

cc

THE WHITE HOUSE  
WASHINGTON

MEMORANDUM FOR SECRETARY SHALALA

FROM: Carol H. Rasco

SUBJ: Oregon Benchmark Program

DATE: July 25, 1994

Thank you for organizing the presentation by Governor Roberts and the other Oregon officials today. There was high energy in the room!

I know it goes without saying, but I wanted to formally tell you how very much I hope we will all move forward on this idea. Please let me know of any thoughts you and your staff have and/or ideas other agency officials have shared with you. If the DPC can assist in organizing any follow up effort please do not hesitate to advise me. Kathi Way will serve as a contact point for the DPC staff on this issue along with the Consolidated State's Plans of West Virginia and Indiana.

Thank you again.

cc: Alice Rivlin  
Elaine Kamarck  
Kathi Way

# THE OREGON OPTION

A PROPOSED MODEL FOR RESULTS-DRIVEN  
INTERGOVERNMENTAL SERVICE DELIVERY

JULY 25, 1994

*Federal, state, and local government attention should focus on mutually agreed-upon measurable outcomes for public service delivery. The intergovernmental relationship should be a partnership, not an adversarial or competitive system. Federal financial support should be provided to achieve broad goals, but also should provide latitude and flexibility in how to accomplish them and be tailored to real local needs. Rather than defining accountability by inputs, transactions, error rates, and failure to progress, the federal government should hold state and local governments accountable for performance. The system should support and reward what works, rather than imposing rules and sanctions on the majority because of errors or omissions by the minority.*

— National Performance Review, 1993

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## 1. PROPOSAL SUMMARY

### **The Proposition**

Oregon and its local governments propose a special partnership and long-range demonstration project with the federal government to redesign intergovernmental service delivery based on principles advanced in the National Performance Review. This intergovernmental, interagency initiative would focus on outcomes and treat outcomes as the principal measure of success. In the model we propose the federal government and our governments will mutually identify results to be achieved and we will be contracted to achieve them. To help us achieve these results, the federal government will merge funding categories and streams, create funding incentives which reward desirable results, and reduce micromanagement and wasteful paperwork. This collaboration will empower our communities to identify local needs to be met by federal and state programs, to make their own decisions about how to address those needs, and to be accountable for results.

*This initiative would focus on outcomes and treat outcomes as the principal measure of success.*

We recommend that this demonstration project, "The Oregon Option," focus on important elements of Oregon's top strategic priority, our human investment benchmarks. These benchmarks underlie a collective effort by state and local governments, civic groups, nonprofits, and businesses to appreciably improve the lives of Oregonians as self-reliant individuals, members of healthy families, and skilled, successful workers. They fit our strategy to enhance Oregon's economic prospects while getting more people off public assistance and reducing the human and financial costs of social dysfunction.

### **The Problem To Be Overcome**

This proposal accepts the premise of the National Performance Review: that the intergovernmental system for delivering assistance and services through federal grants and mandates to state and local governments has broken down in a tangle of good intentions gone awry. There are too many funding categories, suffocating regulations and paperwork, a misdirected emphasis on remediating rather than preventing problems, and no clear focus on measurable outcomes. The system stifles initiative and squanders resources without achieving sufficient results. We have been attempting to correct similar problems in state government. We are delegating greater responsibility for program design, delivery, and results to the local level,

and we are encouraging more service integration and a preventive approach to problems.

### **Why Seize This Opportunity With Oregon?**

Oregon is an ideal partner for this initiative. The test of an outcomes-based approach to intergovernmental services is likely to be more successful where state and local government are already using an outcomes model for establishing a long-range vision, setting public priorities, allocating resources, designing services, and measuring results.

*Oregon is ideal for this initiative. Our systems are in place. We are ready to move. We know how to be a good partner.*

We are well along in a pioneering state and local effort — Oregon Benchmarks — to do all of these things. Benchmarks cover issues as wide ranging as ecosystem protection, urban mobility, and industrial diversification. Our human investment benchmarks focus on such outcomes as reduced teen pregnancy, diminished crime and recidivism, lower unemployment, higher per capita income, greater early childhood immunization, and stronger K-12 student achievement, just to name a few.

We have already achieved notable success in the benchmarks process, and we will continue to pursue the progress made these past few years. However, these efforts would receive an immense boost if federal participation was also focused and structured to achieve results. Oregon offers an opportunity for the federal government to join the state and its communities in designing and demonstrating a more efficient, results-driven model of service delivery.

We are ready to move. Through our 20-year strategic plan and through Oregon Benchmarks we know what we want to accomplish. We have established systems to pursue and measure those accomplishments at state and local levels, and we have enlisted the involvement of local jurisdictions, nonprofit organizations, businesses, and civic groups. In just the first four years of our benchmarks process, we have already taken nationally heralded steps to achieve benchmarks outcomes in child and family well being, in K-12 education, and worker training. Moreover, we know how to be a partner in an undertaking of this nature. Oregon has a record of participating in creative federal-state efforts to improve services. Examples include a 1981 Medicaid waiver, which has improved services to seniors while saving nursing home costs, and the 1993 forest plan, which streamlines and consolidates federally funded services to workers and their communities coping with changes in the forest products economy.

### **Benefits**

The most important benefit, and the ultimate test of The Oregon Option, will be results: higher rates of prenatal care and infant immunizations, lower teen pregnancy, higher K-12 skill levels, re-employment of dislocated workers, higher wages, safer neighborhoods. Other benefits include better use of public resources — money and people — at all levels, less client confusion and despair, and greater confidence in public services. The Oregon Option also offers a laboratory for federal, state, and local participants to learn from their efforts and act on what they learn to improve service delivery. The Oregon Option will advance the Administration's domestic policy agenda and the campaign to reinvent government.

### **What It Will Take**

The Oregon Option demonstration will require a long-term commitment and a fundamentally different way of thinking about the mission and structure of service systems at all levels of government. The system envisioned here is focused on outcomes, customer-centered, decentralized, and accountable. In this partnership, participants must be willing to a) contract for measurable results, b) combine funding streams, c) renegotiate funding amounts and rates, d) eliminate rigid and costly program restrictions, e) provide multi-year funding, and f) empower those closest to front-line service to choose the delivery mechanisms, initiatives, and investment criteria they deem most suitable. The demonstration will require the waiver of a number of federal rules, and it will require financial and political support. It is essential that the project have the initial involvement and continuing support of cabinet or subcabinet officials.

*The Oregon Option will require a long-term commitment and a fundamentally different way of thinking about service systems.*





## 2. WHAT OREGON IS TRYING TO ACCOMPLISH WITH OREGON BENCHMARKS

Oregon Benchmarks are part of Oregon's long-range strategic response to a number of pressing challenges. Our state's population is increasing and our economy is diversifying as natural resource industries, primarily forest products, contract. Given our position on the Pacific Rim and our central location between two large West Coast economies, we must deal with fierce competition and technological changes in the global economy. Oregonians face particular challenges as individuals, family members, and workers. Our urban areas are growing rapidly. Poverty among young families and young children is on the rise. And our rural communities face deep economic dislocation. In both rural and urban areas, the economy now places a premium on high work skills. Wages are falling for those with fewer skills.

### **The Role of Oregon Benchmarks**

In 1989 we developed a statewide, long-range strategic plan to face these challenges and shape our future. The three pillars of the strategy are to increase jobs and incomes by creating a diversified, productive economy, to protect and enhance Oregon's quality of life, and to invest in the capability of Oregonians. We created Oregon Benchmarks as the principal mechanism to assure that Oregon is making progress toward these broad goals. Benchmarks, introduced in 1991, measure progress toward these goals in such terms as infant health, K-12 student achievement, air and water quality, housing affordability, crime, employment, and per capita income. There are 272 benchmarks, including 43 classified as high-priority.

STATEWIDE BENCHMARKS	HISTORICAL		TARGET		
	1980	1990	1995	2000	2010
Pregnancy rate per 1,000 females age 10-17	24.0	19.6	9.8	8.0	8.0
Percentage of 11th graders who achieve specified skill levels in reading		83%	90%	95%	99%
Miles of assessed Oregon rivers and streams not meeting state and federal in-stream water quality standards		1,100	723	75	0
Real per capita income of Oregonians as a percentage of U.S. real per capita income	99%	92%	95%	100%	110%

As these sample benchmarks illustrate, Oregon Benchmarks are indicators of social and economic progress. Every two years the Oregon Progress Board, a citizen panel chaired by the governor, publishes a new edition of Oregon Benchmarks, in effect, a report card of state progress.

Benchmarks do a number of important things:

- They take strategic planning out of the realm of abstraction, build consensus for it, and direct public and private resources to it.
- They focus public resources on measurable results and accountability. Typically, governments and institutions define success in terms of *inputs*: dollars spent, programs created, client contacts made. Yet additional dollars spent for, say, adult education are less telling than an increased proportion of adults who can read and comprehend a shipping order or a news report.
- They encourage collaboration among government agencies and public and private institutions in achieving outcomes or solving problems that are too big, complex, and stubborn to be tackled by any single organization.

Benchmarks have also proved beneficial in dealing with revenue constraints imposed by the electorate. In 1990 voters approved a severe statewide property tax rate reduction, and they have since rejected new revenue measures — sending a clear message that they expect state and local governments, and schools, to perform with tighter budgets. Benchmarks provide a tool for state and local governments to set budget and program priorities. State government, in fact, built its last biennial budget using high-priority benchmarks, and is now developing its upcoming budget using benchmarks.

PORTLAND-MULTNOMAH COUNTY BENCHMARKS	HISTORICAL						TARGET	
	1980	1989	90-91	91-92	92-93	93-94	2000	2010
Number of crimes against people per 1,000 population (including murder, rape, robbery, kidnapping, assault)		31.84	30.23	30.03				
a. Arrests of people under 18 years old		727	945	1,141				
b. Arrests of people over 18 years old		5,088	5,254	5,223				
Percentage of citizens who feel safe and secure			77%	81%	80%			

Benchmarks are being adopted to set priorities and track results in local Oregon communities, too. This sample of benchmarks selected by the Portland-Multnomah County Progress Board, a citizen panel, reflects the priority of public safety in Oregon's largest urban area.

The degree to which our state government and local communities have embraced the benchmarks is remarkable. The benchmarks have been

adopted by the last two sessions of the state legislature. They are the framework for state agency budgets. Every county has used benchmarks for children and families, health, and work force initiatives. Seven of Oregon's 36 counties are voluntarily developing comprehensive, locally oriented benchmarks systems. Multnomah County, the state's largest county, and the City of Portland, the state's largest city, have adopted benchmarks. Multnomah County's budget, program initiatives, and action plans are built around high priority benchmarks. Benchmarks are also being used to make funding decisions by one of Oregon's largest foundations and by the Portland area United Way campaign.



