

Managing with Less: Implementation of the Allegheny County Human Services Block Grant

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The Allegheny County Department of Human Services (DHS) is dedicated to meeting the human services needs of county residents, particularly the county's most vulnerable populations, through an extensive range of prevention, intervention, crisis management and after-care services.

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In the spring of 2012, nonprofit human services organizations, their CEOs, consumers and other interested community members packed informal public forums across Allegheny County for details of the coming storm. Pennsylvania Governor Tom Corbett had just proposed reducing state dollars allocated to counties for human services by 20 percent. Primary among the concerns of those in attendance was the impact of the cuts on the well-being of the more than 200,000 vulnerable adults and children who depend upon the services provided with these funds.

Discussions covered a range of topics. Organized advocacy aimed at convincing legislators to roll back the cuts was urged by attendees. Consumers who had experienced mental illness, homelessness and other challenges offered poignant accounts of lives enriched by jobs, education and other opportunities made possible by the services targeted for cuts. Providers talked about exploring mergers and other strategies to soften the blow of lost revenues.

Another topic that received considerable attention was the governor's proposal to bundle the reduced line items into a new Human Services Block Grant. While the Block Grant wouldn't spare counties from the funding cuts, it would offer some of them greater flexibility in spending the reduced allocations than was available within traditional categorical funding.

During the following months, an intense advocacy campaign waged locally and statewide was instrumental in halving the budget cuts for services ranging from substance abuse treatment to homeless assistance. Although less painful, a 10 percent reduction in funding all but guaranteed difficult decisions for counties and human services providers who had already endured years of declining government funding for services that remained in high demand.

For most of Pennsylvania's 67 counties, the only option was to accept across-the-board cuts in seven human services line items, which included mental health base funding, the Intellectual Disabilities Community Base Program, the Behavioral Health Services Initiative, Act 152 drug and alcohol funding, the Homeless Assistance Program, the Human Services Development Fund (HSDF) and child welfare special grants.

Allegheny County and 19 other counties across the state, however, were selected to receive the reduced funding package from the Department of Public Welfare (DPW) as a Block Grant, which gave them the opportunity to try and do more with less through the spending flexibility it provided.

“The demand always outweighs the supply of what we do, and the majority of people we serve have multiple needs,” said Marc Cherna, Director of the Allegheny County Department of Human Services (DHS), to a large audience of concerned citizens at a town hall meeting in October 2012. “We think the way to minimize the damage with less money is to be more creative and have more flexibility in how we serve those people.”

Just as important, cost-saving efficiencies were identified that freed money to fund new approaches to serving populations, such as homeless children, that might otherwise have become casualties of the challenging fiscal conditions.

As DHS entered the 2013–2014 fiscal year, the second under the Block Grant program, its efforts to leverage the flexibility afforded by the pilot program remained a work in progress. Certainly, the Block Grant option has not restored the level of funding for key human services that was lost to the statewide cuts of FY 2012–13. In Allegheny County, however, the public and internal processes put in place to manage the Block Grant resulted in several important developments,

including greater transparency and public input into how funding decisions are made, and rethinking of ways in which need is identified and services are funded. Just as important, cost-saving efficiencies were identified that freed money to fund new approaches to serving populations, such as homeless children, that might otherwise have become casualties of the challenging fiscal conditions.

STATE FUNDING CUTS

Governor Corbett’s proposal of a 20 percent cut in human services funds allocated through DPW, as one of the austerity measures in his budget plan, drew widespread opposition from advocates, county officials and state legislators, including several from his own party. As a result of coordinated efforts by these stakeholders, the state budget adopted for FY 2012–2013 softened the cuts to 10 percent across seven human services line items. In all, \$84 million fewer state dollars were allocated to the 67 Pennsylvania counties for human services.

Local Implications

In Allegheny County, the cuts meant that DHS had about \$12 million less to spend on services covered under the seven human services line items that were pared by the state. The recent cuts alone fail to tell the whole story, however. In most cases, they were a continuation of a trend that has seen state funding for those categories decline over a period of years. The FY 2012–2013 allocations for the Intellectual Disabilities Community Base Program, the Behavioral Health Services Initiative, Act 152 drug and alcohol funding, the Homeless Assistance Program and HSDF were all below FY 2002–2003 levels.

In several cases, the decrease over that 11-year period was significant. For example, total state funding received by DHS for intellectual disabilities decreased 33 percent during that time. Funding for the Behavioral Health Services Initiative declined 34 percent. Hardest hit has been HSDF, funding for which has declined by 70 percent.

And the populations affected are not insignificant. More than 70,000 men, women and children in Allegheny County receive services under the categories in which state funding was cut.

In the spring and summer of 2012, DHS held a series of four meetings and public forums, at venues throughout the county, with human services providers, board presidents, nonprofit CEOs and others, during which there was open discussion on topics ranging from the state funding cuts to the Human Services Block Grant, which DHS was investigating as an option for more effectively meeting the steady demand for services with less money.

It was the start of an ongoing public dialogue in the county about the financial challenges, spending strategies and other issues that would play a role in the critical decisions the agency would make in the months to come.

