

PRACTITIONER'S CORNER

Virginia's Comprehensive Services Act: Legislative and Policy Approaches to Serving At-Risk Children, Youth, and Families

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SINCE THE 1980s, when the federal government began to devolve more of the funding and responsibility for human services to the states, there has been a growing expectation for state and local governments to develop the strategies and resources for addressing the needs of their populations and to deal effectively with the complex interdependencies among the child-serving human service and educational systems (Agranoff and Pattakos 1989). Growth in program expenditures, lack of efficiency, and duplication of efforts across public agencies—and the difficulties families encounter in their attempts to access quality treatment services for their children—are problems that plague public human service institutions (Koyanagi 1994). Moreover, there has been increased demand for services, accountability, productivity, and flexibility (Cohen and Cohen 1999).

Although there are significant public policy, administrative, and resource allocation implications, particularly for state and local governments, the public policy literature has not offered models that effectively address these concerns. Much attention has been given in the public policy literature to other complex cross-system, financial, and outcomes issues in human services, such as those surrounding welfare reform. Moreover, much

has been written over the past two decades about the need for greater coordination and collaboration among human service agencies to meet the complex needs of “at-risk” children and those with severe and chronic emotional and behavioral disturbances (Koyanagi 1994; Knapp 1995).¹ However, innovations in the public-sector systems for meeting the needs of these populations have not been well documented in the popular media or academic journals.

Across the country, legislators, public administrators, advocates, parents, and other stakeholders have joined together to bring about changes in the ways that publicly funded services are provided to at-risk children and their families. A number of initiatives have moved toward greater coordination of services, but many have failed because they were unable to accomplish the system-oriented goals they envisioned. These initiatives could not create the necessary organizational structures, develop cross-agency budgets, maintain political support, and effectively plan for worsening state and local fiscal conditions (U.S. General Accounting Office 1992).

Through a sweeping policy directive, Virginia created a system to address the difficult problems at-risk children and families experienced in identifying and accessing public-

sector human services from agencies that operated independently and did not deliver comprehensive services. By developing a collaborative, integrated system of care for this population, the state of Virginia's Comprehensive Services Act (CSA) provides an effective illustration of a policy approach that creates the potential for positive change, flexibility, and resilience.

A Fragmented Service-Delivery System

The public institutions charged with the responsibility for meeting the needs of troubled and at-risk children and youth have a well-established history, typically encompassing foster care, mental health, juvenile justice, and education. The division among these disciplines has contributed to the institutionalization of federal, state, and local agencies as separate, discrete entities, each with its own mission, mandates, values, policies, and practices; educational and professional requirements for staff; eligibility criteria; and funding mechanisms. There is great overlap among these systems at all levels of government with regard to the populations they serve and the funding availability for programs and services and little collaboration among the agencies that deliver them. The result is a fragmented service-delivery approach that is often difficult to access and limited in its ability to address comprehensively the needs of children, youth, and their families—a situation further compounded by the additional challenges of increased costs and demand for services.

These demands and cost factors at the state and local level have, in turn, influenced the way that states and localities implement federal mandates, which has implications for individual children and their families. Federal requirements mandate that funding must be made available to serve children who are in foster care and those eligible for special education services. Other at-risk children are considered “nonmandated,” and funding for services is not required under federal law.

Implications for Children and Their Families

For some of the children whose problems are less serious and restricted to a specific domain, a single-agency approach can be satisfactory. However, for more seriously disturbed children who are more likely to have severe problems in multiple domains, services and resources may not be well coordinated to meet the child's and the family's needs (Koyanagi 1994). Addressing the needs of a child with a serious emotional disorder could potentially involve the departments and agencies responsible for foster care, mental health, juvenile justice, and education. Families approach the agency best suited to meet their child's needs based on their own knowledge of the various services offered by each. Typically, families move from agency to agency, seeking advice from respective experts; they negotiate the maze of the various eligibility criteria and expose themselves and their child to repetitive, expensive assessments, screenings, and service programs. Because of the discrete division among disciplines, recommended interventions often fall short of the comprehensive approach necessary to address the complexity of the child's needs.