### 3. HUMAN INVESTMENT: OREGON'S HIGHEST PRIORITY

We recommend that The Oregon Option demonstration project focus initially on what we call our human investment benchmarks. These benchmarks are intended to help Oregonians become self-reliant individuals, able workers, nurturing parents, and involved citizens. They deal with the full cycle of people's lives, beginning with stable families, healthy babies, young children ready to learn, K-12 school success, a smooth school-to-work transition, and skilled, self-reliant, able adults.

Human investment is our highest strategic priority. It is pivotal because it addresses both economic and social concerns. On one hand, investments that make individuals and families more healthy, self-reliant, and skilled increase our economic competitiveness. On the other hand, they yield able citizens who enjoy higher income and employment levels, all of which diminishes social distress and family dysfunction. This, in turn, reduces the individual tragedy and the community burden of remedial social services and criminal justice programs.

***Human investment is our top strategic priority; it addresses both economic and social concerns.***

These principles, published in 1991, lie at the heart of our human investment strategy:

- As Oregonians, we hold ourselves accountable for results in education and training. Specifically, we commit ourselves to become measurably the best educated and trained people in America by the year 2000 and equal to any in the world by the year 2010.
- We cannot afford to leave anyone behind: neither disabled Oregonians, seniors, women, racial and ethnic minorities, nor any other group historically underrepresented in high skill occupations or the self-reliant population.
- We will concentrate on imparting to Oregonians strong fundamental skills in communications, teamwork, math, science and problem-solving, and in serving the state's demands for a highly skilled work force.
- We believe that we must change the focus of human resource programs from "helping the needy" to "investing in people."

- We are committed to making investments in Oregonians today which will avoid the need for costly remedial and corrective programs in the future. We believe in creating family environments that allow every child to grow up with the opportunity to reach his or her full potential.

### **Oregon's Policy Framework**

We have adopted a policy framework consistent with these principles. The preceding section describes how the Oregon Legislature has adopted benchmarks which set direction for Oregon. Four separate, yet inter-connected

*Our human investment policy framework: education, work force, children and families, economic development.*

legislative initiatives on education reform, work force development, children and families, and economic development provide a policy framework for achieving the human investment benchmarks.

State education reform, adopted in 1991, creates a framework for creation of Certificates of Initial Mastery (CIM), and Certificates of Advanced Mastery (CAM) which every student is expected to achieve. In addition, the reform decentralizes decision-making in schools through site-based councils. Our K-12, community college, and higher education systems are collaborating on these reforms. As part of the reform effort, the State System of Higher Education is proposing for the first time competency-based entrance requirements to reflect our commitment to outcomes measurement.

Work force legislation, adopted in 1991, creates a state-level work force council to define strategies for achieving benchmarks relating to school completion, professional technical education, and continuing education. One of the council's explicit missions is to try to make sense of the myriad federal work force programs, and to make them work for Oregonians. The act creates regional work force quality councils to develop and implement strategies in cooperation with local business and labor.

Oregon's Commission on Children and Families creates county-based children and families commissions to develop and implement local strategies around state-identified benchmarks. The local commissions are currently in the midst of comprehensive planning, focusing on prevention activities and wellness for all children and families in their communities.

Finally, our Key Industry and Regional Strategies programs work with industry associations at the state and local levels to develop strategies for

building up 13 key industries in Oregon. One of the key areas of focus in industry development is work force preparation. Oregon's economic development strategies connect education and training services more closely with the needs of business.

### **Self-Sufficiency Through Employment**

The framework described above sets the stage for improving outcomes at every stage of life. By achieving these outcomes, we expect to ultimately reduce the need for public assistance programs and corrections in Oregon. At the same time, whether people are on welfare, in prison, or simply unemployed, getting them back in the economic system serves economic development and reduces the public assistance burden.

*Getting people back in the economic system serves economic development and reduces the public assistance burden.*

For example, we have one of the most successful Job Opportunities and Basic Skills (JOBS) programs in the nation, with over 1,200 job placements per month. Unlike our neighboring states where welfare rolls continue to climb, we have seen a decline in recent months in the number of individuals on public assistance.

To reduce crime and cut the number of repeat offenders, we are working to help inmates prepare to return to their communities and find jobs. Efforts include drug and alcohol treatment, education and training programs, and improved community supervision for targeted parolees and probationers. We are also developing work release programs and other employment efforts for inmates making the transition from prison back to the community.

We also have made great strides in helping unemployed Oregonians get back to work at good wages. Since 1991 the Employment Department, Job Training Partnership Act Administration, and our community colleges have worked in tandem to provide consolidated, streamlined delivery of services to dislocated workers. The Oregon Legislature has provided substantial funding to fill gaps in federal funding to help dislocated workers. Local providers often rely on these state resources to provide services to dislocated workers while waiting for additional federal funds.

State funds also pay for a successful transition workshop called "Choices and Options" to help recently dislocated workers deal with the pain of job loss and to get them motivated and focused on a life goal and training

program. We have also approved extending unemployment benefits of up to 26 additional weeks for dislocated workers while they are enrolled in a training program. Dislocated workers who have received retraining assistance in the past three years have a 75 percent job placement rate by 13 weeks after completing training. Their salaries average from 50 cents to \$1 per hour less than their prior job earnings.

### **Community-Based Service Delivery System**

In pursuing our human investment benchmarks, we are empowering communities and integrating services locally.

Many human investment services, including those for children and families, education, and work force development, are being identified, planned, and delivered at the local level. The state has identified counties as the overarching organization for such local decision-making. A number of counties, in turn, are taking service planning to the town, school district, or neighborhood level. In other cases, counties have joined together to identify the needs of each region.

With state government encouragement and support, local communities have already begun to design local models that build on community strengths and deliver services differently from the traditional centralized service system.

For example, in Multnomah County, the largest and most urbanized county in the state, an integrated family support services network is being developed to link social

***Local, state, and federal governments must collaborate and reduce senseless red tape and rules so families can access cohesive rather than fragmented services.***

services, schools, community policing, community action agencies, aging services centers, library branches, and other community resources. Six parent-child development centers in each part of the community provide integrated services in early childhood development, community health, youth services, and other social services programs.

In the City of Portland a host of resources were brought to bear to turn around a high crime rate surrounding a 178-unit apartment complex. A combination of new, nonprofit ownership, intensive community-sensitive property management, surrounding neighborhood organizing, and a mix of appropriate on-site social services reduced the arrest rate from 1.4 percent of *all* city arrests to virtually nothing. This freed up for other needs half a million dollars in annual police resources that had been tied up on this once-dangerous situation.



A program that successfully helps protect children from abuse is Tillamook and Clatsop counties' Healthy Start program. Tillamook County had since 1991 been providing tracking of high-risk infants through a state-funded program. Then, in 1993, the Legislature provided funds for pilot projects to create family wellness programs, similar to a successful project in Hawaii. Family support workers, paraprofessionals often recruited from the ranks of welfare clients, accompany public health nurses on home visits to at-risk families and provide a broad range of support services. Early results are excellent: none of the families aided under the program have been referred to child protective services.

The effort to shift service decisions and delivery to the local level is already revealing the need to decategorize funding to make it responsive to local priorities and plans. The community-based service experience also reveals that local, state, and federal participants must collaborate with one another and reduce senseless red tape and rules so families can access cohesive rather than fragmented services.

**Examples of Oregon's Efforts  
To Achieve Human Investment Benchmarks**

We are making real progress in initiatives to meet many of our human investment benchmarks. Here are some examples of that progress.

**Early Childhood Immunization**

Relevant Benchmark	1980	1989	1990	1991	1992	1993	2000	2010
Percentage of two-year-olds who are adequately immunized					47% (91-92)	50% (92-93)	100%	100%

In the past two years Oregonians from all walks of life have joined together in an unprecedented campaign to increase levels of early childhood immunization, an important benchmark in early childhood development. Health professionals linked up with concerned citizens to form the Oregon Preschool Immunization Consortium. This brought together the medical and nursing associations, insurance companies, hospitals, service clubs and public agencies to pool existing funds, raise new money, and tackle the forgotten half -- the 50 percent of the state's two-year-olds who were not yet adequately immunized.

The consortium launched a massive, monthlong public outreach and education campaign that culminated in a statewide free immunization day May 14. With the help of hundreds of volunteers, nearly 7,000 children were added to the immunized rolls in just one day. Other projects already

under way include a baseline immunization survey of two-year-olds and a computerized statewide registry.

### Teen Pregnancy Reduction

Relevant Benchmark	1980	1989	1990	1991	1992	1993	2000	2010
Pregnancy rate per 1,000 females ages 10-17	24.0	19.6	19.7	19.3	17.9		8.0	8.0

Oregonians have rallied around the benchmark to reduce teen pregnancy. Public and private partners working together have made important strides toward reducing this problem. In 1991 and 1992 the rate dropped, reversing a decade-long trend. In 1991, despite deep cuts in the state budget, Governor Roberts made teen pregnancy reduction a priority and pushed through an additional \$1 million toward the effort. In 1994 she announced that teen pregnancy would become one of her highest priorities for the remainder of her term. She hired a special assistant to focus on the issue and began a series of initiatives, culminating in a statewide planning session in June. She met with 35 of Oregon's 36 counties via the state's educational television network, along with 2,000 teens at 95 middle and high schools. This fall she will propose a comprehensive plan to combat teen pregnancy.

The Oregon Commission on Children and Families and the Department of Human Resources are working with communities to develop a comprehensive prevention strategy. The overriding goal of this coordinated effort is to enhance children's skills, their sense of self-worth, and their ability to make good decisions.

### School-to-Work Preparation

Relevant Benchmark	1980	1989	1990	1991	1992	1993	2000	2010
Percentage of high school students enrolled in structured work experience programs		3%	3%	3%	3%		35%	55%

The school-to-work opportunities system is an integral part of education reform in Oregon, bridging the gap between education and work force development. We are requiring that our students meet world class standards of achievement and acquire real-world work skills. New curriculum to achieve that aim is already being developed with the involvement of business and labor. The statewide school-to-work system is being implemented through 15 regional work force quality committees. We plan to develop the bulk of this system through a five-year, \$17 million

State Implementation Grant recently received from the U.S. Department of Education.

The Oregon Legislature has appropriated funds to support this effort at several pilot sites across the state, and several of the regional work force quality committees have made school-to-work a high priority. Roosevelt High School in the Portland School District, for example, has revamped its curriculum and formed scores of business partnerships to help students choose careers and learn at work sites. A skills center in the North Clackamas School District is putting students into internships, certification programs, and youth apprenticeships.

### **The Path Ahead**

While we are pleased with these initial accomplishments, our experience only underscores the work still ahead. We are discovering that a focus on results requires the redesign of systems from the ground up. This is no casual undertaking. Transformation of state and local systems will take years. However, federal support for that effort would greatly accelerate the development of results-driven government in Oregon.