THE BLOCK GRANT

The 10 percent reduction in human services funding contained in the state FY 2012–2013 budget was accompanied by legislation that provided the option of having the seven affected line items merged into a single Block Grant. This option was only available through a pilot program that was limited to 20 counties selected from applications filed with DPW.

Unlike traditional categorical funding, the Block Grant offers participating counties conditional flexibility in deciding how to administer funds across the seven service categories. The level of flexibility is progressive; full flexibility is achieved in the fifth year of the Block Grant. In the first fiscal year, pilot counties are permitted to move up to 20 percent of the money. During fiscal years two, three and four, flexibility rises to 25, 50 and 75 percent, respectively. Pilot counties seeking a higher level of flexibility have the option of requesting a waiver to do so.

As a concept, Block Grants have long raised concern among some human services providers, advocates and others. The Human Services Block Grant in Pennsylvania was no exception.

A lingering concern is the implications for advocacy. Advocates for underserved populations have spent years building organizations and strategies to have a voice in decisions related to specific funding streams. The ability to identify a certain population as the beneficiary of a specific allocation is helpful to such advocacy efforts (e.g., because a significant portion of funding for individuals with intellectual disability was provided through the ID Community Base Program, advocates could target their efforts at that funding stream). Merging line items in a Block Grant tends to make advocating for specific programs, funding streams and populations more challenging.

A related concern is that services funded under Block Grants might become more vulnerable to future reductions. Deep funding cuts to some government Block Grant programs over the years fuel such concerns.

One high-profile example is Title XX of the Social Security Act, the 38-year-old federal human services entitlement program. Congress amended it in 1981 to establish a Block Grant to states for social services. At the same time, Congress cut the annual appropriation from \$2.9 billion to \$2.4 billion. Funding of the federal Block Grant has been subject to further cuts ever since. In FY 2012–2013, funding stood at \$1.7 billion, down 41 percent from its peak more than three decades ago.

“When you get into the data of a public human services system, you see how much overlap there is. So, the notion of an integrated human services Block Grant from a management and client perspective makes a lot of sense.”

Another concern in Pennsylvania is that the Human Services Block Grant has the potential to shift public attention away from the 10 percent state funding cuts and the impact those cuts will have on vulnerable populations. To date, DPW has not announced whether it will evaluate the impact of the FY 2012–2013 funding cuts on services and those who rely upon them.

“I am of two minds on this,” said Ray Firth, Policy Initiatives Director at the Office of Child Development at the University of Pittsburgh. “When you get into the data of a public human services system, you see how much overlap there is. So, the notion of an integrated human services Block Grant from a management and client perspective makes a lot of sense. But there is very little public discussion today about the funding cuts and restoring them. There is a lot of discussion about the Block Grant. The mechanics of the Block Grant takes all of the oxygen out of the room.”

Allegheny County applied to participate in the Block Grant pilot program after weighing the pros and cons in discussions within DHS and considering comments made in meetings with providers and advocates and in the public forums held in 2012.

“Our position has always been that the cut is still way too great,” Cherna said. “The demand far outweighs the supply, no matter what we do. Even if we can stretch these dollars a little further, we would be much better off without the cut. And that’s an important distinction. But if you are going to take the cut anyway, which we are, what can you do to try to minimize the damage? The Block Grant allows us to minimize the damage.”

Allegheny County was among the 20 counties notified in the fall of 2012 that they had been selected to participate in the new Human Services Block Grant pilot program.

INTEGRATION AND INNOVATION

DHS has long advocated greater flexibility in deciding how to spend state and federal human services funds. Addressing the needs of the more than 200,000 county residents who depend on human services with 10 percent fewer state dollars promised to be problematic. Having to do so under traditional categorical funding restraints would present even more of a challenge.

Categorical funding streams carry with them rigid restrictions on how those dollars can be spent; restrictions that present obstacles to more effective and efficient service delivery. First, limitations on moving money across categories hamper efforts to find efficiencies in systems that address the needs of people who require more than one type of service. In Allegheny County, more than 53 percent of DHS consumers have multiple needs and are involved in more than one type of service.

“If everyone had just one need — say, mental illness, but no substance use or poverty or need for child welfare service — we wouldn’t need the flexibility of a Block Grant,” said Patricia Valentine, DHS Executive Deputy Director for Integrated Program Services. “But that’s not people.”

The flexibility offered in the Block Grant also complements a long-standing initiative within DHS to streamline and integrate its administrative structure and service delivery, an initiative that has earned DHS national attention and accolades. DHS was itself created by consolidating four disparate county departments, in 1997, with considerable input and support from the community. Merging administrative services, automation and other steps taken over the years have resulted in significant cost savings, including a 20 percent reduction in administrative costs.

DHS has also engaged in a series of reforms built on openness to new ideas, integration and multi-system collaboration. Funding such measures has proven difficult under traditional funding restrictions. To do so, DHS has relied in part on private money from the Human Services Integration Fund, a fund created by local foundations as a means of supporting innovative approaches to coordinated, comprehensive delivery of human services.

The DHS Data Warehouse, for example, was created to help achieve system integration, which posed significant challenges for the department’s information technology systems. Today, the central data repository contains more than 64 million records for about one million clients across 29 program areas within and external to DHS. The ability to track outcomes across program areas and beyond has become a valuable tool for research, strategic planning, needs assessment and evaluation for DHS and the broader community; planning for and monitoring of the Block Grant is a prime example of ways in which the Data Warehouse supports data-based decision making.

