performance metrics that are reported to reflect annual performance should be calculated using complete annual data, rather than the mean of monthly calculations throughout the year.

**SSA's Response:**

**SSA agrees with the finding.** SSA retains the data when it is pulled; however, due to the nature of the Statewide eligibility system, case information can change due to updates, which can result in changes to the data. SSA will develop a more comprehensive metric definition document in addition to reassessing performance metrics and calculation methodology.

**2) Achievement of Mandated Outcomes**

**Finding:**

*Similar to other California counties, Orange County as a whole was unable to meet federal WPR requirements between FFY19 and FFY22.*

**Recommendation:**

As long as WPR requirements exist, continue to develop and implement strategies for increasing WPR. Strategies should include continuously using data to monitor and improve progress toward meeting WPR requirements and to pinpoint systemic problems.

**SSA's Response:**

**SSA agrees with the finding.** SSA is dedicated to enhancing the Work Participation Rate (WPR) and has taken extensive steps to do so. SSA has conducted a thorough review of its practices and procedures, reinforced existing reports, and provided regional offices with proactive tracking measures. Monthly meetings are held to review case samples and explore compliance strategies, and specialized Case Managers are in place to handle complex WTW cases and ensure compliance with WPR measures. Effective July 2022, WPR compliance will be incorporated into the new Case Management contract. SSA is committed to developing and executing strategies that will increase WPR. As detailed below, Orange County ranks within the top 10 California counties for its WPR.

Although WPR is the federal compliance measure, the state has also instituted the CalWORKs Outcomes and Accountability Review (CalOAR) which includes new mandated requirements that focus on engagement and barrier removal. These CalOAR outcome measures are still being developed by the state and have not been fully implemented at this time.

**Finding:**

*Based on analysis of case data provided by the County, Maximus met CMS contract requirements between FFY19 and FFY21, except for work participation requirements.*

**Recommendation:**

- A. As part of efforts to holistically monitor case management outcomes, consider adjusting expected outcomes for both SSA and County-managed cases to include reduction of barriers to engagement and employment.
- B. As part of continued efforts to develop and implement strategies for increasing WPR, pay special attention to systemic problems that may be resulting in Maximus's lower achievement of WPR and implement strategies to combat identified issues.

**SSA's Response:**

**SSA agrees with the finding.** While it is challenging to meet WPR, Orange County continues to perform above the state average as referenced below:

- FFY 2020 All Families: OC (35.3%) was ranked 8th in the state. Statewide rate was 33.5%
- FFY 2020 Two-Parent: OC (34.7%) was ranked 6th in the state. Statewide rate was 26.6%
- FFY 2019 All Families: OC (42.3%) was ranked 6th in the state. Statewide rate was 40.8%
- FFY 2019 Two-Parent: OC (51.6%) was ranked 6th in the state. Statewide rate was 36.2%

Additionally, the state instituted the CalWORKs Outcomes and Accountability Review (CalOAR). CalOAR includes new mandated requirements that focus on engagement and barrier removal towards employment. These CalOAR outcome measures are being developed by the state and have not been fully implemented at this time. The state is still refining the data collection within the statewide eligibility system and have not provided counties with clear guidance on how to measure these outcomes. Despite these delays, SSA has been proactive in developing and implementing some of the engagement efforts in anticipation of CalOAR.

### 3) Cost Efficiency and Cost Effectiveness

**Finding:**

*Based on limited available data, Maximus case management was more cost-efficient than SSA case management.*

**Recommendation:**

- Determine the extent to which the relative cost efficiency of SSA and Maximus service providers should be prioritized in the provision of case management services, and what costs the County is willing to incur to measure cost efficiency accurately and reliably.
- If cost efficiency is a high priority and the County is willing to spend the appropriate money to accomplish this task, build the data infrastructure necessary to fully measure the output of case managers by assessing the number and complexity of services provided by case workers.
- If the County does not have the desire or capacity to invest in the costs of developing comprehensive cost efficiency measurement tools, continue to monitor the relative cost efficiency of SSA and Maximus case management by regularly determining the cost per case-month for each provider on an annual basis and use the analysis for future decision-making and strategies related to the public-private partnership.

**SSA's Response:**

**SSA agrees with the finding.** However, the recommendation requires further analysis to determine the feasibility and a method to develop and establish the infrastructure that effectively measures cost efficient case management services.

**Finding:**

*Neither case management provider was definitively more cost-effective than the other. Based on an analysis of available outcome and cost data, SSA case management appears to be both more effective and more costly than Maximus case management.*

**Recommendation:**

Monitor the difference in cost and effectiveness between SSA and Maximus case management. Effectiveness should, at a minimum, be assessed via WPR. Ideally, multiple outcome metrics should be used to assess relative cost effectiveness beyond WPR to ensure assessments are well-rounded and reflect more than one aspect of case management performance.

**SSA's Response:**

**SSA agrees with the finding.** While SSA agrees that it should monitor the difference in cost and effectiveness between SSA and Maximus, it should be noted that WPR, a program whose effectiveness is defined by the number of CalWORKs recipients who become self-sufficient and successful in their communities, is measured by CalOAR measures. CalOAR measures focus on engagement of beneficiaries instead of general productivity and are currently under development by the state; once those measures are released, SSA will begin tracking them. Because CalOAR measures are not focused on productivity, SSA included performance metrics in the Maximus contract to track performance and productivity. Internally, SSA tracks caseload volumes and other metrics to determine the needs of its CalWORKs case managers; these metrics are compatible with the Maximus performance measures. Moving forward, SSA will determine a method where all of these data points can be used to measure cost and effectiveness of the overall CalWORKs program.