## 4. WHY A NEW INTERGOVERNMENTAL APPROACH IS NEEDED

### **The Dysfunctional Intergovernmental System**

In its 1993 report, the National Performance Review observes that a well-functioning intergovernmental system is central to Americans' quality of life and the national government's ability to pursue a domestic policy agenda. It also notes that thousands of dedicated employees work hard within this system to solve human and societal problems.

Unfortunately, the report adds, there is a widespread feeling that public institutions and programs are not working. At the same time, serious social and economic problems are deepening. These include low-birth-weight babies, single teenagers having babies, falling high school graduation rates, juvenile crime, declining household income, and the high number of Americans without adequate health care coverage.

*The system intended to be a solution has become a major part of the problem.*

At least a part of the reason for these trends, the report asserts, is an increasingly dysfunctional intergovernmental process. Grant and income transfer programs, notes the report, amount to over \$226 billion in fiscal 1994. The number of individual grant programs, now exceeding 600, continues to grow. Yet so do "problems of duplication and overlap." The report goes on to level this harsh assessment.

Unfortunately, the myriad of federal mandates and regulations that accompany grant programs are cumbersome and very costly to administer, lack a coordinated implementation strategy between levels of government, and are not achieving the intended outcomes. Each separate program has its own array of rules and regulations that must be observed, regardless of their impact on the effectiveness and quality of customer service. States and localities have limited ability to customize service delivery by integrating programs because of competing, often conflicting federal rules and requirements that accompany each program.

The NPR report cites telling examples of a grant and mandate system that is fragmented, burdened with overhead, focused on process rather than results, and paralyzed with rules, regulations, and paperwork. The system intended to be a solution has come to be a major part of the problem.

## **The Oregon Perspective**

Not only are such problems familiar to our state and local governments as they view the federal end of the system, these problems are familiar to our localities as they view State of Oregon rules, regulations, and paperwork. This is why Oregon state government, aware of its own bureaucratic shortcomings, has been making an effort through the benchmarks process to identify and integrate a wide range of functions and responsibilities (both within state agencies and between state and local agencies) that can be better handled at the local level. The advantage of benchmarks, with their emphasis on measurable results, is that they make it possible to do this by measuring front-line performance in terms of outcomes.

## **Intergovernmental Barriers**

### **To Efficient, Integrated, Client-Centered Service**

In preparing this proposal, the Governor's Office surveyed state and local agencies to learn how they perceive their mission, the results they are trying to achieve, how the current intergovernmental system helps or stifles their efforts, and what features of a redesigned system would be most helpful to them. The themes that surfaced are presented in the remainder of this section.

At this point, however, a word of caution is in order. While the examples that follow are intended to illustrate one dimension of intergovernmental dysfunction, they do not tell the whole story of Oregon's relationship with the federal system. As explained in the next section of this proposal, there are many instances in which the federal government has been supportive in cutting red tape and improving federally funded services to Oregonians. We

*In many cases the federal government has been supportive in cutting red tape and improving services to Oregonians.*

We want to build on those successes. Moreover, we know that state government is far from guiltless when it comes to generating stifling rules, regulations, and red tape. The attempt through Oregon Benchmarks to simplify and integrate services is our own implicit acknowledgement that we, too, need to change the way we deliver services to Oregonians. That said, here are some examples of problems we hope to resolve with The Oregon Option demonstration project.

### **■ Too Many Federal and State Categories Add Overhead and Make Service Integration Difficult**

The growing number of categories of federal programs confuse customers and waste resources. Every agency has a story to tell. For example, the

Douglas County Health Department was recently admonished in a finicky federal "technical assistance review" for allowing an office work station purchased with WIC (Women Infant and Children nutrition) funds to be partially used for non-WIC activities (which were related to family health). The county was asked to return a portion of the \$5,227 investment for furniture, a matter still under negotiation.

To manage among all of these categories, agencies must either keep elaborate (and expensive) accounting records, or (as is often the case), wastefully isolate administration and delivery of one program from another to avoid being penalized by auditors. Many community colleges, for example, run separate training programs for each federal program rather than merge classes because of different requirements and accounting complexities. Separate computer systems are set up for federal programs, at greatly added expense, rather than joining with existing systems. The prospect of federal sanction is intimidating.

In addition, each program generally requires separate planning and reporting requirements, all of which adds to costs. For example, Oregon is expected to provide five plans for five major federal programs in work force preparation. If these plans were consolidated into one, Oregon could provide more integrated services with less overhead.

***Separate planning and reporting requirements add to costs and confuse customers.***

More important, categorical programs confuse customers. In every area of social service delivery, from families and children to mental health to work force development, customers are confused by too many categories of services. For example, the state Legislature, in a report on Children and Families, reviewed the dizzying array of services from a client perspective. They found that services were scattered and difficult to access. The report envisioned community centers integrating services to make them more effective for clients.

We are attempting to address these concerns at all levels of government, and it isn't easy. In Multnomah County, for example, family planning, WIC nutrition support, maternal-child health and other primary care services are delivered through an integrated primary care delivery model. Multnomah County is recognized nationally for this efficient system which allows clients to receive many different services in one visit. While services have been integrated, there are still heavy administrative costs associated with the segmentation of funds and overlapping federal and state

reporting costs. The county estimates that it could save over \$800,000 were the systems to be simplified. These savings would be enough to accommodate more than 12,000 patient visits each year.

Multnomah County is not alone in its efforts. At the end of 1993, there were 33 Oregon communities working in cooperation with the Oregon Department of Human Resources to integrate services. One such project is in White City, a small timber town in southern Oregon. White City invited staff from the public assistance agency, child welfare, and the public health and employment departments to a coordination meeting. Each person was asked to bring a list of the 30 families in the area deemed most at risk. When participants compared their lists, they were stunned: There was a crossover of 25 out of the 30. These service providers were working with the same families, often at cross purposes, and none of them were aware of one another's efforts. They were so focused on the various state and federal requirements for individual programs, they were unable to view their customers in a holistic manner. Now in White City, like many other Oregon communities, there is a single location where customers can access all services.

#### ■ Excessive Rules, Regulations and Oversight

##### Add Cost and Stifle Service Capability

As the NPR points out so well, the intergovernmental system is driven by stifling rules and intrusive audits that add costs to the administration of programs and discourage innovation. These constraints are very expensive and have little value to customers. Indeed, much of the bureaucracy that Americans complain about can be directly linked to the way we manage

*Much of the bureaucracy that Americans complain about can be directly linked to the way we manage our intergovernmental system.*

our intergovernmental system. By focusing so much of our attention on the details of administration and the tracking of costs, our systems have become cumbersome and we have lost sight of the results that we are trying to achieve.

The burden and costs associated with federal rules and paperwork are huge. Roughly one-fourth of Oregon's 40,000 state employees are primarily involved in implementing federal programs, and many more are partially involved with federal program requirements. Large agencies that are involved in delivering big federal programs such as public assistance and foster care estimate that 20 percent of their costs stem from unnecessary regulation. For example, our public assistance division files 550 reports



each year and navigates through volumes of federal eligibility manuals. Among smaller programs such as JTPA and Housing, more than 50 percent of staff time is spent dealing with federal rules and requirements. These are estimates just for state government. We have not yet been able to estimate the amount of unnecessary paperwork local governments must endure because of the current design of our systems. Nor do we know the number of federal employees absorbed in writing regulations and reading our reports. If we could streamline the intergovernmental system, thousands of public employees could turn their attention from paper-pushing to direct productive services to citizens.

*With a streamlined system,  
thousands of public employees could  
turn from paper-pushing to direct  
services to citizens.*

This regulatory overkill is demoralizing and at times absurd. For example, on an Indian reservation where no private child care providers existed, a proposal to remodel a garage into a playroom was rejected because of cumbersome regulations. The community had to settle for fewer child care slots. The Department of Consumer and Business Service has faced some microscopic monitoring by federal agencies. In 1989, Oregon submitted construction industry standards. *This year* a response arrived. Comments extended to typos and the observation that while Oregon's change of terminology from "flagman" to "flagger" was understandable, a complete comparison document would be required providing a rationale for this change.

One of the newer problems encountered by state agencies is the federal "first dollar" requirement. The Vocational Rehabilitation Division, for example, faces a federal requirement to look to other agencies and resources to pay for client services before using VRD funds. The problem develops when another agency with the same client, say the Job Training Partnership Administration, has the same requirement. In a situation where an employer is interested in an on-the-job-training contract, both agencies are paralyzed because neither can act until the other puts in the first dollar.

All these rules and requirements distract workers from their real priority, customer service, as they struggle to remain in compliance. The system squanders our greatest asset, the valuable time of front line workers, in a tangle of unproductive, unnecessary activities.

■ **A Bias Toward Remediating Problems  
Rather Than Preventing Them**

Besides too many categories with too many rules and regulations, there is one final problem with the intergovernmental system. Resources are directed at the wrong place. Indeed, the structure of federal program allocations often reward failure and penalize success.

We in Oregon believe strongly in the Clinton Administration's agenda to build strong families that can take care of children, to improve education, to provide preventive health services, and to create the kind of professional technical education and job training services that move Oregonians into high wage jobs. When we look at how federal dollars flow, however, we see a preponderance of expenditure on the kinds of assistance and remedial support services that could be reduced dramatically if we invested earlier in the life cycle.

Much of this misallocation of resources stems from matching requirements created in federal programs. For example, Oregon's efforts and expenditures in the JOBS program have helped reduce the state's ADC caseload. Because JOBS funding is allocated in direct proportion to the state's share of the national ADC caseload, performance in reducing the ADC caseload is penalized: better results bring fewer federal JOBS program dollars available to the state, while larger shares go to states that do not perform. Similarly, we receive substantial matching funds for foster care, yet limited funds for in-home care, even though many experts believe home maker services are cheaper and forestall the need for more expensive foster care. These examples are not atypical. In too many cases our investments in preventive programs that work *reduce* the total funds we receive from the federal government.

***Our investments in preventive programs that work reduce the total federal funds we receive.***

## 5. PROMISING PARTNERSHIPS WITH THE FEDERAL SYSTEM

Despite problems in the intergovernmental service delivery system, Oregon governments have forged a number of promising partnerships with federal agencies. Collectively, these successes provide a precedent and a foundation for a broader redesigned partnership between our state and local agencies and the federal government.

Here are prominent examples of successes to build on.

### **Senior Services**

In 1981 Oregon applied for a waiver from the Health Care Finance Administration to allow Medicaid funds formerly dedicated for nursing homes to be used for home and community-based care for the elderly and disabled. We were the first state in the nation to use such an approach, and the results have been excellent, allowing a majority of long-term care clients to be shifted out of nursing facilities. This has afforded a greater independence and better quality of life for clients while saving the federal and state governments \$319 million between 1981 and 1993.

