



**Welfare Reform and the Development of
Comprehensive Human Service Systems**

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FOREWORD

This paper is the preliminary version of an overview analysis of a set of case studies by Mark Ragan on field research in 30 locations in 11 states. The purpose of the case studies, most of which are available in draft from the Rockefeller Institute (contact nathanr@rockinst.org), is to examine the way in which welfare reform has influenced the development of comprehensive human service systems. The purposive sample we used for this research sought to include places "where preliminary evidence suggested that significant progress has been made to build a more responsive delivery system." This study is one of a number of interconnected field network studies of the implementation of the new welfare being conducted by the Federalism Studies Group of the Rockefeller Institute, headed by Thomas L. Gais.

Historically, there has been tension between two approaches to welfare reform -- plans that are comprehensive versus those that are incremental. At an early point in the history of this debate, plans for a universal system, like a negative income tax, were put forward by liberal experts and activists. Conservatives, too, favored such plans, and in the final analysis it was conservatives who backed this approach most strongly.

The alternative to comprehensive reform is the pluralistic approach -- different strokes for different folks. This very American way of having a non-system of multiple programs for the poor with different purposes and with different constituencies and bureaucracies has produced a fragmented pastiche of social programs, both income and in-kind transfers and social services, often with different eligibility requirements and standards. The spectrum is a broad one -- cash assistance, aid for health and medical care, child care for poor families, housing subsidies, food stamps, tax aid for the working poor, job services, transportation aid, social services for the disabled, retarded and addicted. Each stovepipe has its own constituency and political system. The ultimate effect, I believe, is that from the perspective of those who care about meeting social needs there is more aid for more people than there would be if the U.S. had a major and overarching universal transfer program for the poor.

But the cost of this benefit (more aid for the poor) is fragmented and dispersed delivery mechanisms. The siren song of "service integration" as a solution for this problem has produced a long list of many (often disappointing) efforts to integrate social services.

The 1996 Personal Responsibility and Work Opportunity Reconciliation Act, which established TANF (Temporary Assistance to Needy Families) block grants, offers an opportunity for states and counties to adopt bottom-up approaches for linking social benefits and services. Yet, in our effort to identify best practices, we were struck by the fact that there are relatively few stand-out cases of innovative and broad-gauged management systems for human services.

Structural and procedural lessons learned in the places we chose to study are presented in this paper. Mark Ragan found this field research eye opening, having spent

most of his career as a federal official in Washington working on social policy. I have worked closely with Mark Ragan in carrying out this project, which is funded by the Annie E. Casey Foundation, but the results are so much a product of his observations and analysis that he is the principal author of this paper.

This paper is work in progress. The 2002 APSA meeting provides an opportunity to share this overview with others interested in this subject -- in the hope that your reactions and feedback will contribute to our effort to stimulate interest in, and promote understanding of, this timely subject.

RPN

Introduction

This paper is a preliminary report on the progress of efforts to build comprehensive human services systems at selected sites in the U.S. and the effects of welfare reform and other factors on these efforts. How benefits and services are provided is at least as important as how policies have changed. The ease with which needy families navigate the human service system¹, inevitably involving interactions at the local level, is the focus of this paper.

Welfare reform in 1996 was about more than changing federal policy with regard to such issues as time limits on cash benefits and work requirements for recipients. The Temporary Assistance for Needy Families (TANF) block grant represents a fundamental shift in the relationship between states and the federal government in the administration of welfare programs, as well as a change in the nature of welfare itself. The federal government is no longer in the business of spelling out how programs should be run. That is left to the states. And the new welfare program, TANF, is not just about providing cash subsidies and emphasizing work -- it is about providing necessary services that enable families to find employment and remain self-sufficient.

Major policy changes, such as the five-year time limit, the strength of the message that TANF is about self-sufficiency, and the flexibility resulting from the devolution of decisionmaking to states, are providing local program managers with the tools to rework human service systems. As the result of these policy changes and the strong economy of

¹ In this paper, the term “human service system” refers broadly to the mix of programs and agencies, both public and private, that deliver benefits and services at the local level to individuals and families in need. Since the paper is about welfare reform and human service systems, the discussion focuses on welfare - related programs. Efforts to build more responsive systems at the local level are also occurring in other human service sectors, such as programs for seniors and basic health programs, which in many locations

the 1990s, cash assistance caseloads plummeted, freeing TANF block grant and state funds to provide a range of services and develop service delivery systems to meet the goals of the new welfare. The recent economic downturn will no doubt have a significant impact on these processes, but the effects of the changing economy are just now being felt. This paper is about the effects of welfare reform on human service systems during the last decade.

For many years, practitioners have known that the term “human service system” is something of a misnomer. In most of the country, human services delivery at the local level is not a system, but rather a patchwork of separate programs, each with its own goals, rules, bureaucracies, funding mechanisms, and service delivery processes. A typical human service system might include: income supports, such as TANF, Food Stamps and Medicaid at a local office of the state department of human services; child support enforcement administered by the county in another office; child welfare and protective services, also run by the county, but in a third office; the Workforce Investment Act “one-stop,” with job training programs, displaced worker programs, and state employment services, in a fourth location; and mental health counseling and drug and alcohol programs provided by a non-profit organization in a fifth location. Needs, such as housing, child care resource and referral, education, and basic health services might be addressed in still other locations. This is not a true system; it is a mix of “stovepipe” programs and services, many serving the same populations, but with little direct interaction, sharing of information, or coordination.

