

Special Management Review Guidelines

Purpose

The National Highway Traffic Safety Administration (NHTSA) has developed the guidelines needed to respond to a critical finding that recommended, "NHTSA provide more specific guidance to its regional offices on when it is appropriate to use management reviews and improvement plans to assist States with their highway safety programs". Following are guidelines that outline the process to be followed as we implement Special Management Reviews. Special Management Reviews are the *possible* next step in a process that first analyzes FARS data and State certified safety belt surveys to determine if States are making progress in key components of their highway safety program. The Special Management Review *may* lead to the joint development of a Performance Enhancement Plan (PEP).

Authority

23 CFR § 1200.25 Improvement Plan

If a review of the Annual Report required under § 1200.33 of this part or of other relevant information indicates little or no progress toward meeting State goals, the Approving Official and State officials will jointly develop an improvement plan. This plan will detail strategies, program activities, and funding targets to meet the defined goals.

NOTE: Improvement Plans will hereinafter be referred to as Performance Enhancement Plans

Definitions

Special Management Review (SMR) - A system of review that examines management and operational practices in specific program area(s) to determine other relevant information related to program performance and progress. Special management reviews are preceded by analyses of the most current and best data available from the Fatality Analysis and Reporting System (FARS), mileage death rates, alcohol death rates and safety belt surveys. SMR's are scheduled as a result of a State's consistently worse-than-national-average performance and progress less than half of that recorded by the Nation as a whole.

Performance Enhancement Plan (PEP) - (Formerly known as Improvement Plan) - A plan developed in response to a State's failure to meet performance goals; substandard performance; or failure to show improvement toward priority safety program goals over a three-year period. The Performance Enhancement Plan is developed collaboratively between the Regional Office and the State, and details strategy for implementation of the recommendation(s), establishes target dates for completion of each recommendation, and contains a status element for indicating progress of each recommendation based upon periodic reporting by the State.

Finding - A determination of one or more areas in need of additional progress or improvement; or one or more factors that are contributing to the State's failure to progress toward established goals or objectives. The areas and contributing factors may include, but are not limited to, non-compliance with Federal and/or State regulations or guidelines; lack of implementation of traffic safety counter-measures of proven effectiveness; inadequate or inappropriate staffing; or poor management practices.

Recommendation - A specific corrective action to resolve a finding. A recommendation is based upon regulatory requirements, or best practices, and/or proven successes. The implementation of all recommendations will be tracked by the Regional Office.

Commendation – A recognition of strong effort(s), best practices or exemplary performance.

Process

1. In the first quarter of each fiscal year, NHTSA reviews each State's performance, using FARS data and the State's certified safety belt surveys, for a base year and the three most recent years. If a State has no certified safety belt survey for a given year of interest, NHTSA will statistically impute an estimated use rate, using FARS data.
2. NHTSA compares each State's performance during the three most recent years with the national average performance (based on FARS and National Occupant Protection Usage Survey data) for those same three years.
3. NHTSA determines how much the State's performance improved during the three consecutive years (i.e., improved beyond the performance recorded during the base year immediately prior to the three year span). NHTSA compares the State's performance improvement with the national average performance improvement over the same three years.
4. NHTSA identifies as candidates for Special Management Review all States that
 - a. Performed worse than the national average in each of the three years, **AND**
 - b. Registered less than half as much improvement over the three consecutive years (compared to the base year) as did the nation as a whole.

Mitigating factors may also be taken into consideration. For example, NHTSA will examine recent programming and legislative changes and other factors like the passage of a primary belt law or other relevant laws, or unusual political, economic and societal changes that the State brings to our attention, to determine if a Special Management Review is warranted.

Based upon mitigating factors, the Regional Administrator may recommend in writing to the Associate Administrator for ICOR that the SMR be postponed or not conducted. The Associate Administrator for ICOR will consider the RA's recommendation, and provide the RA a written decision as to whether the SMR will be performed.

If data, program and legislative reviews indicate an SMR need, the Regional Administrator provides advance notice to the Governor's Representative (GR) that a letter is forthcoming concerning the State's performance. The Regional Administrator notifies the GR in writing that data from the past several years indicate the State likely would benefit from a Special Management Review.