The number of Medicaid nursing facility clients has actually declined slightly over the past 11 years, despite rapid growth in the elderly segment of the population. Our population over 75 years old grew 50 percent in the 1980s. Yet during that period, nursing facility occupancy dropped from 93 percent to 88 percent. And the number of nursing facility beds per 1,000 Oregonians over 65 dropped from 48 to 38.

### **Oregon Health Plan Medicaid Waiver**

We are working to expand health care coverage to all Oregonians. The federal government worked closely with the state in one key part of our strategy: the Medicaid reform component of the Oregon Health Plan, a Title XIX demonstration project. Under the plan, most Oregonians with incomes under the federal poverty level are covered by Medicaid. Clients receive care through a coordinated system of managed care plans, with benefits defined through a prioritization process that emphasizes cost-effective preventive care.

The program began on February 1, 1994. Today there are 260,000 people enrolled in 20 managed care plans under the health plan. Of the total 260,000 enrolled, 72,000 are new Medicaid eligibles who would not have been eligible for health care coverage without the health plan. Because of

our partnership with the federal government in designing this program, we are increasing the number of people covered, enrolling more of them in managed care plans, controlling Medicaid costs and improving health care to Oregonians.

### **The Forest Plan**

The Northwest Economic Adjustment Initiative established a new partnership between Oregon and the federal government to assist dislocated workers, businesses, and communities that must adjust to economic conditions and land management decisions that adversely affect the forest products economy. The initiative provides for cooperative planning and decision making among local, state, and federal agencies as well as improvement in the distribution of federal funds. Moreover, it is long term, involving funding commitments of up to five years.

Although this initiative is still in its infancy, some promising results have begun to take shape. The initiative has fashioned a coordinated service delivery system for a package of assistance involving 18 federal programs, 12 federal agencies, and numerous state and local interests. Of nearly 50

recommendations for cutting red tape and streamlining delivery systems, over half have been adopted and only seven have been denied. The initiative has

*The forest plan service system involves 18 federal programs, 12 federal agencies, and numerous state and local interests.*

also been a catalyst in finding common ground among forest industry workers, communities, and state and federal governments to create a new kind of forest-based economy. The "Ecosystem Workforce Pilot Program" is redefining jobs in the woods through ecosystem restoration projects that provide dislocated workers family wages and benefits, long-term employment, and skills training.

### **Developmental Disabilities**

Before 1981 certain Medicaid dollars had to be used to house individuals with developmental disabilities in large, state-run institutions. But then the federal Health Care Financing Administration worked with Oregon to allow those dollars to pay for home and community-based care instead.

We were the first in the nation to receive such a waiver and the results have been excellent. More than 1,500 former residents of large institutions now live in community-based homes. And more than 100 people a year are able to stay in the community with new or enhanced services, rather than institutions. This change has been essential to the state's effort to reduce

the size of its largest institution for the developmentally disabled, bringing it back into compliance with Medicaid regulations.

These separate efforts demonstrate that Oregon is fertile ground for bold, innovative experiments that can yield big dividends. We have learned a great deal from these efforts and have built a promising track record in collaboration with our federal partners. Now it is time to take the next step — to build on these separate successes by implementing The Oregon Option.



## 6. THE OREGON OPTION

Oregon proposes The Oregon Option, the multiyear demonstration of a redesigned model of intergovernmental service delivery. It would be structured and operated to achieve benchmarks in human investment that are mutually desirable to the federal government and to our communities.

These are the principles of the recommended service delivery system:

- **Only results equal success.** The system should be structured, managed, and evaluated on the basis of results (i.e., progress in achieving benchmarks).
- **Customers come first.** The system should be oriented to customer needs and satisfaction, especially through integration of services.
- **Nip problems in the bud.** The system should be biased toward prevention rather than remediation of problems.
- **Cut red tape, empower front-line workers.** The system should be simplified and integrated as much as possible, delegating responsibilities for service design, delivery, and results to front-line, local-level providers, whether they are local agencies or local offices of state agencies.

### **Need for High-Level, Long-Term Commitment**

To have a reasonable prospect of success, this delivery model must have high-level support at both federal and state levels, and a long-term federal commitment to funding. Because it will take time to put new systems in place and begin to see results, eight years should

***This delivery model must have high-level support and long-term commitment to funding.***

be considered a minimum time frame. Funding for this effort should be based on a formula that creates strong financial incentives for successfully improving the lives of Oregonians while reducing the need for public assistance and remedial program services.

This delivery model will require consolidation of funding categories and streams, suspension of stifling regulations and wasteful paperwork requirements, management accountability by results rather than inputs, and a cooperative rather than adversarial relationship among government partners.

### **How the Parties Should Proceed**

If there is strong federal interest in this proposal, the parties should proceed by further refining the recommendations contained here, with an aim toward two near-term accomplishments. First, we should develop a statement of principle that identifies what outcomes we want to achieve and the ground rules for redesigning the service delivery

***We are moving on Oregon  
Benchmarks. We are ready to move  
on The Oregon Option.***

system. Second, we should select a few benchmarks for immediate attention as the basis of system redesign. For example, the federal government may wish to join with Oregon to reduce teen pregnancy rates and increase immunizations. Each benchmark should generate a substantial list of actions to take, some of which can be done quickly, others over a longer time, perhaps in conjunction with a legislative strategy.

### **Next Steps**

We recognize that a great deal of collaborative work lies ahead to take this concept forward. Team structure, benchmark outcomes, timelines, budgets, and organizational logistics need to be established. We are moving on Oregon Benchmarks already. We are ready to move on The Oregon Option.



## APPENDIX A

### A MENU OF HUMAN INVESTMENT BENCHMARKS

The following benchmarks illustrate the kind of results that Oregon seeks to improve the lives of its people.

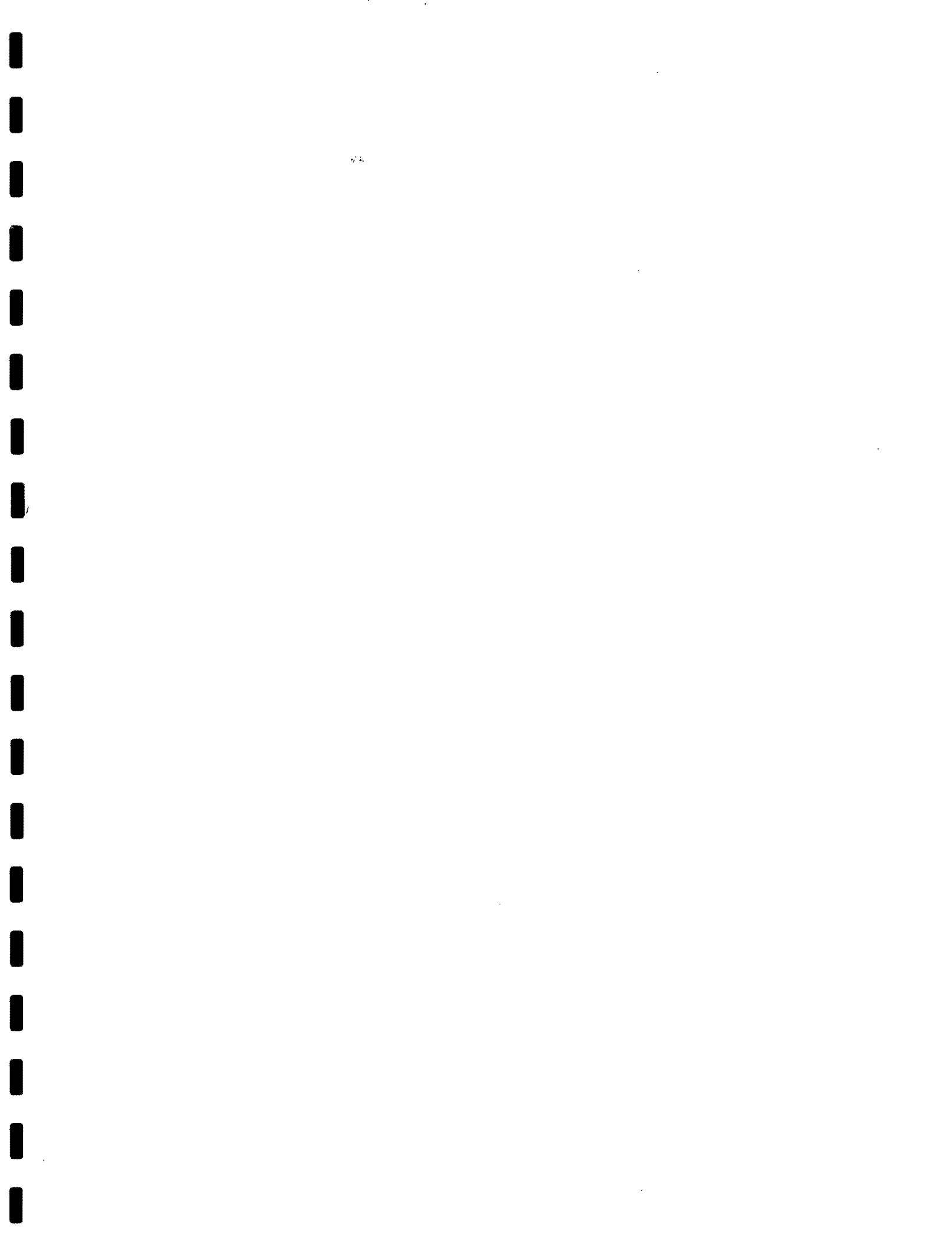
Family Stability	HISTORIC						TARGET	
	1980	1989	1990	1991	1992	1993	2000	2010
1. Pregnancy rate per 1,000 females ages 10-17	24.0	19.6	19.7	19.3	17.9		8.0	8.0
2. Percentage of children living above 100% of the federal poverty level	88%		84%		84%		92%	100%
3. Number of children abused or neglected per 1,000 persons under 18		12.3	11.3	10.5	11.3	10.8	6.0	2.0
4. Spousal abuse: domestic violence calls per 1,000 households		47.9	46.1	45.3	45.7	56.9	30.0	20.0
5. Percentage of children who are homeless at some time in the past year		1.5%		1.8%		2.0%	0%	0%
6. Of children born outside of marriage, the percentage who have legal paternity established in a given year	33%	37%		31%		49%	80%	90%
7. Percentage of current court ordered child support paid to single parent families	44%	47%		50%		54%	95%	99%

Healthy Babies and Preschoolers	HISTORIC						TARGET	
	1980	1989	1990	1991	1992	1993	2000	2010
9. Percentage of healthy birthweight babies	95%	95%	95%	95%	95%		97%	98%
10. Percentage of infants whose mothers did not use:								
a. * illicit drugs during pregnancy			89%				99%	100%
b. alcohol during pregnancy (self reported by mother)		93%	94%	95%	95%		99%	100%
c. tobacco during pregnancy (self reported by mother)		76%	77%	79%	79%		95%	100%
11. Infant mortality rate per 1,000	12.1	8.8	8.3	7.2	7.1		6.0	4.0
12. Percentage of two-year-olds who are adequately immunized					47%	50%	100%	100%
13. * Percentage of children entering kindergarten meeting specific developmental standards for their age								
a. Language and literacy development								
b. Physical well being								

\*Data expected in September 1994.