An example of innovative approaches to human services that have shown promise in improving service and reducing costs is the Allegheny County Jail Collaborative. The partnership between DHS, the Allegheny County Health Department, corrections, the courts and others is recognized as a national model for improving community re-entry and reducing recidivism. However, the lack of flexibility under traditional categorical funding has made financing the initiative a challenge.

Taking advantage of the flexibility afforded by the Block Grant is not without its own challenges, however. The Block Grant, for example, was not accompanied by regulatory reform or changes to reporting requirements, both of which remain based on the categorical funding model.

Even with such limitations, the greater discretion offered by the Block Grant is seen by DHS officials as a long-overdue step in the right direction. “If something positive is going to happen, it’s going to happen when you have a wider range of choices with which to do things,” said Valentine. “Systems tend toward homeostasis, and they won’t move unless they are forced to.”

A LONG-TERM STRATEGY EMERGES

The greater discretion in spending state human services dollars allocated in the Block Grant led DHS to develop a strategy for rethinking how it identifies needs, allocates funding and delivers services. The strategy involved internal discussions, as well as a heightened level of public input and participation among providers and other community stakeholders.

The group is addressing a number of issues that will make the system more effective and efficient, such as better ways to identify gaps and duplication of services.

Within DHS, for example, a Needs Assessment Workgroup was established to explore need in a more comprehensive and systemic way, and to develop processes for achieving integrated planning, programming and monitoring. The group was composed of senior and administrative staff from every DHS office.

The group is addressing a number of issues that will make the system more effective and efficient, such as better ways to identify gaps and duplication of services. Another area of investigation involves individuals and families involved in multiple systems and/or with a history of human services involvement that spans generations. By analyzing the history, evolution and challenges of system involvement of these consumers, who are among the most complex and costly to serve, DHS hopes to arrive at a better understanding of the population and to identify more effective and efficient ways to meet their needs.

To plan its approach to using the Block Grant, DHS also conducted a series of case reviews and expanded its practice of engaging the public, providers and other stakeholders. Public forums on Block Grant issues were continued, a Block Grant Advisory Board was established, and DHS took the unprecedented step of issuing a call to its network of providers for concept papers on ways to use the flexibility afforded by the Block Grant to better meet the needs of children and families.

Public Hearings

Four public hearings were held to discuss the Block Grant and state funding cuts in the first 12 months after Allegheny County was chosen to participate in the pilot program. Attendance for the four sessions reached 300 people, including those who use Block Grant-funded services and representatives of nonprofits that provide those services.

No pre-registration was required. No time limits on remarks were set. The open discussions covered a broad spectrum of issues and concerns.

“We can only give out what we have,” Cherna said. “If we have 10 percent less, there is going to be pain. The tough decisions concern figuring out what to do about that, how we can minimize the pain.”

Several who attended the public forums, for example, urged the county to preserve certain services, such as neighborhood-based family support services and life skills development services for transition-age young adults in the mental health system. Concerns were raised about the prospects of further cuts in state human services funding. Identifying areas of need was a topic of interest, and some suggestions were made about how DHS might go about it. Others urged DHS to consider the needs of certain populations, such as young homeless children, immigrants and refugees, and young adults who have “aged out” of the foster care system, many of whom have mental health issues and a difficult time finding affordable housing.

“We can only give out what we have,” Cherna said. “If we have 10 percent less, there is going to be pain. The tough decisions concern figuring out what to do about that, how we can minimize the pain. People need to be part of that process. They should be given the opportunity to express their feelings, tell us what they want, what they don’t want, ask questions, make suggestions. That’s why we have public meetings, the advisory board and the rest of it.”

Block Grant Advisory Board

Since its creation in 1997, DHS has sought the input and support of stakeholders ranging from consumers to foundations and corporations to universities and community nonprofit organizations.

The strategy was extended to Block Grant planning when Allegheny County was selected to participate in the pilot project. A 48-member Block Grant Advisory Board was established to inform Block Grant planning and decision-making by tapping into the expertise and experiences of a broad group of stakeholders including providers, families and consumers of Block Grant-funded services, and representatives of foundations, faith-based nonprofits and universities. In keeping with DHS’s consumer-focused values, the board consisted of 51 percent consumer representatives. The board meets quarterly to, among other things, offer DHS their insights and recommendations and to review the county Block Grant plan that the state requires each fiscal year. All aspects of the plan have been reviewed by the board.

“One thing that has been very positive and, I think, a major improvement over the pre-Block Grant era is that [DHS] has been very transparent about this,” said Lucy Spruill, Director of Public Policy for Community Living and Support Services, a service provider for people with disabilities that operates programs funded under the Block Grant. “The advisory board has been meaningful. Every interest that could be identified is at the table. The meetings have been well attended, thorough and informative. It has kept the process honest and responsive.

“One of the concerns with the state funding of human services is that there has been very little transparency and very little public participation, especially in the past two and a half years. That hasn’t gotten better at the state level at all. But, on the local level, we have a lot more input.”