Implications for Agencies

Under these conditions, child-serving agencies are constrained in several ways. First, without the benefit of collaboration and coordination across disciplines, a single-agency perspective puts the responsibility for positive outcomes for the child and family with each agency. This approach precludes utilization of other agencies' staff and fiscal resources. Second, it makes a single agency responsible for having a broad base of knowledge and expertise, when that agency's mandates and financial resources to support those mandates may be limited. Third, it requires that each agency dedicate staff to work with each child. A child and family interacting with multiple agencies could involve three, four, or more professionals working independently of one another. Fourth, each agency must

maintain and support the administrative functions necessary to fund, deliver, and monitor services. Redundant processes within each agency excessively burden the limited financial resources of both local and state levels of government, providing little, if any, opportunity for a local government to forecast service demand and costs for the community's at-risk population.

Creation of the Comprehensive Services Act in Virginia

Prior to the enactment of the CSA, Virginia struggled with many of the same service-delivery issues as most other states: "tension between local and state government regarding responsibility for and control of decision making, delivery and financing; absence of proactive cooperative planning among child-serving agencies; and an over-reliance on the use of hospitalization and residential placement for children experiencing [serious] emotional and behavioral difficulties" (Cohen and Cohen 1999, 153). Among other factors, several key stakeholders and a significant defining event set the stage for what has become one of the most comprehensive reform initiatives in children's services in the country (O'Brien 1996).

As in most other states, in the mid-1980s Virginia's service-delivery system for children and youth with serious emotional and behavioral disturbances was relatively weak. In 1986, the governor's wife's interest and concern about children's mental health ultimately led to the development of the First Lady's Forum, comprising senior-level policymakers, service providers, and service consumers, including cabinet secretaries responsible for health and human services, juvenile justice, and education and commissioners responsible for major child-serving departments. The Commissioner of Mental Health, the key stakeholder, directed the forum to identify creative, effective, and efficient ways to coordinate services across state and local agencies with the intent of improving the system

of care for children and youth (Cohen and Cohen 1999).

In 1989–90 the Department of Planning and Budget (DPB) conducted its Study of Children's Residential Services, examining a number of issues related to children and youth that had been identified over a 10-year period by legislative study committees, state agencies, service providers, advocacy organizations, and consumers. Focusing on children who were placed out of their homes and into residential treatment settings, the study investigated approximately 14,000 cases across the four primary child-serving agencies in Virginia (JLARC 1998) and found that children and families with multiple needs were receiving services from multiple agencies and that children were being counted multiple times. Moreover, although the number of children placed out of their homes into residential care settings annually was relatively stable, the cost of care for these children had increased dramatically. A 22 percent annual increase in expenditures raised serious concerns about the ability of the state and its local jurisdictions (i.e., counties and cities) to fund their share of services in the future at that rate of growth.

The DPB study described a strategy for achieving the policy, programmatic and financial changes necessary to address the rising costs of services, and the fiscal implications for the state. In response to the study—and the interest it generated within the legislature—the incoming governor created the Council on Community Services for Youth and Families (1991), a public-private consortium charged with developing a new service-delivery model, funding mechanisms, and training programs for state and local government staff; tracking caseloads and expenditures; and evaluating the proposed system.

Under the direction of the council's chairman, the Secretary of Health and Human Resources, public hearings were held across the state during the summer of 1991 to solicit input from local stakeholders. Feedback included broad support for the philosophy and

goals identified in the proposal, a strong interest in avoiding cost shifting from state to local governments, concerns about anticipated increased staff time for implementation, and the need for local government flexibility to design systems tailored to the unique needs of Virginia's diverse communities. The resulting legislation, introduced in the 1992 General Assembly session, proposed expansive policy changes, the redesign of long-established state and local service-delivery systems, funding mechanisms, and administrative processes for four large departments at the state level and the corresponding agencies at the local level.

Despite broad-based support from the child-serving community and constituents during the public hearing process, several influential localities lobbied against the legislation. Aware of this pressure from local communities, the 1992 legislature moved cautiously, authorizing legislation that redesigned the service-delivery system but did not restructure the funding mechanisms. A revised plan for funding was submitted during the 1993 General Assembly session, one that was more acceptable to localities because it capped the percentage of local contribution to service costs and modified the state-local cost-sharing funding formula in other ways to the advantage of the state's cities and counties. The legislation became effective on July 1, 1993.

Implementing the CSA

Implementation of the CSA as of July 1, 1993, marked the beginning of an ongoing, incremental process of change among the various stakeholders in the legislature, state and local agencies, and the private service-provider community. The legislation significantly affected the policies and practices of local government agencies and how they financed and provided services to eligible populations of troubled children and their families.