Schools Years	HISTORIC						TARGET	
	1980	1989	1990	1991	1992	1993	2000	2010
14. Student Skills: Percentage of eleventh grade students who achieve established skill levels								
a. Reading			83%	82%	83%			99%
b. Math			67%	70%	65%			99%
c. Writing--Ideas			83%		88%			99%
d. Writing--Organization			80%		84%			99%
e. Writing--Conventions			81%		86%			99%
15. High school graduation rate		73%	72%	76%	74%		93%	95%
16. Percentage of high school students enrolled in structured work experience programs		3%	3%	3%	3%		35%	55%
17. Percentage of students free of involvement with alcohol in the previous month								
a. Eighth grade		77%		74%				99%
b. Eleventh grade		56%		63%				90%
18. Percentage of students free of involvement with illicit drugs in the previous month								
a. Eighth grade		88%		90%				99%
b. Eleventh grade		78%		81%				99%
19. Percentage of students free of involvement with tobacco in the previous month								
a. Eighth grade		87%		85%				99%
b. Eleventh grade		77%		81%				99%
20. Juvenile arrests per 1,000 juvenile Oregonians per year	32	36	38	39	42	44	20	10

Adults and the Economy	HISTORIC						TARGET	
	1980	1989	1990	1991	1992	1993	2000	2010
21. Real per capita income as a percentage of U.S. real per capita income	99%	92% (1988: 91%)	92%	92%	93%	93%	100%	100%
22. Percentage of Oregonians with incomes above 100% of the Federal poverty level	89%		88%		91%		100%	100%
23. Percentage of displaced lumber and wood products workers re-employed within 24 months and earning at least 90% of previous income					36%		70%	75%
25. Average rate of reincarceration of paroled offenders within three years of initial release					41%	41%	20%	15%

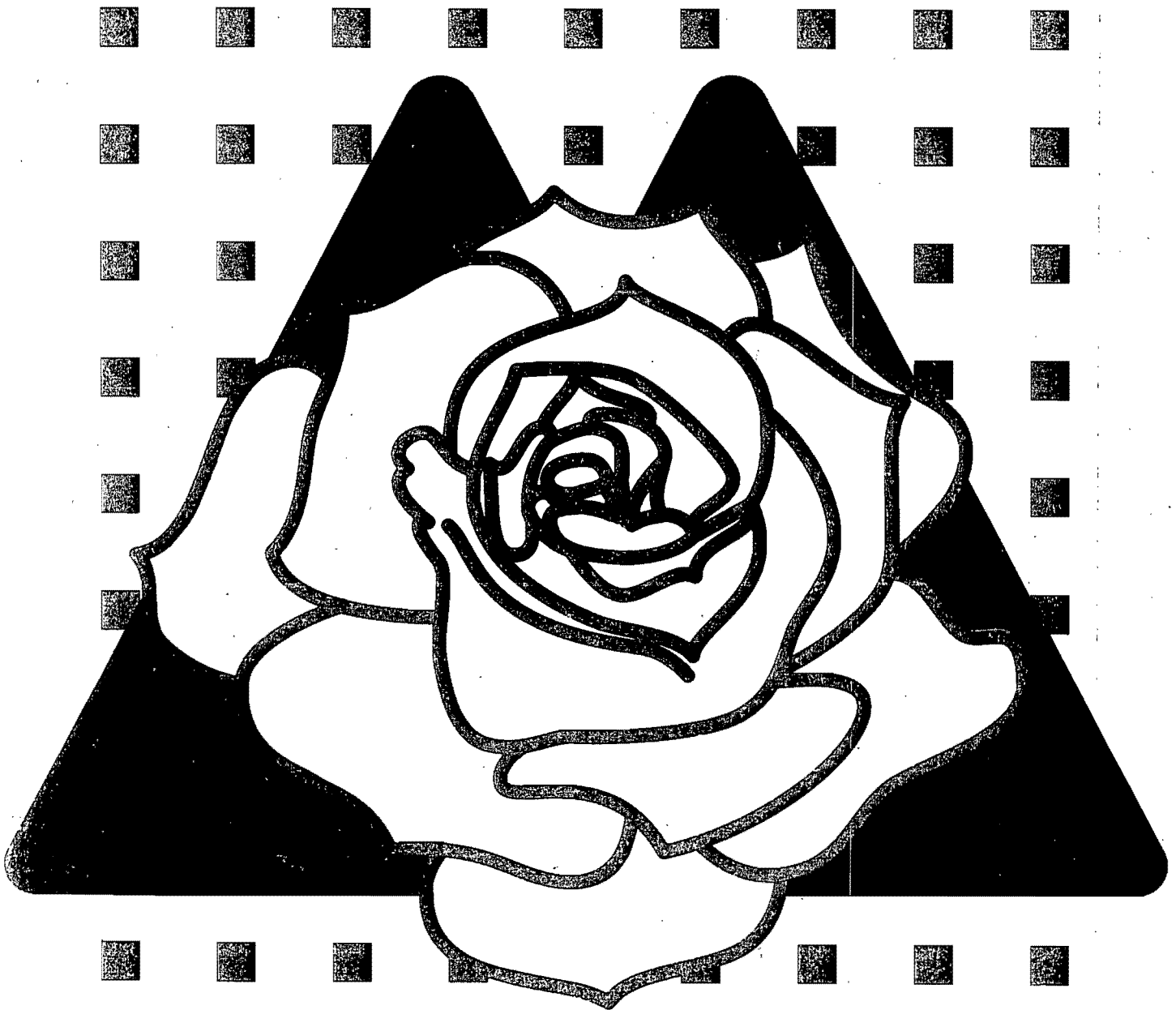




# **PORTLAND-MULTNOMAH COUNTY BENCHMARKS**

**STANDARDS FOR MEASURING COMMUNITY PROGRESS AND  
GOVERNMENT PERFORMANCE**

**PREPARED BY  
THE PORTLAND-MULTNOMAH COUNTY PROGRESS BOARD  
JANUARY, 1994**



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# THE OREGON OPTION

## A PROPOSED MODEL FOR RESULTS-DRIVEN INTERGOVERNMENTAL SERVICE DELIVERY

*Federal, state, and local government attention should focus on mutually agreed-upon measurable outcomes for public service delivery. The intergovernmental relationship should be a partnership, not an adversarial or competitive system. Federal financial support should be provided to achieve broad goals, but also should provide latitude and flexibility in how to accomplish them and be tailored to real local needs. Rather than defining accountability by inputs, transactions, error rates, and failure to progress, the federal government should hold state and local governments accountable for performance. The system should support and reward what works, rather than imposing rules and sanctions on the majority because of errors or omissions by the minority.*

— National Performance Review, 1993

### **The Proposition**

Oregon has a proposition. Our state and local governments want to join with the federal government to act on the recommendations stated above.

We propose a special intergovernmental, interagency partnership and long-range demonstration project with the federal government to redesign and implement intergovernmental service delivery based on principles advanced in the National Performance Review. This approach would focus on results and treat results as the critical measure of success. In the model we propose, the federal government and our governments will mutually identify results to be achieved and we will be contracted to achieve them. To help us achieve these results, the federal government will merge funding categories and streams, create funding incentives which reward desirable results, and reduce off-site micromanagement and wasteful paperwork. This collaboration will empower our communities to identify local needs to be met by federal and state programs, to make their own decisions about how to address those needs, and to be accountable for results.

### **The Problem To Be Overcome**

This proposal accepts the premise of the National Performance Review: that the intergovernmental system for delivering assistance and services through federal grants and mandates to state and local governments has broken down in a tangle of good intentions gone awry. There are too

many funding categories, suffocating regulations and paperwork, a misdirected emphasis on remediating rather than preventing problems, and no clear focus on measurable outcomes. The system stifles initiative and squanders resources without achieving sufficient results. We have been attempting to correct similar problems in state government. We are delegating greater responsibility for program design, delivery, and results to the local level, and we are encouraging more service integration and a preventive approach to problems.

**Why Seize This Opportunity With Oregon?**

Oregon is an ideal partner for this initiative. The test of a results-based intergovernmental system will be more successful where state and local government are already using an outcomes model for establishing a long-range vision, setting public priorities, allocating resources, designing services, and measuring results. Oregon is well along in a pioneering state and local effort — Oregon Benchmarks — to do all of these things.

Benchmarks, begun in 1991, grow out of a statewide strategic planning process that identified three broad goals for Oregon: increase jobs and incomes by creating a diversified, productive economy, protect and enhance Oregon's quality of life, and invest in the capability of Oregonians. Benchmarks — 272 altogether — are the measurable indicators of progress toward these goals. For example:

BENCHMARKS	HISTORICAL		TARGET		
	1980	1990	1995	2000	2010
Pregnancy rate per 1,000 females age 10-17	24.0	19.6	9.8	8.0	8.0
Percentage of 11th graders who achieve specified skill levels in reading		83%	90%	95%	99%
Miles of assessed Oregon rivers and streams not meeting state and federal in-stream water quality standards		1,100	723	75	0
Real per capita income of Oregonians as a percentage of U.S. real per capita income	99%	92%	95%	100%	110%

The degree to which Oregon and its communities have embraced the benchmarks is remarkable. The benchmarks have been adopted by the last two sessions of the state legislature. They are the basis for building the state budget. Every county has used benchmarks for children and families, health, and work force initiatives. Seven of the state's 36 counties are voluntarily developing comprehensive, locally oriented benchmarks systems. The City of Portland, Oregon's largest city, and Multnomah County, Oregon's largest county, have jointly produced city-county benchmarks. Multnomah County's budget, program initiatives,



and action plans are built entirely around high priority benchmarks. Benchmarks are also being used as a part of funding criteria by one of Oregon's largest foundations and by the Portland area United Way campaign.

Oregon communities have already achieved notable success using benchmarks, and they will continue to pursue the progress made these past few years. However, these efforts would receive an immense boost if federal participation was also focused and structured to achieve outcomes. Oregon offers an opportunity for the federal government to join the state and its communities in designing and demonstrating a more efficient, results-driven model of service delivery.

### **The Oregon Option**

We recommend that "The Oregon Option," the demonstration project proposed here, focus on important elements of Oregon's top strategic priority, its human investment benchmarks. These benchmarks form a collective effort by state and local governments, civic groups, nonprofits, and businesses to appreciably improve the lives of Oregonians as self-reliant individuals, members of healthy families, and skilled, successful workers. They fit the strategy to enhance Oregon's economic prospects while getting more people off public assistance and reducing the human and financial costs of social dysfunction.