Case Reviews

It was determined that examining actual cases of adults receiving multiple services, with the providers who deliver those services, would provide insight into what those adults experience, how systems interact and other issues that might identify ways to better serve such consumers and make the system more efficient. The focus of the case reviews was on system-level needs rather than service provision, and the conversation focused at that level.

The initial round of four case reviews focused on adults involved in multiple systems funded under the Human Services Block Grant. Historical service data for each consumer were compiled to help identify service overlap and trends. The discussions were frank and included the strengths and needs of each of the adults whose cases were under review, as well as the insights of the providers most familiar with them.

Collaboration among systems, multiple and conflicting service goals among service providers, and the difficulties in sharing and accessing data about consumers due to confidentiality laws were among the challenges the case reviews brought to light. Other issues identified included navigating conflicting policies among systems and service providers, managing the sequencing of service delivery among systems and providers, and facilitating smoother transitions between services and systems.

In all, the case reviews resulted in more than a dozen findings that would help inform efforts to improve the ways in which Allegheny County human services systems address the needs of multiple-service consumers.

THE FIRST YEAR

Due to the timing of the Block Grant pilot program application process, Allegheny County was not able to take advantage of the flexibility afforded through the pilot during FY 2012–2013. This was because DHS had already executed contracts with those providers whose services were funded under the categories that fell under the Block Grant, and those contracts had been based on the anticipated 10 percent reduction in state funds.

Although the Block Grant plan for the first year was considered a “status quo” plan because the flexibility was not utilized, in fact, for many of the providers within the county and for DHS itself, it was anything but.

In Allegheny County, the state budget cuts meant trimming \$12 million in human services costs that fiscal year. DHS pared \$1 million from its operating budget through staff reductions and other cost-saving measures, which helped soften the impact on its providers.

The county also chose not to make wholesale, across-the-board cuts. Instead, DHS took a more selective approach by identifying the most critical services; services related to health and safety, for example, were given a higher priority for funding than services that enhance general well-being but are not directly related to immediate health and safety needs.

Although not all providers were affected by the cuts, the number was significant in certain areas. Seventy mental health agencies had their funding reduced, and funding for eight others was eliminated altogether. Eight providers of programs for individuals with intellectual disabilities had their funding eliminated, and 25 others had it reduced.

Among the casualties of the funding cuts was a Community Living and Support Services program that provided skills training to people with a wide variety of disabilities, such as traumatic brain injury and cerebral palsy. “We had been able to serve seven people who qualified for no other sources of funding,” said Spruill. “But we just couldn’t serve those people anymore, and that’s unfortunate.

“The Block Grant wasn’t the issue. It was the 10 percent reduction. The money had always been barely adequate, and now it’s even more so.”

Meanwhile, through a process of internal review and public outreach, DHS was investigating ways to enhance the integration of programs, planning and monitoring, and looking for ways to apply the flexibility of the Block Grant to develop new approaches to serving those in need.

CALL FOR CONCEPTS

One of the many challenges DHS faced under the 10 percent cut in state funding was figuring out how to continue to explore new approaches and innovations that would enable the department and its contracted providers to better serve vulnerable populations and prevent them from graduating to higher-end, more expensive services. The flexibility allowed under the Block Grant was seen as an opportunity to explore ideas that might otherwise not be eligible for funding.

Overview

Expanding upon the flexibility permitted in the FY 2013–2014 Human Services Block Grant, and in order to further engage human services providers in the Block Grant process, DHS issued a Call for Concepts in January 2013 “to solicit ideas and approaches to more creatively, effectively and efficiently deliver human services by transferring some of the Block Grant flexibility to our [Allegheny Department of Human Services] provider network.” The Call for Concepts also sought to build upon the lessons of the case reviews. Approximately 42 concepts were submitted from 29 organizations. Ultimately, seven concept areas were selected through a process that included internal reviews, subgroup reviews, senior DHS staff review and an Advisory Board review. Approximately two percent of the flexibility offered in the FY 2013–2014 Block Grant was utilized.

“That shocked a lot of people,” said Firth, a member of the Block Grant Advisory Board. “Some folks say, ‘Just tell me what you want me to do.’ Others see it as an opportunity. It wasn’t big money. But opening up that process was good for public perception of DHS, which is important, and it opened them up to ideas they might not have thought of otherwise.”

Announcement and Submission Process

The Call for Concepts was issued by DHS on January 28, 2013. To be eligible to submit a concept, applicants were required to be an existing DHS-contracted provider receiving funding in FY 2012–2013 or to submit a concept in partnership with an existing DHS-contracted provider that received funding in FY 2012–2013. Eligible applicants were allowed to submit multiple concepts; each concept had to be submitted separately.

The Call for Concepts was designed to:

“improve service delivery to consumers involved with multiple systems, fill service gaps and eliminate duplication when multiple systems are involved...[and]...concepts that serve: complex, high-need or a costly subset of current consumers; an organization’s entire service population if a change is implemented system-wide; a group currently being served inefficiently or ineffectively; or a population or demographic not currently being served, but with whom engagement could prevent more extensive service involvement.”

Applicants were asked to submit the following information:

- A brief organizational history and overview, including current level of DHS funding and number of clients currently served with this funding
- A description of the experience and expertise the applicant brings to the concept
- A description of the concept being proposed and how the concept will be implemented
- An explanation of the concept time frame, i.e., is the concept a short-term change or ongoing?
- An explanation of how the concept will meet one or more of the desired outcomes outlined above
- A description of the flexibility needed in order to implement the project and demonstrate the proposed outcomes
- Projects submitted collaboratively or as a partnership should include history/background of partnership, lead provider and agreed-upon structure.

