

THE ROANOKE TIMES

roanoke.com

Comprehensive Services Act program to get scrutiny after improper spending revealed

The Comprehensive Services Act program will go under the microscope now that several flaws regarding improper spending have been revealed.

June 15, 2011

Gov. Bob McDonnell said he's asked Cabinet member Bill Hazel to find ways to improve the complicated and at times unwieldy state program intended to provide mentoring, therapeutic foster care and other services to at-risk youth.

Hazel, Virginia's secretary of health and human resources, and his staff have been working for more than a year to evaluate the quality, organization and funding for the Comprehensive Services Act, a multiagency system that funnels federal, state and local money through a bureaucracy administered by local governments with services delivered largely by the private sector.

State officials have regularly tweaked the program since it was created by the General Assembly in 1992, but recent reports in Craig County, Roanoke, Richmond and Pittsylvania County documenting poor paperwork, confusion over process and a general lack of protocol as to how to administer the money have lent a new urgency to the process.

Meanwhile, a state advocacy group sent McDonnell a letter Tuesday calling for an overhaul of the larger mental health system for children, which includes the Comprehensive Services Act program. Voices for Virginia's Children said the state should invest an additional \$20 million into community-based services and fix a "fragmented system [that] is confusing to families and costly to taxpayers."

"This administration and other administrations, every single one honestly, have tried to address the problem in small pieces," said Margaret Nimmo Crowe, senior policy analyst for Voices for Virginia's Children. "What our agenda is calling for is to look across the whole system."

The renewed scrutiny of social services for children comes at a time when economic conditions have driven increasing numbers of children toward publicly funded services, even while state and local governments have cut back on staff and programs because of shrinking revenues. The state budgeted \$328 million for the comprehensive services program for fiscal 2011, which ends June 30; next year the budget decreases to \$322 million.

McDonnell said his office recommended larger cuts because the program is "a blank check with virtually no accountability."

In fiscal 2010 more than 17,500 Virginia children received Comprehensive Services Act-funded services. The program funnels state and federal money to localities, which provide additional funds that average to about one-third of the state share. Local programs then contract out specific services to private providers.

McDonnell said he's concerned about the lack of checks and balances to give state officials oversight and some say over how local governments spend the state's money.

"I'd really like him [Hazel] to look at who's going into the system and why, and is there a better and more effective way to deliver those services -- ultimately drill down to the societal costs or societal explanations of why are the children in need of services," McDonnell said. "That gets us into a whole lot of other things like family breakdowns. ... It gets to the heart and soul of what are the problems that our society has, how to best deal with them and what is the appropriate expense of the safety net."

Hazel said a series of initiatives to improve the program are already under way:

- Collect four separate data streams into one single system that can effectively track clients across schools, law enforcement and social services.
- Give the State Executive Council, which sets policy for the program, more oversight to nix questionable local expenses.
- Simplify rules for localities.

- Restructure the state Comprehensive Services Act office to give state officials more oversight.
- Use incentives to push localities toward a more cooperative, regional approach.
- Train auditors for this program and make them available to localities.

Hazel said that the work may also lead to proposed legislation next year that could result in some structural and functional changes to the program and how it's administered from the state level.

Crowe, however, said the state should take a more extensive look that extends beyond just comprehensive services.

"If you don't look at the system as a whole, you're creating more problems," Crowe said.

An example of that "squeeze the balloon" effect: The state in recent years increased the local match rate for costly residential services to encourage localities to move toward community-based services that allow children to remain at home or nearby. As a result, the money spent on residential care decreased, but money spent on those community-based services increased dramatically.

"All the kids who get public sector services, if you just cut in one little area over here, those children are not going away," Crowe said. "We're going to end up paying for them with public sector dollars. They'll end up in juvenile justice or a bed in Staunton [at the Commonwealth Center for Children & Adolescents, a mental health facility]. The children still need treatment."

The pitch for an additional \$20 million seems unrealistic during a time when state lawmakers are looking to save money. Crowe, however, said that overhauling the system will ultimately save money in the long run. Children's mental health has been a big issue in the budget the past several years, so lawmakers may be primed for major changes, she said.

In that sense, at least, the governor may be in agreement, though his solutions may differ.

"Many systems haven't been looked at in decades, so we're doing it that way because we've always done it that way," McDonnell said. "Things like CSA and Medicaid continue to be such huge drivers of the Virginia budget. If we don't find a way to get our hands around those and find a way to deliver equal or better care for less money, we're going to be in trouble."

mason.adams@roanoke.com