Prior to the CSA, public child-serving agencies had their own funding resources; for

each of these agencies in local government, the counterpart state agency allocated funding for specific services delivered only through that agency. Under the CSA, independent funding streams were combined, and a "pool" of funds was created at the state level and allocated to localities based on a funding formula. Nine independent funding streams that had previously funded certain juvenile court placements, special education services, foster care services, and mental health services were consolidated to form the CSA state pool of funds. Rather than each agency accessing its own funding, under the CSA, local inter-agency teams accessed the local pool of funds to finance services. In FY 1994, localities were allocated funding based on their actual prior year expenditures for the services that fell under the purview of the CSA. A process was included in the state funding structure to allow localities to request supplemental funding if their spending exceeded the initial base allocation—a necessary measure, given the historical expenditure growth experienced throughout the state.

Under the CSA, agencies could no longer make unilateral decisions about the treatment and service needs for children and their families. To access the pooled funds, local governments were required to establish a collaborative structure whereby multidisciplinary, multiagency teams comprising professionals from the various child-serving disciplines would identify problems comprehensively, taking into account the entirety of a child's and family's needs, and develop and review the treatment plans. These teams were authorized to expend funds from the CSA pool to finance services for children, which greatly enhanced the possibilities for better outcomes.

Local agency practice under the new arrangement required that parents be included as an integral part of the service planning. In its study, the council found that plans often were developed for children that included very restrictive out-of-home residential placements without the involvement of the family. Formerly, parents and guardians were told what

was needed for their child; now, they participated in the planning and decision making.

The CSA legislation mandated that both the state and localities streamline the variety of existing committees and teams and create a high-level, interagency team with responsibility for CSA policies and practices. The state-level team (the State Executive Council) comprises leaders of the key child- and family-serving agencies, a private-service provider, a local government official, and a parent representative. The team at the local level (the Community Policy and Management Team) must include the local agency heads of the primary child-serving agencies, a private-service provider, and a parent representative. Under the direction of its local team, a community has the flexibility to create policies, procedures, and services that are responsive to its individual, unique needs and experiences. For those children and families whose needs cannot be addressed through a single public agency approach, services can be provided utilizing CSA funds, typically by purchasing services in the private sector.

Incremental Policy Making to Enhance Virginia's Coordinated System

The CSA entered its eighth year of implementation in July 2000, and although the original legislation remains fundamentally intact today, there have been important enhancements. The flexibility inherent in the initial legislation allowed for both programmatic and legislative modifications to meet unanticipated demands and changing conditions.

Trends in Caseloads and Costs

Costs associated with services funded through the CSA have continued to increase (see Figure 1). Some of the cost increase can be attributed to an expanded definition of children who are eligible for services and a broader range of services funded through the CSA. Although there has been an increase in caseloads (see Figure 2), the overall rate of increase in expenditures is greater than the cor-

Figure 1. Statewide CSA Caseload, FY 1994–2000

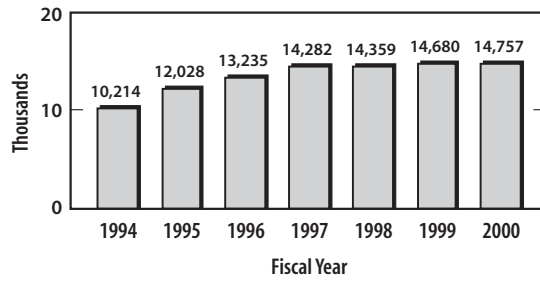
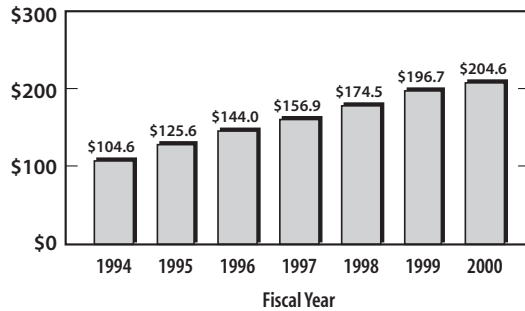


Figure 2. Statewide CSA Expenditures, FY 1994–2000



Note: Dollar amounts are expressed in millions.

responding increase in the number of children served. This finding affects both the state and local governments because funding is a state and local cost-sharing arrangement. Statewide, approximately 60 percent of CSA costs are state funded, and 40 percent are locally funded.²

Local governments are also burdened administratively and financially by the mandate for coordinated, collaborative service planning, and they have voiced their concerns to the Virginia legislature through their individual political representatives. The CSA thus remains an important public policy issue throughout the state.