Applicants were asked to propose specific measurable outcomes for individuals/families served by the concept, derived from the following outcomes specified in the Call for Concepts:

- Decreased use and/or prevention of costly, complex or time-consuming system involvement
- Increased stability and greater utilization of natural supports
- Improved collaboration across human services systems to improve quality of care, expand use of best practices or reduce inefficiency

The funding section required the applicant to list the amount of funding that would be needed for the concept, the anticipated expenses associated with the concept, and the current financial/administrative barriers or requirements that would need to be waived in order to implement the concept. DHS stated that concepts were not guaranteed to be funded, may need to be revised into a new or revised program, and may be funded in the Block Grant, or that DHS “may elect to move ahead with selected concepts outside the framework of the Block Grant.”

Review Process

Approximately 29 organizations submitted 42 concept papers. The next steps in the Call for Concepts submission process, as outlined in the announcement, were for DHS to conduct an internal review of the submissions, engage a subgroup of the Human Services Block Grant Advisory Board for feedback, and then make the final determination in advancing selected concepts to implementation. Whether concepts would be implemented or funded was ultimately determined by DHS.

**Each concept was rated in five areas:
target population; concept description;
outcomes and evaluation; funding and
administration; and concept feasibility.**

An internal DHS group, representing all DHS support and program offices and senior staff, met twice during the review period. Each concept was evaluated using a scoring template, and scores were created for each of the following: target population; concept description; outcomes and evaluation; funding and administration; and concept feasibility. A copy of the score sheet can be found in Appendix A.

In addition to a numeric score, reviewers were able to provide comments/notes about each category. Lastly, the reviewers provided a score based on their opinion of the concept’s feasibility and achievability. The rating was based on a 10-point scale (1 = unrealistic concept; 5 = a concept that could use further development; and 10 = a concept that should be considered for implementation in the future).

Once the individual scores were tallied, a review process took place in which each concept was discussed for a set period of time. Each was rated in five areas: target population; concept description; outcomes and evaluation; funding and administration; and concept feasibility. The concepts and rating results were then reviewed by DHS senior staff. Finally, seven of the scored concepts (without scoring) were provided to a subgroup of the Advisory Board for

review. The subgroup consisted of 10 providers; none of the providers represented a concept being scored. The subgroup completed a similar scoring exercise and provided feedback about the various ideas.

From April 2nd through April 18th, conversations were held with those providers whose concepts had been selected for further consideration. These conversations included evaluation and implementation plans, as well as relevant issues such as monitoring and regulations. Feedback was given to all providers who had submitted concepts; some were invited to consider modifications of their concept, and others were told that their concepts might be considered for future implementation.

Approximately 90 individuals attended the public hearings, including family members of consumers, consumers, advocacy groups, contracted providers, and staff from the county and DHS.

The approved concepts were included in the draft of the Block Grant plan; upon approval of the plan by DHS senior staff, the plan was sent to the Advisory Board for review. The FY 2013–2014 Block Grant plan was made publicly available on the DHS website at the beginning of May, and public hearings about the plan were held on May 6th and May 10th. The Block Grant public hearings were publicized via the DHS website, social media, major Pittsburgh newspapers and flyers distributed to various groups in Allegheny County. Approximately 90 individuals attended the public hearings, including family members of consumers, consumers, advocacy groups, contracted providers, and staff from the county and DHS.

CONCEPTS/PROVIDERS FUNDED

Summary

Seven focus areas were inspired by the Call for Concepts and the Human Services Block Grant review. See Appendix B for detailed descriptions of each focus area. While the Call for Concepts was one tool used to gather input and inform decision making, internal priorities and ongoing activities also played a part in identifying these focus areas, which were funded with approximately two percent (\$2.4 million) of the Block Grant funding:

1. Examining services for the homeless
2. Supporting community-based mental health and natural support groups
3. Creating individual care grants and the interagency process for adults
4. Improving provider access to client data
5. Improving re-entry services
6. Exploring transition-age youth services
7. Examining the potential for a universal crisis response system

THE SECOND YEAR

The final proposed FY 2013–2014 budget for Allegheny County’s Human Services Block Grant included approximately \$128,949,269 in planned expenditures — \$97,825,411 for Mental Health Services, \$11,649,029 for Intellectual Disabilities Services, \$2,891,357 for Homeless Assistance Services, \$8,326,920 for Children and Youth Services, \$4,513,702 for Drug and Alcohol Services, \$2,414,871 for Human Services and Support, and \$1,327,979 for Block Grant Administration. The FY 2013–2014 Block Grant Pilot Program was approved by Allegheny County Executive Rich Fitzgerald on June 5, 2013.

Although the FY 2013–2014 state budget did not call for additional cuts for human services, counties across Pennsylvania were still confronted with managing the demand for services with funding levels below what they had been two years prior and, in many cases, lower than a decade earlier.

In Allegheny County, the internal and external reviews put in place a year earlier were starting to pay dividends, offering insight into integration issues, and identifying efficiencies, cost savings and new approaches to support through the flexibility allowed under the Block Grant.