Oregon's human investment benchmarks focus on such outcomes as reduced teen pregnancy, diminished crime and recidivism, lower unemployment, higher per capita income, greater early childhood immunization, and stronger K-12 student achievement, just to name a few. A larger set of human investment benchmarks is appended.

### **Benefits**

The most important benefit, and the ultimate test of The Oregon Option, will be results: e.g., higher rates of prenatal care and infant immunizations, lower teen pregnancy, higher K-12 skill levels, faster re-employment of dislocated workers. Other benefits include better use of public resources — money and people — at all levels, less customer confusion and despair, and greater confidence in public sector services. The Oregon Option also offers a laboratory for federal, state, and local participants to learn from their efforts and act on what they learn to improve service delivery. The Oregon Option will advance the Administration's domestic policy agenda and the campaign to reinvent government.

**Requirements**

The Oregon Option demonstration will require a long-term commitment and a fundamentally different way of thinking about the mission and structure of service systems by all levels of government. The system envisioned here is customer-centered, focused on outcomes, decentralized, and accountable. In this partnership, participants must be willing to a) contract for measurable results, b) combine funding streams, c) renegotiate funding amounts and rates, d) eliminate or suspend rigid and costly program restrictions, e) provide multi-year funding, and f) empower those closest to front-line service to choose the delivery mechanisms, initiatives, and investment criteria they deem most suitable. The demonstration will require the waiver of a number of federal rules, and it will require financial and political support. It is essential that the project have the initial involvement and continuing support of cabinet or subcabinet officials.

**Next Steps**

We recognize that a great deal of collaborative work lies ahead to take this concept forward. Team structure, benchmark outcomes, timelines, budgets, and organizational logistics need to be established. We are moving on Oregon Benchmarks already. We are ready to move on The Oregon Option.

## APPENDIX A

### A MENU OF HUMAN INVESTMENT BENCHMARKS

The following benchmarks illustrate the kind of results that Oregon seeks to improve the lives of its people.

Family Stability	1980	1989	1990	1991	1992	1993	2000	2010
1. Pregnancy rate per 1,000 females ages 10-17	24.0	19.6	19.7	19.3	17.9		8.0	8.0
2. Percentage of children living above 100% of the federal poverty level	88%		84%		84%		92%	100%
3. Number of children abused or neglected per 1,000 persons under 18		12.3	11.3	10.5	11.3	10.8	6.0	2.0
4. Spousal abuse: domestic violence calls per 1,000 households		47.9	46.1	45.3	45.7	56.9	30.0	20.0
5. Percentage of children who are homeless at some time in the past year		1.5%		1.8%		2.0%	0%	0%
6. Of children born outside of marriage, the percentage who have legal paternity established in a given year	33%	37%		31%		49%	80%	90%
7. Percentage of current court ordered child support paid to single parent families	44%	47%		50%		54%	95%	99%

Healthy Babies and Preschoolers	1980	1989	1990	1991	1992	1993	2000	2010
9. Percentage of healthy birthweight babies	95%	95%	95%	95%	95%		97%	98%
10. Percentage of infants whose mothers did not use:								
a. * illicit drugs during pregnancy			89%				99%	100%
b. alcohol during pregnancy (self reported by mother)		93%	94%	95%	95%		99%	100%
c. tobacco during pregnancy (self reported by mother)		76%	77%	79%	79%		95%	100%
11. Infant mortality rate per 1,000	12.1	8.8	8.3	7.2	7.1		6.0	4.0
12. Percentage of two-year-olds who are adequately immunized					47%	50%	100%	100%
13.* Percentage of children entering kindergarten meeting specific developmental standards for their age								
a. Language and literacy development								
b. Physical well being								

\*Data expected in September 1994.

Schools Years	1980	1989	1990	1991	1992	1993	2000	2010
14. Student Skills: Percentage of eleventh grade students who achieve established skill levels								
a. Reading			83%	82%	83%			99%
b. Math			67%	70%	65%			99%
c. Writing--Ideas			83%		88%			99%
d. Writing--Organization			80%		84%			99%
e. Writing--Conventions			81%		86%			99%
15. High school graduation rate		73%	72%	76%	74%		93%	95%
16. Percentage of high school students enrolled in structured work experience programs		3%	3%	3%	3%		35%	55%
17. Percentage of students free of involvement with alcohol in the previous month								
a. Eighth grade		77%		74%				99%
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Adults and the Economy	1980	1989	1990	1991	1992	1993	2000	2010
21. Real per capita income as a percentage of U.S. real per capita income	99%	92% (1988: 91%)	92%	92%	93%	93%	100%	100%
22. Percentage of Oregonians with incomes above 100% of the Federal poverty level	89%		88%		91%		100%	100%
23. Percentage of displaced lumber and wood products workers re-employed within 24 months and earning at least 90% of previous income					36%		70%	75%
25. Average rate of reincarceration of paroled offenders within three years of initial release					41%	41%	20%	15%

# BACKGROUND MATERIAL ATTACHED FOR OREGON MEETING

Meeting Time: Monday, July 25, 1994  
9:45 - 11:15 a.m.

Location: Office of Thrift Supervision  
1700 G St., NW  
(corner of 17th & G, directly across 17th St. from the OEOB)  
2nd floor auditorium

Suzan J. Cook : Have W. Virginia  
& Indiana visited/  
reviewed <sup>in depth</sup> Oregon's  
Benchmarks' program?

~~KW: Liaison?~~  
~~Take over W.V. & Ind.~~  
Memo to DS <sup>memo to Farrell?</sup>  
cc: Elaine AR <sup>would Roberts come work w/ us on the pilots?</sup>  
KW is lead



## DEPARTMENT OF HEALTH &amp; HUMAN SERVICES

Event folder

Office of the Secretary

Washington, D.C. 20201

July 20, 1994

TO: Kevin Thurm  
FROM: David Garrison *DAG*  
SUBJECT: Background information for Carol Rasco on the Oregon  
Benchmark Briefing

Here is some background information for Carol Rasco on Monday's Oregon Benchmark briefing, as you requested.

The briefing will start at 9:45 a.m. and run until 11:15 a.m. (i.e. 90 minutes). It will occur in the 2nd floor auditorium of the Office of Thrift Supervision at 17th and G Street, N.W., directly across from the OEOB. The Secretary has agreed to chair the meeting. There will be about ten to a dozen lead people from the various Federal establishments in the room, plus the three officials from Oregon, as follows (?marks indicate that lead person is still to be designated):

Oregon

Governor Barbara Roberts  
City of Portland Mayor Vera Katz  
Multnomah County Chair Beverly Stein

Feds

Donna Shalala, HHS  
Carol Rasco, DPC  
Robert Rubin, NEC  
Alice Rivlin, OMB  
Elaine Kamarck, OVP  
Madelaine Kunin, DoEd  
Tom Glynn, DoI  
Shay Bilchik, DoJ  
(?) HUD  
(?) USDA  
(?) Commerce

Others of note coming from agencies are John Koskinen and Chris Edley from OMB, Peter Edelman from HHS, Terry Peterson and

COS - Oregon Info. for DPC  
July 20, 1994  
Page 2

Tom Payzant from DoEd, and Doug Ross from DoL. Various White House staff have been invited, including Sheryl Cashin, Paul Dimond, Bill Galston, Kumiki Gibson, Paul Weinstein, and Susan Johnson Cook. Bob Stone and some of his staff will be there from NPR.

Oregon leaders approached the White House and several of the agencies awhile ago about a possible partnership undertaking around the Benchmark program. When they met with the Secretary in Portland in early June, she invited them to come back and make a full presentation to a senior group from the Administration. HHS and NPR staff pulled together staff reps from OMB and several departments (matched up with the functional program areas identified by Oregon as of interest) and this group worked out the plans for this briefing.

At the start of the meeting, the Secretary will make some opening comments and then will give Carol Rasco, Bob Rubin, Alice Rivlin, and Elaine Kamarck a chance to add a few words. Then the three officials from Oregon will make a half hour presentation, after which there will be an open discussion. At the end of the session, the Secretary is planning to express the desire of the Federal agencies involved to move to the next stage with Oregon State and local governments and begin more detailed exploration of what the partnership might entail.

We expect to have a short summary of the Oregon presentation for review prior to the meeting and I will send this along to Ms. Rasco as soon as it arrives. Meanwhile I have attached a copy of the matrix of performance measures that Oregon has been considering as the targets for this effort. If additional advance information is desired by Ms. Rasco or her staff, I can be reached at 690-6060.

**Matrix of Benchmarks by Federal Department**

Oregon Benchmarks:	Federal Partners With Related Responsibilities						
	HHS	HUD	Education	Labor	USDA	Justice	Commerce

**Family Stability**

1 Teen Pregnancy								
2 Paternity Establishment								
3 Child Support								
4 Percent of Oregon Children Living Above 100 Percent of Poverty Level								
5 Child Abuse Rate (Need a child protective services measure.)								

**Early Childhood**

6 Drug Free Babies								
7 Healthy Birthweight Babies								
8 Infant Mortality Rates								

**Early Childhood Development**

9 School Years								
10 Student Test Scores								
11 High School Graduation Rates								
12 Professional Technical Education								
13 Drug and Alcohol Use								
14 Juvenile Crime Rates								

**Adults and the Economy**

15 Income per Capita								
16 Dislocated Workers Earning at Least 50 Percent of Previous Wages								
17 Recidivism								
18 Welfare to Work								

**Safety Net**

19 Health Care Access (May need to reduce the benefits under the health plan.)								
20 Access to Food, Housing and Income Support								





DEPARTMENT OF HEALTH & HUMAN SERVICES

Chief of Staff

Washington D.C. 20201

JUL 21 REC'D

**FACSIMILE**

DATE July 21, 1994

TO: (NAME, ORGANIZATION, CITY/STATE AND PHONE NUMBER):

Carol Rasco  
Assistant to the President Attn: Roz or Pat  
for Domestic Policy

456-2216

FROM: (NAME, ORGANIZATION, CITY/STATE AND PHONE NUMBER):

Kevin Thurm  
Chief of Staff

690-6133

RECIPIENT'S FAX NUMBER: ( ) 456-2878

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COMMENTS:

If you have any questions, please call Jill Hargis.