Developments in the Virginia General Assembly

A 1994 study examined state and local expenditures and caseload growth among local agencies, and 1995 legislation required localities to develop policies to assess eligible

parents for their ability to contribute to the cost of the services provided through the CSA. This change was to provide an additional revenue source to offset costs associated with services to children and to increase the role of family involvement in the planning and delivery of services.

In 1996, the Virginia General Assembly increased the duties of the State Executive Council to include—

1. providing administrative support and fiscal incentives for local operation of comprehensive service systems to address local government concerns about the costs of implementing the CSA, especially because little additional funding was made available to localities to implement and administer the program (\$5,000–\$25,000, depending on CSA expenditures and other locality factors);
2. overseeing coordination of prevention and early intervention programs under the administrative control of member agencies to ensure that the council dedicated some of its energy to addressing children's needs on the "front end" by more effectively coordinating its member agencies' prevention programs, allowing for earlier intervention to help minimize the need for costly services required for children once they become seriously disturbed; and
3. publishing and disseminating to the General Assembly a report on the CSA for the next succeeding biennium to remedy the lack of information and data available for decision making and planning and to comply with the legislature's request for such information. The report would include a fiscal profile of previous and current year expenditures, the identification and establishment of goals for the CSA and the costs of implementing such goals, and information and recommendations necessary for greater improvements and coordination of the service-delivery system.

Although the CSA did curb the 22 percent annual growth in expenditures for the types of out-of-home placement services cited in the 1989–90 DPB study, expenditures increased by 21 percent from July 1, 1993, through June 30, 1994, and caseloads grew by 17 percent. As a result, the General Assembly directed the Joint Legislative Audit and Review Commission (JLARC) in 1996 to study the administration of the CSA. The JLARC is the oversight arm of the Virginia General Assembly. It was established in 1973 to review and evaluate the operations and performance of state agencies and programs. Specifically, the JLARC was required to (1) study the ways in which administrative, financial, and accounting requirements are implemented and services are forecast, delivered, and utilized at both the state and local levels and (2) make recommendations for additional improvements to the overall program as well as strategies for containing costs.

The commission's initial report, released on January 7, 1998, found that "CSA eligibility criteria gives higher priority to certain groups" of children (JLARC 1998). Language in the CSA guarantees that mandated youth—primarily children in foster care and special-education students who require a private placement outside the public school system—must be provided with services to meet their individual needs. Other children (e.g., juvenile offenders and children with mental health problems) are categorized as "nonmandated"; that is, they are not covered by the "guaranteed service" language and are served at the discretion of localities. Because they imposed additional financial and administrative burdens on localities, the controversial study recommendations did not become law until 1999. Local jurisdictions must now weigh the costs of implementing local changes to comply with the CSA against the dollars that will be lost from the state share of funding for services if they fail to comply.

In March 2000, the General Assembly further refined and streamlined administrative processes, and on September 1, 2000, the

DPB released a report recommending that the CSA set achievable and measurable goals and monitor performance and compliance with state guidelines for service utilization. The report calls upon state and local governments to develop and track performance indicators and use these indicators to determine trends and initiate system improvements (Department of Planning and Budget 2000).

Discussion

The CSA was initiated to address one of Virginia's most vulnerable populations. It involved a participatory, open process beginning with the Council on Community Services for Youth and Families and its working committees that first designed the CSA framework over an 18-month period. Throughout the planning, implementation, and modification of the CSA, there have been many opportunities for input from a variety of key stakeholders, including both parties and chambers of the legislature, local elected officials, state and local administrators, public agency staff, private service providers and consumers. Dialogue among these stakeholders and findings from several research studies conducted since the implementation of the CSA have resulted in continual policy reassessment, as evidenced by the multiple legislative enhancements to the original act.

With the enactment of the CSA legislation came criteria under which certain groups of children were eligible to access funding for services. Agency staff wanting to utilize the funding must ensure that children meet certain eligibility criteria, as opposed to the single-agency criteria required prior to enactment of CSA. Federal laws mandate that services be made available to children who are in the foster care system and who have special education requirements. Thus, state and local governments must provide funding regardless of the number of children or the extent of their needs.