Under traditional categorical funding mechanisms, unspent dollars could not be reallocated and were lost to the county. The Block Grant, however, allows the county to repurpose a portion of unspent funds.

“We were able to serve more people on the waiting list by reallocating that money, which is something we wouldn’t have been able to do without the Block Grant.”

Following FY 2012–2013, DHS looked at where money was being underspent and adjusted contracts accordingly. DHS also looked for areas where savings might be realized. The system-wide process identified a relatively modest amount of money that could be reallocated to address other pressing needs. For example, DHS reallocated some funds to provide outpatient drug and alcohol services to a number of additional clients, which improves their chances of recovery and reduces the possibility that they will require additional costly interventions.

“We were able to serve more people on the waiting list by reallocating that money, which is something we wouldn’t have been able to do without the Block Grant,” said Shannon Fairchild, DHS Planning Manager.

In FY 2013–2014, DHS used about two percent of the flexibility afforded by the Block Grant to reallocate about \$2.4 million among programs whose funding was nested in the service categories covered. All of those dollars became available as a result of the efficiencies identified by DHS through the various steps taken the previous year to improve its planning process.

As a result, DHS was able to begin supporting several new approaches to meeting the needs of vulnerable populations. Some of these approaches were identified through the Call for Concepts and case reviews; others emerged as promising interventions through benchmarking, from other jurisdictions or from experience gained through program implementation and evaluation.

One example of an initiative that will benefit from the flexibility of the Block Grant is the Jail Collaborative, a 13-year-old collaborative established to reduce recidivism among inmates released from the Allegheny County Jail. The Collaborative has been instrumental in developing and securing funding for a variety of innovative programs ranging from a discharge center at the jail to a family support program for inmates and their families. A University of Pittsburgh study found that only 16.5 percent of inmates who take advantage of such services return to jail within a year of their release, which is half the recidivism rate of those who do not participate. Such outcomes also have important implications for the families of inmates, particularly for children with a parent in jail.

Despite the Collaborative's many successes, long-term funding remains in question with several start-up grants having recently expired. Fortunately, the flexibility of the Block Grant enabled DHS to allocate some of the money realized from system-wide efficiencies to help to sustain and expand some of its initiatives. Investing those funds also enables DHS to leverage more dollars for the program from the foundation-supported Human Services Integration Fund.

A Work in Progress

The most daunting challenge to taking advantage of the greater flexibility in spending offered by the Block Grant is doing so without inflicting further hardship on vulnerable populations who rely on services supported by the state allocations that were cut by 10 percent in FY 2012–2013.

That dilemma, in large part, is the reason that Allegheny County used only two percent of the flexibility allowed under the Block Grant during the current fiscal year. Likewise, DHS is expected to take a similarly incremental approach over the next few years.

“Our efforts until now have always been challenged by categorical funding and the limitations on trying to be innovative with regulations that inhibit innovation. This encourages it. It’s a paradigm shift.”

“The issue is that we are not starting from scratch,” Cherna said. “There are ongoing services. Real people are getting these services every day. All of these services are worthwhile. All of these services are needed. All of these services don’t have enough resources. It’s tough to move money out of something if it means taking away that service. That tempers the amount of money we are going to move at any point in time.”

Innovative initiatives with the potential to improve outcomes and reduce demand for higher-end services have long been a challenge to fund. In Allegheny County, ongoing processes to achieve more integrated human services planning and programming are expected to continue to result in cost-saving efficiencies that will make money available to invest in creative new approaches to serving populations in need. And the Block Grant now gives DHS more leeway to do so. “Our efforts until now have always been challenged by categorical funding and the limitations on trying to be innovative with regulations that inhibit innovation,” Cherna said. “This encourages it. It’s a paradigm shift.”

LESSONS LEARNED

As with many pioneering initiatives, there were a variety of positive outcomes, challenges and lessons learned. One of the many positive outcomes identified by many stakeholders (DHS staff, members of the Human Services Advisory and providers) was that the Call for Concepts and the Block Grant promoted the integration of services and partnerships. The flexibility of the Block Grant was praised for its support of creativity and innovation. The Call for Concepts was praised for the way in which it encouraged providers to focus on future needs and emerging priorities.

A number of recommendations were made about ways to improve both the process and the content of the Block Grant plan and the Call for Concepts. One suggestion involved inviting students from public policy schools to submit concepts; this suggestion emphasized ways in which innovative thinking could emerge from unexpected sources.

Although providers did receive information and instructions about the Call for Concepts process, the need for increased clarity and detail about the process and outcomes was cited by numerous individuals. Greater transparency about the decision-making process was suggested, particularly in regard to the decision to utilize only two percent of the permitted 25 percent flexibility. And finally, consumer involvement in the decision-making process was identified as a missing element.

The feedback received about the process and outcomes indicated that DHS was largely successful in accomplishing its goals during the first year of the Call for Concepts. In subsequent years, lessons learned about the need for increased clarity, transparency and engagement will improve this innovative strategy, which has already encouraged partnerships, innovation and integration within a variety of focus areas. Future Block Grant flexibility will continue to afford DHS the opportunity to fund innovative strategies to meet the needs of Allegheny County residents.