DRAFT

July 21, 1994

TO: The Secretary  
Through COS \_\_\_\_\_  
ES \_\_\_\_\_

FROM: David Garrison

SUBJECT: Oregon Benchmark Meeting, Monday, July 25, 9:45 a.m. to  
11:15 a.m., Office of Thrift Supervision's Auditorium,  
17th and G St., N.W. -- BRIEFING

PARTICIPANTSOutside the Department"Head table"

Governor Barbara Roberts  
Mayor Vera Katz  
County Chair Beverly Stein

## The Secretary

Carol Rasco, DPC  
Robert Rubin, NEC (?)  
Alice Rivlin, Director, OMB  
Elaine Kamarck, Domestic Policy Advisor, OVP  
Madelaine Kunin, Deputy Secretary, DoEd  
Tom Glynn, Deputy Secretary, DoL  
Shay Bilchik, Associate Deputy Attorney General  
~~Michael Stepp~~ ~~Andrew Cuomo~~, Assistant Secretary, HUD  
?, USDA  
Doug Hall →, Commerce

Other Senior Administration officials

John Koskinen, Deputy Dir. for Management, OMB  
Chris Edley, Program Assistant Director, OMB  
Robert Stone, Director, NPR  
Terry Peterson, Counselor, DoEd  
Tom Payzant, Assistant Secretary, DoEd  
Doug Ross, Assistant Secretary, DoL

Page 2 - The Secretary

Non-Federal Government Observers

Barbara Dyer, Alliance to Redesign Government  
Sherrri Hayes, The Finance Project  
Margaret Dunkel, Institute for Educational Leadership  
Lee Schorr, Harvard Project on Comprehensive Services  
Cynthia Brown, Council of Chief State School Officers

HHS Officials

Peter Edelman, Counselor to the Secretary  
Jerry Britten, Deputy Assistant Secretary, ASPE  
Astrid Morgot, Senior Advisor  
David Garrison, Senior Advisor  
Barbara Wamsley  
Susan Johnson, Special Assistant to the Deputy Secretary  
Glen Kamber, ASPE  
Allan Rivlin, ASPA  
?, ACF  
?, PHS  
?, ASMB  
Aimee Rogstad, Intern, ASPE  
Todd Morganfeld, Intern, ASPE

STRUCTURE OF THE MEETING

The objective of the room set-up is to give the Oregon presenters a lead group from the Federal side to whom they can direct their remarks. The front of the small auditorium will be set with a rectangular table, with name tent cards, for the eleven lead Administration officials (four from the White House plus seven agencies) and the three Oregon presenters. The rest of the audience (a total of 60-70 may attend) will observe the discussion from the risers above the "head table". NPR has arranged for GSA to video tape the meeting and there will be microphones at the head table and a few in the audience.

A list of the head table officials can be found at Tab A. A full list of all those coming to the meeting is at Tab B.

You invited the Oregon officials to make the presentation and HHS staff, with coordinating help from NPR staff and collaboration with representatives from OMB and the seven agencies, put the meeting together. You are leading the Federal "team" and should run the meeting for as long as you can stay. If you do have to leave before the meeting concludes, Peter Edelman is prepared to slip into your seat and finish the moderator tasks. If others of the original head table officials must leave early, we will try to arrange to have a substitute take their place at the table if that can be accomplished without being disruptive to the flow of the discussion (we have tent cards already made for the likely substitutes).

**Page 3 - The Secretary**

There are talking points for you at Tab C. Briefly, we recommend that you begin the meeting as near to 9:45 a.m. as possible in order to maximize the time that you and the other lead Federal officials have available for the briefing. Since you know that Dr. Rivlin is coming over, you may want to wait until she arrives unless we learn that she is likely to be delayed. You should make a few opening remarks, during which you should introduce both the Federal and Oregon teams. Bios on the Oregon officials are at Tab D. We suggest that you then call on Alice Rivlin and Elaine Kamarck to make any opening observations they have. Then, you should turn the briefing over to Governor Roberts.

Governor Roberts and her colleagues have been asked to keep their combined presentation to no more than 30 minutes. Given the time demands on your colleagues at the table, you should allow for some informational questioning from those at the table primarily as Oregon's presentation proceeds, while holding off more general discussion for later. When the presentation is completed, you should moderate the flow of questions from both the table and from the audience as you see fit.

Near the end of the session, and certainly before you have to leave if you decide to depart early, we recommend that you give a general response on behalf of the Federal team to the effect that we are ready to move to the next phase with Oregon and begin more focused technical discussions about what a partnership might entail (see your talking points for suggested language).

So far as the management of this next phase is concerned from the HHS perspective, I propose to continue serving as the main point of contact for the exchanges at the staff level within the department and with the other Federal units, in collaboration with ASPE (Astrid Merget and Jerry Britten). We will keep Peter Edelman fully briefed in the hope that he will serve as our senior official for higher level meetings as we go. At some stage, we will want to have an organized discussion within the Department about how we might best relate to and take advantage of a partnership with Oregon.

**4 Attachments:**

Tab A - Head Table list  
Tab B - Attendance list  
Tab C - Talking Points  
Tab D - Oregon Bios

7/22/94, 9:00 a.m.

## POSSIBLE ATTENDEES AT OREGON BRIEFING

Monday, July 25, 1994

Office of Thrift Supervision

Oregon officials

Barbara Roberts, Governor  
Vera Katz, Mayor, City of Portland  
Beverly Stein, Chair, Multnomah County Commission  
Duncan Wyse, Oregon Progress Board  
Marge Kafoury, Director of Government Relations, Portland  
Vicki Cram, Washington Representative, City of Portland  
Len Simon, Washington Representative, City of Portland

White House

Carol Rasco, Director, DPC  
Robert Rubin, Director, NEC  
Marcia Hale, Director, Intergovernmental Affairs  
Kathi Way  
Sheryl Cashin, NEC

OMB

Alice Rivlin, Director  
John Koskinen, Deputy Director for Management  
Chris Edley, Program Assistant Director  
Steven Redburn, Housing Branch Chief  
Jonathan Breul

Vice President's Office

Elaine Kamarck, Domestic Policy Advisor  
Robert Stone, Director, NPR  
Beverly Godwin, NPR  
Kristen Kracke, NPR

Department of Health and Human Services

Donna Shalala, Secretary  
Peter Edelman, Counselor  
Jerry Britten, DAS for Program Systems  
Astrid Merget, Senior Advisor, ASPE  
David Garrison, Senior Advisor, Intergovernmental Affairs  
Barbara Wamsley, Senior Advisor to the Deputy Secretary  
Susan Johnson, Special Assistant to the Deputy Secretary  
Margaret Fugh, Special Assistant, Intergovernmental Affairs  
Glen Kamber, ASPE  
Allan Rivlin, ASPA  
Shirl Ruffin, ASMB  
Aimee Rogstad, ASPE  
Todd Morganfeld, ASPE

Department of Education

Madelaine Kunin, Deputy Secretary  
Terry Peterson, Counselor  
Tom Payzant, Assistant Secretary  
Judy Wurtzel  
Morgan Binswanger

Department of Labor

Tom Glynn, Deputy Secretary  
Doug Ross, Assistant Secretary  
Cynthia Matzler, Assistant Secretary  
James Thomas, IG  
Henry Smith, Acting Assistant Secretary for Intergov. Affairs  
Lorraine Chang

Department of Justice

Shay Bilchik, Associate Deputy Attorney General  
Noel Brennon, Deputy Assistant AG  
Reggie Robinson, Special Assistant to the AG

Department of Housing and Urban Development

Michael Stegman, Assistant Secretary for Policy and Research  
Margaret Turner, Deputy Assistant Secretary for Research, PD&R  
Don Fraser, Consultant to the Secretary  
Valerie Piper, Special Projects, Office of the Secretary

Oregon Briefing Attendance List  
Page 3

Department of Agriculture

Peter Necheles, Special Assistant to the Under Secretary  
Mitch Geasler, Associate Administrator, Extension Service

Department of Commerce

Doug Hall, Assistant Secretary for Oceans and Atmosphere  
Will Ginsberg, Assistant Secretary for EDA  
Loretta Dunn, Assistant Sec. for Intergovernmental Affairs  
Alan Balutis, Director, Budget and Planning  
Linda Trageser

Guests

Barbara Dyer, Alliance to Redesign Government  
Sherri Hayes, The Finance Project  
Margaret Dunkel, Institute for Educational Leadership  
Lee Schorr, Harvard Project on Comprehensive Services  
Cynthia Brown, Council of Chief State School Officers  
Linda McCart, National Governors Conference

7/22/94, 9:030 a.m.

## HEAD TABLE FOR OREGON BRIEFING

Oregon (3)

Barbara Roberts, State of Oregon  
Vera Katz, City of Portland  
Beverly Stein, Multnomah County

White House (4)

Carol Rasco, DPC  
Robert Rubin, NEC (?)  
Alice Rivlin, OMB  
Elaine Kamarck, OVP

Agencies (7)

Donna Shalala, HHS  
Madelaine Kunin, DoEd  
Tom Glynn, DoL  
Shay Bilchik, DOJ  
Michael Stegman, HUD (?)  
Doug Hall, Commerce  
?, USDA

Substitutes

OMB - John Koskinen  
OVP - Bob Stone  
HHS - Peter Edelman  
DoEd - Terry Peterson (?) or Tom Payzant  
DoL - Doug Ross  
DoJ - ?  
HUD - Margaret Turner  
Commerce - ?





DEPARTMENT OF HEALTH &amp; HUMAN SERVICES

Chief of Staff

Washington D.C. 20201

**FACSIMILE**DATE JUL 22 1994

TO: (NAME, ORGANIZATION, CITY/STATE AND PHONE NUMBER):

**ATTN: Pat Romani**

Carol Rasco

Assistant to the President  
for Domestic Policy

456-2216

FROM: (NAME, ORGANIZATION, CITY/STATE AND PHONE NUMBER):

Kevin Thurm  
Chief of Staff

690-6133

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COMMENTS:

Please Join Secretary Shalala, Alice Rivlin and others from the White House and Cabinet Departments for a:

Presentation by Oregon Governor Barbara Roberts, Multnomah County Commissioner Beverly Stein, and Portland Mayor Vera Katz on:

## Oregon Benchmarks and a Vision for an Intergovernmental Partnership for Results

Carol:

In Lobby of Bldg:  
Guard Desk -  
your name will  
be on list of  
Attendees ->  
2nd Floor  
Auditorium

Monday, July 25  
9:45 - 11:15

Office of Thrift Supervision  
Auditorium - 2nd floor  
1700 G St., N.W.  
(across 17th St. from the OEOB)

RSVP for CHRON 7/21

For access to building, please phone list of names of who is coming from your organization to Beverly Godwin, National Performance Review, (202) 632-0150 (ext. 111).

COMMENTS: Here is background info. and informal invite to Monday's meeting on Oregon Benchmarks and Vision for Partnership Around Results.

Presentation will be by Governor Roberts, Portland Mayor Vera Katz, and Multnomah County Executive Beverly Stein. Secretary Shalala is hosting the meeting. Confirmed attendees at front table are: Alice Rivlin, Tom Glynn, Madeleine Kunin, Shay Bilchik, Elaine Kamarck.

