



OFFICE OF THE LEGISLATIVE AUDITOR
STATE OF MINNESOTA

Human Services Administration

Update to 2007 Evaluation Report

Problems Identified

- **Program Complexity.** Statutory changes have contributed to much more complicated human services programs, and this has reduced administrative efficiency and increased the risk of noncompliance.
- **Inconsistencies in Services.** Service access, cost, and outcomes often vary significantly around the state, partly reflecting differences in county practices and funding levels.
- **Ineffective State Supervision.** Minnesota has a “state-supervised, county-administered” human services system. But the Department of Human Services’ (DHS) supervision of counties has been inadequate, with limited performance measurement, uneven technical assistance, and minimal tools for holding counties accountable.
- **Diseconomies of Scale.** There are too few multi-county administrative agencies serving Minnesota’s less populous counties. Also, some services now administered by counties might be administered more efficiently or effectively by DHS.

Changes Implemented

- **Advisory Group Created.** In response to our report, the 2007 Legislature established an advisory group (six legislators; nine state and local officials) to (1) make recommendations for administrative simplification and (2) identify services that could be administered by the state rather than the counties.
- **Performance Reporting Initiated.** DHS has collected and distributed an initial set of county performance data, and it hopes to work with counties to develop a format for reporting such information annually.

Action Needed

- **Advisory Group Should Make Recommendations.** As of February 2008, the Legislature’s advisory group on administrative simplification and service realignment has met only once. Also, the DHS commissioner is supposed to consult with this advisory group before reporting to the Legislature by January 2009 on the merits of transferring any duties between state and local agencies.
- **The Legislature Should Foster Administrative Consolidations.** The Legislature should establish incentives or requirements for sparsely populated counties to jointly administer their human services agencies.
- **DHS Should Improve Local Oversight.** DHS should take stronger steps, such as field reviews, to identify inadequate services, address service gaps, and hold counties accountable for performance.