APPENDIX A: CONCEPT SCORE SHEET

Target Population

The submission specifies one or more of the 3 target population groups (noted individually below) for the concept proposed

- The target population includes individuals involved with multiple systems
- The target population includes complex and/or high need individuals
- The target population includes individuals who are costly to serve

This section discusses the barriers to serving the identified target population(s)

This section discusses feasible ways barriers to serving the target population would be addressed by the concept

This section discusses the needs of the identified target population(s)

Concept Description

The submission provides an organizational history/overview

The submission provides the current level of DHS funding

The submission provides the current number of individuals served with DHS funding

The submission describes the experience/expertise the applicant brings to the concept

The submission describes the concept and how it will be implemented

The submission provides a timeframe for concept implementation

The submission describes the flexibility needed to implement the concept successfully

If applicable, the submission describes collaborations/partnerships

The submission describes resources that would be needed to implement the concept

The submission provides an explanation of how the concept will meet one or more of the concept's desired outcomes (noted individually below)

- decreased use and/or prevention of costly, complex, or time consuming system involvement
- increased stability and greater utilization of natural supports
- improved collaboration across human service systems to improve quality of care, expand use of best practices, or reduce inefficiency.

**Appendix A:
Concept Score Sheet***(continued)***Outcomes and Evaluation**

The submission describes specific, measureable outcomes for individuals served by the concept

The submission describes targeted outputs (e.g., the outputs provide client counts and/or percents for activities conducted as well as who would be served)

The submission's specific outcomes are derived from one or more of the Call for Concepts overarching desired outcomes (noted individually in rows B83, B84, B85)

Funding and Administration

The submission describes how the current funding allocation (portion or entire) would be used differently

The submission describes additional resources (e.g., funding, staff, IT development, space, training, etc.) that would be needed to implement the concept

The submission outlines the amount of funding to be used

The submission discusses major anticipated expenses under the concept

The submission discusses current financial, administrative barriers and/or other requirements that would need to be addressed for implementation to occur

Appendix A: Concept Score Sheet

(continued)

Concept Feasibility

CONCEPT FEASIBILITY WITHIN FY 2013-2014:

There are no significant regulatory issues or waivers that would need to be addressed for implementation to occur in FY 2013-2014

There are no significant licensing issues that would need to be addressed for implementation to occur in FY 2013-2014

There are no significant policy issues that would need to be addressed for implementation to occur in FY 2013-2014

There are no significant Information Technology (IT) issues or development necessary to implement the concept in FY 2013-2014

There are no significant confidentiality issues or concerns that would need to be addressed for implementation to occur in FY 2013-2014

There are no significant DHS contract issues that would need to be addressed for implementation to occur in FY 2013-2014

If applicable, collaborations/partnerships are formalized in a way that encourages effective implementation in FY 2013-2014

There are no significant monitoring changes that would need to be addressed for implementation to occur in FY 2013-2014

There are no significant training needs for implementation to occur in FY 2013-2014

This concept would not de-fund a critical need/service under the Block Grant without addressing that need in another way

This concept could be implemented in the coming fiscal year (2013-2014)

APPLICANT FEASIBILITY

The applicant has sufficient experience with the target population and proposed services for concept implementation

The applicant has a clear understanding of the need the concept is designed to address

The applicant has demonstrated positive outcomes with the target population

The applicant is willing to work with DHS on the evaluation component of concept implementation

OVERALL CONCEPT FEASIBILITY

The concept fits well with the DHS vision and practice model

The concept is built upon existing best, promising practices or evidence-based practices

The concept addresses cultural barriers/needs and/or considers culture

The concept provides potential solutions to noted barriers and challenges

Proposed activities logically lead to the desired outcome(s) selected

Overall, the concept seems realistic and achievable in the timeframes provided by the applicant

APPENDIX B: CONCEPTS

Concept: Examining Homeless Services

The decision was made to combine various components of the five homeless-related concepts submitted by the Office of Child Development (OCD) at the University of Pittsburgh into two complementary strategies designed to 1) incorporate case management for families with children in emergency shelters to help connect families to services, and 2) examine the entire homeless system in order to identify ways in which to make it more comprehensive and coordinated. The five concepts submitted by OCD were:

- Reaching the Neediest of DHS's Children through Early Childhood Mental Health Consultation in the Homeless System
- Conferencing and Teaming Pilot in the Homeless System
- Improving Service Integration for Parents who have Mental Illness and are Homeless
- Reducing Barriers to Stabilization for Families Experiencing Homelessness
- Reaching the Forgotten Children: Integrating Early Childhood and Housing Programs

The budget allocation for this area is approximately \$250,000. Potential challenges for this concept include reaching consensus about what an efficient and effective homeless system should look like — locally and in comparison to systems in other cities — and how success should be measured; integration of multiple and disparate data systems will be another challenge.

Concept: Supporting Community-Based Mental Health and Natural Support Groups

Within this focus area, two concepts were identified for funding during FY 2013–2014. The first was put forth by Elizabeth Forward School District in collaboration with Mon Yough Community Services. The proposal creates a collaborative school-based mental health program for students in grades six through 12 within the Elizabeth Forward School District, and was designed to address the fact that many students lack access to public and private transportation to attend counseling sessions. With the flexibility provided by the Block Grant, DHS decided to fund the pilot for one year as well as examine mental health programs in county schools to determine the process of care and availability of services. The budget allocated for this program is \$15,000. This new method of mental health service delivery to youth has the potential to increase adherence to, and effectiveness of, treatment; however, utilization will be dependent upon an effective communication strategy to ensure awareness of the pilot program's existence.