We are waiting to hear from Bob Rubin, Carol Rasco, phoned Bev Godwin 7/21 2:00pm to RSVP  
HHD, USDA and Commerce

THE WHITE HOUSE  
WASHINGTON

FAX COVER SHEET

OFFICE OF THE ASSISTANT TO THE PRESIDENT FOR DOMESTIC POLICY  
SECOND FLOOR, WEST WING  
THE WHITE HOUSE  
WASHINGTON, DC 20500  
(202)456-2216 PHONE  
(202)456-2878 FAX

TO: Ray LaHappach  
FAX #: 202-624-5825  
FROM: CAROL H. BASCO  
DATE: 7/24/94  
NUMBER OF PAGES (including cover sheet): 8  
COMMENTS: In case Linda hasn't received this background material for Monday - July 25 - meeting.  
at Rosemary at (202)456-2216.  
If you have any problems with the fax transmission, please call

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THE WHITE HOUSE  
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(202)456-2878 FAX

TO: Ray Schepach

FAX #: 202-624-5825

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# THE OREGON OPTION

## A PROPOSED MODEL FOR RESULTS-DRIVEN INTERGOVERNMENTAL SERVICE DELIVERY

*Federal, state, and local government attention should focus on mutually agreed-upon measurable outcomes for public service delivery. The intergovernmental relationship should be a partnership, not an adversarial or competitive system. Federal financial support should be provided to achieve broad goals, but also should provide latitude and flexibility in how to accomplish them and be tailored to real local needs. Rather than defining accountability by inputs, transactions, error rates, and failure to progress, the federal government should hold state and local governments accountable for performance. The system should support and reward what works, rather than imposing rules and sanctions on the majority because of errors or omissions by the minority.*

— National Performance Review, 1993

### **The Proposition**

Oregon has a proposition. Our state and local governments want to join with the federal government to act on the recommendations stated above.

We propose a special intergovernmental, interagency partnership and long-range demonstration project with the federal government to redesign and implement intergovernmental service delivery based on principles advanced in the National Performance Review. This approach would focus on results and treat results as the critical measure of success. In the model we propose, the federal government and our governments will mutually identify results to be achieved and we will be contracted to achieve them. To help us achieve these results, the federal government will merge funding categories and streams, create funding incentives which reward desirable results, and reduce off-site micromanagement and wasteful paperwork. This collaboration will empower our communities to identify local needs to be met by federal and state programs, to make their own decisions about how to address those needs, and to be accountable for results.

### **The Problem To Be Overcome**

This proposal accepts the premise of the National Performance Review: that the intergovernmental system for delivering assistance and services through federal grants and mandates to state and local governments has broken down in a tangle of good intentions gone awry. There are too

many funding categories, suffocating regulations and paperwork, a misdirected emphasis on remediating rather than preventing problems, and no clear focus on measurable outcomes. The system stifles initiative and squanders resources without achieving sufficient results. We have been attempting to correct similar problems in state government. We are delegating greater responsibility for program design, delivery, and results to the local level, and we are encouraging more service integration and a preventive approach to problems.

**Why Seize This Opportunity With Oregon?**

Oregon is an ideal partner for this initiative. The test of a results-based intergovernmental system will be more successful where state and local government are already using an outcomes model for establishing a long-range vision, setting public priorities, allocating resources, designing services, and measuring results. Oregon is well along in a pioneering state and local effort — Oregon Benchmarks — to do all of these things.

Benchmarks, begun in 1991, grow out of a statewide strategic planning process that identified three broad goals for Oregon: increase jobs and incomes by creating a diversified, productive economy, protect and enhance Oregon’s quality of life, and invest in the capability of Oregonians. Benchmarks — 272 altogether — are the measurable indicators of progress toward these goals. For example:

BENCHMARKS	HISTORICAL		TARGET		
	1980	1990	1995	2000	2010
Pregnancy rate per 1,000 females age 10-17	24.0	19.6	9.8	8.0	8.0
Percentage of 11th graders who achieve specified skill levels in reading		83%	90%	95%	99%
Miles of assessed Oregon rivers and streams not meeting state and federal in-stream water quality standards		1,100	723	75	0
Real per capita income of Oregonians as a percentage of U.S. real per capita income	99%	92%	95%	100%	110%

The degree to which Oregon and its communities have embraced the benchmarks is remarkable. The benchmarks have been adopted by the last two sessions of the state legislature. They are the basis for building the state budget. Every county has used benchmarks for children and families, health, and work force initiatives. Seven of the state’s 36 counties are voluntarily developing comprehensive, locally oriented benchmarks systems. The City of Portland, Oregon’s largest city, and Multnomah County, Oregon’s largest county, have jointly produced city-county benchmarks. Multnomah County’s budget, program initiatives,

and action plans are built entirely around high priority benchmarks. Benchmarks are also being used as a part of funding criteria by one of Oregon's largest foundations and by the Portland area United Way campaign.

Oregon communities have already achieved notable success using benchmarks, and they will continue to pursue the progress made these past few years. However, these efforts would receive an immense boost if federal participation was also focused and structured to achieve outcomes. Oregon offers an opportunity for the federal government to join the state and its communities in designing and demonstrating a more efficient, results-driven model of service delivery.

### **The Oregon Option**

We recommend that "The Oregon Option," the demonstration project proposed here, focus on important elements of Oregon's top strategic priority, its human investment benchmarks. These benchmarks form a collective effort by state and local governments, civic groups, nonprofits, and businesses to appreciably improve the lives of Oregonians as self-reliant individuals, members of healthy families, and skilled, successful workers. They fit the strategy to enhance Oregon's economic prospects while getting more people off public assistance and reducing the human and financial costs of social dysfunction.

Oregon's human investment benchmarks focus on such outcomes as reduced teen pregnancy, diminished crime and recidivism, lower unemployment, higher per capita income, greater early childhood immunization, and stronger K-12 student achievement, just to name a few. A larger set of human investment benchmarks is appended.

### **Benefits**

The most important benefit, and the ultimate test of The Oregon Option, will be results: e.g., higher rates of prenatal care and infant immunizations, lower teen pregnancy, higher K-12 skill levels, faster re-employment of dislocated workers. Other benefits include better use of public resources — money and people — at all levels, less customer confusion and despair, and greater confidence in public sector services. The Oregon Option also offers a laboratory for federal, state, and local participants to learn from their efforts and act on what they learn to improve service delivery. The Oregon Option will advance the Administration's domestic policy agenda and the campaign to reinvent government.

**Requirements**

The Oregon Option demonstration will require a long-term commitment and a fundamentally different way of thinking about the mission and structure of service systems by all levels of government. The system envisioned here is customer-centered, focused on outcomes, decentralized, and accountable. In this partnership, participants must be willing to a) contract for measurable results, b) combine funding streams, c) renegotiate funding amounts and rates, d) eliminate or suspend rigid and costly program restrictions, e) provide multi-year funding, and f) empower those closest to front-line service to choose the delivery mechanisms, initiatives, and investment criteria they deem most suitable. The demonstration will require the waiver of a number of federal rules, and it will require financial and political support. It is essential that the project have the initial involvement and continuing support of cabinet or subcabinet officials.

**Next Steps**

We recognize that a great deal of collaborative work lies ahead to take this concept forward. Team structure, benchmark outcomes, timelines, budgets, and organizational logistics need to be established. We are moving on Oregon Benchmarks already. We are ready to move on The Oregon Option.



## APPENDIX A

### A MENU OF HUMAN INVESTMENT BENCHMARKS

The following benchmarks illustrate the kind of results that Oregon seeks to improve the lives of its people.

Family Stability	1980	1989	1990	1991	1992	1993	2000	2010
1. Pregnancy rate per 1,000 females ages 10-17	24.0	19.6	19.7	19.3	17.9		8.0	8.0
2. Percentage of children living above 100% of the federal poverty level	88%		84%		84%		92%	100%
3. Number of children abused or neglected per 1,000 persons under 18		12.3	11.3	10.5	11.3	10.8	6.0	2.0
4. Spousal abuse: domestic violence calls per 1,000 households		47.9	46.1	45.3	45.7	56.9	30.0	20.0
5. Percentage of children who are homeless at some time in the past year		1.5%		1.8%		2.0%	0%	0%
6. Of children born outside of marriage, the percentage who have legal paternity established in a given year	33%	37%		31%		49%	80%	90%
7. Percentage of current court ordered child support paid to single parent families	44%	47%		50%		54%	95%	99%

Healthy Babies and Preschoolers	1980	1989	1990	1991	1992	1993	2000	2010
9. Percentage of healthy birthweight babies	95%	95%	95%	95%	95%		97%	98%
10. Percentage of infants whose mothers did not use:								
a. * illicit drugs during pregnancy			89%				99%	100%
b. alcohol during pregnancy (self reported by mother)		93%	94%	95%	95%		99%	100%
c. tobacco during pregnancy (self reported by mother)		76%	77%	79%	79%		95%	100%
11. Infant mortality rate per 1,000	12.1	8.8	8.3	7.2	7.1		6.0	4.0
12. Percentage of two-year-olds who are adequately immunized					47%	50%	100%	100%
13.* Percentage of children entering kindergarten meeting specific developmental standards for their age								
a. Language and literacy development								
b. Physical well being								

\*Data expected in September 1994.

Schools Years	1980	1989	1990	1991	1992	1993	2000	2010
14. Student Skills: Percentage of eleventh grade students who achieve established skill levels								
a. Reading			83%	82%	83%			99%
b. Math			67%	70%	65%			99%
c. Writing--Ideas			83%		88%			99%
d. Writing--Organization			80%		84%			99%
e. Writing--Conventions			81%		86%			99%
15. High school graduation rate		73%	72%	76%	74%		93%	95%
16. Percentage of high school students enrolled in structured work experience programs		3%	3%	3%	3%		35%	55%
17. Percentage of students free of involvement with alcohol in the previous month								
a. Eighth grade		77%		74%				99%
b. Eleventh grade		56%		63%				90%
18. Percentage of students free of involvement with illicit drugs in the previous month								
a. Eighth grade		88%		90%				99%
b. Eleventh grade		78%		81%				99%
19. Percentage of students free of involvement with tobacco in the previous month								
a. Eighth grade		87%		85%				99%
b. Eleventh grade		77%		81%				99%
20. Juvenile arrests per 1,000 juvenile Oregonians per year	32	36	38	39	42	44	20	10

Adults and the Economy	1980	1989	1990	1991	1992	1993	2000	2010
21. Real per capita income as a percentage of U.S. real per capita income	99%	92% (1988: 91%)	92%	92%	93%	93%	100%	100%
22. Percentage of Oregonians with incomes above 100% of the Federal poverty level	89%		88%		91%		100%	100%
23. Percentage of displaced lumber and wood products workers re-employed within 24 months and earning at least 90% of previous income					36%		70%	75%
25. Average rate of reincarceration of paroled offenders within three years of initial release					41%	41%	20%	15%