Regional Office Actions

NHTSA Regional Staff conducts a preliminary conference call or site visit with the appropriate State Highway Safety Office (SHSO) personnel, which may include the GR, Coordinator, and Highway Safety Director to:

1. Review and discuss performance data.
2. Give the State at least 60-90 days' advance notice prior to initiation of on-site Special Management Review.
3. Negotiate with State the dates for the on-site visit portion of the special review.
4. For the initial site visit a maximum of five-days should be scheduled including travel time. If additional on-site time is needed, another visit will be scheduled.
5. Identify review team (2 or 3 individuals) and team leader. The team leader shall be from the Region responsible for providing management oversight to the state under review.
6. Formally notify the State in writing regarding specifics of the upcoming Special Management Review.
7. Provide State with copies of special program area review questionnaire (see attached questionnaires).
8. Identify and request materials/documents that SHSO will need to provide RO prior to SMR and onsite.

Conduct Special Management Review

1. Entrance Conference
 - Conduct entrance conference with selected SHSO staff and partners.
 - Reaffirm the collaborative nature of this process.

2. Conduct the Review

- Complete “Program Area Questionnaire” with Highway Safety Leaders, office staff, partners, and project directors, as needed, using interview methodology.
- Document each interview.
- Collect copies of all relevant and necessary documents.
- Review a sample of project files relevant to the subject program area.
- Develop an informal summary/overview to use during the Exit Conference.
- Determine the necessity for additional on-site visit(s).

3. Exit Conference

- Conduct exit conference with SHSO management and staff.
- Present positive areas of review that compliment state efforts.
- Discuss preliminary assessment of program areas and any preliminary deficiencies or findings.
- Discuss the need for any additional information or documents.
- Discuss the estimated length of time to complete the review and issue the Draft Report, indicating that the goal for completion is 60 days. However, the time period from the on-site visit until the report transmittal will be dependent upon the areas of substandard performance and any findings. There may be the necessity for additional on-site visit(s).
- Point out that the Draft Report will contain program area accomplishments, deficiencies and preliminary recommendations.

Draft Report

1. At least one week prior to the issuance of the Final Report, a draft report will be transmitted to appropriate SHSO personnel. The SHSO will be asked to review the report for any technical inaccuracies and report any to NHTSA.
2. The submission of the draft report is to provide an advance notification to key SHSO personnel and is not intended to solicit an official response to the Report.
3. Negotiations will begin at this point as to the length of time (30-60 days depending on the extent of the recommendations) needed by the State to respond.

Final Report and Recommendations

1. Prepare a final report based on the notes taken, documents gathered during the review process and the State’s response letter to Draft Report. All review notes are maintained in file.

2. Final report will be transmitted to the GR, Coordinator, and sent to the Associate Administrator, Injury Control Operations and Resources (ICOR).
3. In the transmittal letter the State will be asked to respond to the report by a specific date (30-60 days) from the date of the letter.
4. The State will be offered a briefing on the Report by the NHTSA Regional Office (RO).
5. RO and the State should come to a consensus on identified problems, strengths, recommendations and strategies or remedies, which would be the basis for the development of a Performance Enhancement Plan (PEP), if needed.
6. In areas where the RO and the State can not agree to work toward strategies to improve the states performance, and the state refuses to take adequate corrective action, the RO will document this in a formal written report to the State and ICOR. The State response shall be made a part of the official report.

Performance Enhancement Plan

1. If the SMR and other relevant information does not provide adequate justification for the lack of improvement, and/or the State has no substantive plans to change from status quo in an effort to make improvements, then the State and Regional Office will jointly develop a PEP).
2. If the SMR and other relevant information does not provide adequate justification for the lack of improvement, but the State has developed or begun to develop a credible plan for effecting improvement, then the Regional Office will review the State's plan and may determine that it is acceptable as the basis for a PEP.
3. SHSO will designate staff to work with the RO to develop the PEP. (See Attached PEP Template).
4. NHTSA will share known successful best practices, and programs with the States.
5. To address identified weaknesses in the program areas(s) the State and NHTSA will develop a PEP to include: recommendations; proposed actions by the State to implement each recommendation; assistance needed from NHTSA; target dates, and status.
6. PEP strategies should be included in the Highway Safety Plan (HSP).
7. HSO and the RO will sign a Letter of Understanding (LOU).

Follow-up and Evaluation

1. RO will monitor at least on a quarterly basis the implementation of the PEP.
2. PEP may require periodic status reports from the States.
3. The RO will provide the technical assistance needed by the State to implement the identified strategies.
4. Where appropriate, evaluation plans will be written into the PEP.
5. The PEP will be considered closed when the plan's activities are completed.