Although the CSA has greatly expanded access to funding for many children and fam-

ilies, it has not negated the fiscal and administrative stress experienced by state and local government—nor the dilemma facing children and their parents when a child is not categorically mandated to receive funding under the CSA. Because at-risk children who are not in the foster care system or otherwise eligible for special education (i.e., children served through juvenile court or mental health or alcohol and drug service agencies) are considered nonmandated, localities are not required by law to make such funding available to purchase services on behalf of this population. Moreover, the portion of funding set aside for nonmandated children is limited by a formula cap, thereby restricting the amount of funding that the state will match as its share.

A review of case records by the JLARC in 1998 concluded that nonmandated children are often as much in need of services as are the children who are categorically eligible to access funding. The Virginia State Executive Council determined that approximately 20,660 children were at severe and acute risk levels in 1998, yet they were not eligible for mandatory services through the CSA. The projected costs for services for these children ranged from approximately \$121 million to \$306 million, depending on service options (Commonwealth of Virginia 1998). In Virginia and in many other states, when families do not have access to necessary treatment services for their children, they may be “told to give up custody” of their child to the child welfare system in which their involvement “in key decisions about their children’s mental health, health, and education” is limited (Bazelon Center for Mental Health Law and the Federation of Families for Children’s Mental Health 1999, 13). Because of the distinctions between mandated and nonmandated children—a categorical definition rather than one based on the severity of a child’s disturbance, the complexity of his or her needs, or the risk posed to the child and/or the community—and because localities can choose not to fund services for nonmandated children, children are not treated equally across communities.

Estimates of the at-risk population vary, so it is difficult to project service demand and related costs. The General Assembly in its 2000 session did appropriate \$8.5 million over the next biennium to serve the nonmandated population but without reference to the size of the actual unmet need. Consequently, yet another study has been commissioned to develop a scientific approach to identifying the extent of underfunded populations (specifically, children and youth with serious emotional disturbances who require out-of-home treatment services), the scope of the service needs, and the fiscal impact of the services.

Conclusion

Virginia's CSA is currently one of only a handful of comprehensive reform initiatives of at-risk children's services systems across the country. Although several states have embarked on broad systemic changes, Virginia has taken the lead in an attempt to alter the funding structure and service-delivery model for at-risk children, youth, and families by setting forth in policy a new way of planning, coordinating, and funding services. Communities are collaborating and recognizing that for children with complex needs, complex solutions are required. These solutions are developed best when a broad base of individuals, including families, come together to plan and support an approach. A Virginia Commonwealth University study (1996) indicated that under the CSA, more children received services than would have under the old system (because the CSA expanded eligibility criteria), that children were served in less restrictive environments, and that localities have developed resources in their communities.

Throughout the evolution of the CSA, legislation has prompted improvements to the system. Some of the enhancements were the result of extensive study and research; others resulted from individual stakeholder concerns (e.g., the \$8.5 million budget amendment that will serve nonmandated children).

This funding provision was not the result of sophisticated analysis; rather, it was a way to attend to a public policy problem in a complex environment. Policymakers "often cannot wait for the ideal test of hypotheses" (Sarbaugh-Thompson, Lobb, and Thompson 1999) when it comes to serving vulnerable populations, so some policy decisions will continue to be driven by experience and concerns for the future.

Although the CSA has achieved positive results, continued to receive political support, and adapted over time to respond to changing demands and conditions, the course of its future developments is uncertain. The incremental policy and development that has characterized the CSA since its inception has not been the result of strategic planning and textbook public policy processes (Nakamura 1987) but rather the result of "groping along" (Behn 1988). This approach can also bring about retrenchment of gains in a different political or economic environment. Until the concrete benefits of comprehensive service-delivery systems can be shown to outweigh their costs—and the value of this investment is broadly accepted by the public and their political representatives—initiatives such as the CSA may remain the exception rather than the norm.

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Notes

1. Because the literature does not clearly differentiate between the at-risk population and those youth who are seriously emotionally disturbed, this article uses the terms interchangeably (Madison 2000).

2. Although the state receives federal funding to offset a portion of both state and local costs, the complexity of federal cost sharing, eligibility criteria, and regulations is beyond the scope of this article.

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