The second concept, submitted by Jewish Family and Children's Service (JF&CS), creates neighborhood-based psycho-social groups in Allegheny County's growing refugee and immigrant communities. The specific proposal seeks "to train and mentor community facilitators, who will lead support groups in refugee and immigrant neighborhoods in the member's language, [allow] groups to address common concerns, build each community's capacity to reach out to struggling individuals and families, and increase natural supports and self-reliance." Approximately \$75,000 has been budgeted for this program. This particular

Appendix B: Concepts

(continued)

concept is innovative in that it works collaboratively with a variety of community partners to address an issue that has not been adequately addressed within the Pittsburgh region. The challenges include identifying and training facilitators who understand various cultures/different languages, and in the measurement of how self-reliance is increased.

Concept: Creating Individual Care Grants and an Integrated Service Planning Process for Adults

Family Services of Western Pennsylvania submitted a proposal that pursued partnerships and integration of services to provide grants for individuals with high service needs that cannot be met with categorically funded services. Specific grants proposed were companionship services and purchasing of services/equipment such as ramps. Key to this concept was the partnerships with other agencies such as the University of Pittsburgh School of Social Work and North Hills Community Outreach. Ultimately, however, DHS decided that this concept needed time to be developed. Funding has not been allocated to this concept in FY 2013–2014.

However, discussions about this concept mirrored those of the case reviews, in which the need for an integrated service planning process for adult consumers was identified. As a result, approximately \$100,000 was budgeted for the following initiatives:

- Reduce overlap and conflict in services, prioritize areas for coordinated service delivery, and identify service gaps in the behavioral health and community services systems
- Develop a strategy to provide individual grants as a 'last resort' or 'contingency' funding source when the Integrated Service Planning team has identified a need for a specific service that cannot be provided through any existing funding stream.

This focus area has the potential to create unique partnerships designed to provide services that are not currently available to a specific population. Developing the plan to identify and prioritize competing or overlapping services without a negative financial impact on providers and/or consumers will be challenging.

Concept: Improving Provider Access to Client Data

Based on findings from the Block Grant case reviews and public hearings, and discussions with the Block Grant Advisory Board, DHS has decided to make Datavue¹ accessible to providers. Availability of client-specific service data will enable providers to coordinate services and integrate treatment, thus improving efficiency and quality. Approximately \$300,000 was budgeted in FY 2013–2014 for the necessary system modifications; the initial work will focus on the legal and technical issues that must be addressed in order to make these data available to providers. Challenges reside in the timely assessment of the many systems currently utilized by providers, and the development of a timeline that notes the technical, human capital and legal components — and associated costs — to implement a fully integrated network among providers.

¹ Datavue is a custom DHS application that allows users to view the information that DHS collects about a client from many areas of service, both internally and externally. Users can search by first name, last name, social security number, date of birth or MCI ID to retrieve information useful for service coordination, such as the program areas that serve the individuals, and the type, duration, provider and costs of the services provided. Datavue is a valuable tool for understanding the full complement of services that a client is receiving — from behavioral health, aging, intellectual disability, and community services to jail involvement, housing, public assistance and more.

Appendix B:**Concepts***(continued)***Concept: Improving Re-entry Services**

Although this concept did not originate with the Call for Concepts, discussions that occurred during the process supported the value of building upon and strengthening current efforts that 1) demonstrate significant potential, and 2) do not fit within an existing funding source. One such effort is the Allegheny County Jail Collaborative's Reentry Program, which serves two related populations through a continuum of services provided both within and outside of the Allegheny County Jail:

- Inmates (men and women) who are at medium/high risk of re-offending and are within a year of being released
- Children and family members of these inmates

In addition, a resource specialist will be assigned to identify and address human services gaps at the Magisterial District Judge level of the court system.

Approximately \$1,575,000 has been budgeted for this initiative. Tracking and analyzing the outcomes of this program is a challenge that is being addressed through two grant-funded evaluations; the results of these analyses will inform the continuing structure of the program.

Concept: Exploring Transition-Age Youth Services

Approximately eight concepts were submitted to DHS that address the needs of transition-age youth. To identify a coordinated systemic approach to the multiple issues facing these youth, DHS will conduct an analysis of the transition-age youth population and service system, including service gaps, quality of care and best practices. Funding has not been allocated to this focus area for FY 2013–2014.

Concept: Examining a Universal Crisis Response System

Based upon a proposal by Allegheny HealthChoices and the findings from the Block Grant case reviews, DHS recognized the need to provide crisis services to specific populations with mental illness, such as the aging population, people with intellectual disability, the homeless, and people with substance abuse disorders. Examples of additional services are the utilization of mobile staff to work with these various populations in order to de-escalate situations and, in turn, prevent individuals from being hospitalized or losing their residential placement or housing. DHS will examine this area over the course of the year. Funding has not been allocated to this focus area for FY 2013–2014.