Frequency of SMR's and PEP's

If a PEP Has Been Implemented

When a SMR is conducted and a PEP is required, a follow-on SMR will not be considered until NHTSA has had the opportunity to determine the impact the PEP has had on improving the performance measure under review. If the subsequent data cycle does not reflect positive change NHTSA will, at that time, consider conducting a follow-on SMR and/or working with state to modify the PEP as necessary to effect positive change.

If a PEP Has Not Been Implemented

When a SMR is conducted but no PEP is required, or an action plan developed by the state has been implemented in lieu of a PEP, NHTSA will not consider a follow-on SMR or development of a PEP until it has had the opportunity to determine what impact the states' action plan has had on improving the performance measure under review. If the subsequent data cycle does not reflect positive change NHTSA will, at that time, consider conducting a follow-on SMR and/or working with state to develop a PEP.

Appeals

As provided in 23 CFR § 1200.27, a review of any written decision by a Regional Administrator may be obtained by submitting a written appeal of such decision, signed by the Governor's Representative for Highway Safety to the RA.

1. The appeal will be forwarded promptly to the NHTSA Associate Administrator for Injury Control Operations and Resources.
2. The decision of the NHTSA Associate Administrator will be transmitted to the Governor's Representative for Highway Safety through the RA.

HOW THE SMR CANDIDATE IDENTIFICATION PROCESS WORKS

Illustration Number 1: Safety Belts

Performance measure: Safety belt use rate from Section 157-compliant observational surveys or imputations from FARS data where necessary.

Improvement measure: Conversion rate, from the year prior to the 3-year span until the end of the 3-year span.

Most recent years for which data are available for this example: 2000, 2001, 2002, 2003

National average performance: 71% (2000), 73% (2001), 75% (2002), 79% (2003)

National average improvement: 71% to 79%, conversion rate of 27.6%

Question #1: Was the State's belt use rate less than 73% in 2001 and less than 75% in 2002 and less than 79% in 2003?

Question #2: Was the State's conversion rate from 2000 to 2003 less than 13.8% (one-half of the national conversion rate of 27.6%)?

Only if BOTH questions are answered yes will the State be considered for Special Management Review of its safety belt program.

In the first quarter of FY 2004, seven States met both criteria. Their data are displayed here:

State	2000	2001	2002	2003	Conversion
#1	61.6	60.8	61.3	63.6	5.2%
#2	60.0	61.9	62.0	65.5	13.7%
#3	66.8	69.4	59.2	59.2	-22.9%
#4	60.1	50.8	65.5	49.6	-26.3%
#5	73.9	69.6	66.3	72.8	-4.2%
#6	65.4	68.7	66.1	69.8	12.7%
#7	66.8	54.1	66.6	66.6	-0.6%
USA	71	73	75	79	27.6%

Illustration Number 2: Impaired Driving

Performance measure: Alcohol-related fatality rate per 100 million VMT from FARS.

Improvement measure: Percent decrease in the alcohol-related fatality rate, from the year prior to the 3-year span until the end of the 3-year span.

Most recent years for which data are available for this example: 1999, 2000, 2001 and 2002

National* average performance: 0.62 (1999), 0.64 (2000), 0.63 (2001), 0.61 (2002)

National* average improvement: 0.62 to 0.61, decrease rate of -1.6%

Question #1: Was the State's alcohol-related fatality rate more than 0.64 in 2000 and more than 0.63 in 2001 and more than 0.61 in 2002?

Question #2: Did the State's alcohol-related fatality rate decrease from 1999 to 2002 less than -0.8% (one-half of the national alcohol-related fatality rate decrease of -1.6%)?

Only if BOTH questions are answered yes will the State be considered for Special Management Review of its impaired driving program.

In the first quarter of FY 2004, nine States met both criteria. Their data are displayed below.

These national averages include Puerto Rico. National averages for fatality rates published by NCSA exclude Puerto Rico.

State	1999	2000	2001	2002	Change
#1	.72	.76	.66	.80	+11.1%
#2	.91	.95	.98	.93	+2.2%
#3	.66	.77	.77	.77	+16.7%
#4	1.11	1.18	1.04	1.22	+9.9%
#5	.92	.94	.93	.94	+2.2%
#6	.88	.79	.73	.95	+8.0%
#7	.80	.98	1.00	1.08	+35.0%
#8	.89	1.05	1.25	1.17	+31.5%
#9	.78	.94	.69	.90	+15.4%
USA	.62	.64	.63	.61	-1.6%