That the typical network of human service programs is not actually a system is not hard to understand. These programs were not designed as a system. Human service

involve larger client populations, but are not the subject of this paper.

programs were designed piecemeal, were created at different times, have different funding mechanisms, are administered by different levels of government and by private organizations, and have different goals, rules, and administrative processes. It is not surprising that practitioners and clients see the “system” as confusing and difficult to manage. What welfare reform did was provide an additional impetus, as well as the policies and resources, to do something about it.

But for changes in policy and devolution to make a difference in the real world, implementation is key. Policy must be translated into successful interactions between caseworkers and clients for welfare reform to succeed. The challenge at the local level is to build connections between the stovepipes to create a system that responds to local needs, and to the extent possible, functions as “a group of interacting, interrelated, or interdependent elements forming or regarded as forming a collective entity.”²

And it is at the local level where, in addition to implementing new policies, practitioners are creating new systems for delivering services in order to reach the goals of self-sufficiency and family stability that are at the heart of welfare reform. In the 1990s, a number of states and counties significantly restructured human service systems to provide better access to benefits and services at the local level. (Practitioners often use the term “service integration” to describe such efforts.)

Beginning in late 2001 and continuing through July of this year, the author visited approximately 30 sites in 11 states where preliminary evidence suggested that significant progress had been made to build more responsive service delivery systems. Funded by a grant from the Annie E. Casey Foundation, the purpose of the visits was to examine the

² The American Heritage Dictionary of the English Language, Houghton Mifflin Company, Boston, MA., 1976, p. 1306.

nature of service integration and document critical success factors and lessons learned at each site. Research to determine potential sites involved contact with a number of national representative organizations, including the American Public Human Services Association, the National Governors Association, the National Association of Counties, the federal Department of Health and Human Services' Administration for Children and Families, and the Rockefeller Institute's team of local researchers and other sources. Additional information on potential sites was provided by local program managers. Attachment 1 is a list of sites visited.

This paper first examines how welfare reform has altered the policy environment in which local systems operate and then discusses an approach to analyzing systems for the purpose of determining the level of integration. A description of structural and procedural strategies for improving service delivery, illustrated with examples drawn from the fieldwork, follows. While policy changes and devolution in welfare reform have accelerated the process of system building, other factors play a critical role in the success of such efforts. As a consequence, factors that were present in many of the sites and had a significant effect on local system reform are also examined. Finally, the paper addresses two questions -- how common are integrated systems, and what are the effects of service integration.

Welfare Reform - New Signals and Devolution

Welfare reform in 1996 was not the first attempt to address the programmatic and operational failures of the old welfare program, Aid to Families with Dependent Children. For example, the Family Support Act of 1988, which created the Job

Opportunities and Basic Skills training program and the first federal child care programs, was designed to move families from dependency to self-sufficiency.

What was different in 1996 was the strength of the signals, coupled with a significant change in the federal/state relationship. Earlier attempts to reform welfare emphasized nationally-determined financial incentives in structuring welfare payments to encourage work. The distinctive thing about the 1996 law is that it has little to say about work incentives -- leaving that up to the states -- but instead calls for doing things, i.e., aiding families by providing services in ways that will enable them to be independent.³

Instead of specifying work incentives or other means of encouraging work, welfare reform gave states the flexibility to decide how to accomplish TANF's goals, and called upon states to help families by providing services that would enable them to work. While the law clearly signaled *what* was expected of states, it left to states the question of *how* to accomplish the goals specified in the law. States would be accountable for performance, but were free to decide how to get there.

[T]he legislation creates a broad block grant for each State to reform welfare in ways that work best. It gives States the flexibility to design their own programs, define who will be eligible, establish what benefits and services will be available, and develop their own strategies for achieving program goals, including how to help recipients move into the work force.⁴

In many cases, the devolution of responsibility for determining how to implement the broad requirements of the law was passed from the state to counties, particularly in states where counties have historically been responsible for program administration.

Many states have devolved new responsibilities and authority down to local entities, which depending on the state may include local

³ *Federalism and the Challenges of Improving Information Systems for Human Services*, Richard P. Nathan and Mark Ragan, prepared for the June 28-29, 2001 Conference of The General Accounting Office and the Nelson A. Rockefeller Institute of Government Working Seminar on Human Services Information Systems, p. 3.

⁴ Temporary Assistance for Needy Families Final Rule, U. S. Department of Health and Human Services, Federal Register, April 12, 1999, p. 17726.

governments, local offices of state agencies, workforce investment boards, or public or private contractors (Nathan and Gais, 1999; Gais et al., 2001; Weissert, 2000). Some states have completely restructured the relations between central state offices and local entities (Adams and Wilson, 2000; Kaplan, 2000), while other states have largely retained their older relationships between state and county agencies (Liebschutz, 2000). The former approach seems to have been more effective in producing institutional support for reform. One other consequence is that the simple distinction between state and county supervised welfare systems under AFDC has been blurred, as many state supervised systems create more decentralized structures (e.g., Crew, 2000).⁵

In addition to devolving responsibility for policy and procedures to the states and then to the local level, TANF does something else equally important to stimulate system building. TANF funds are available not only for cash assistance, but also to pay for a wide range of services both for families that receive cash assistance and for those that do not. This flexibility, an abundance of federal funds due to the decrease in caseloads, and the requirement that states maintain a level of state expenditures (maintenance of effort) have meant that states and localities have been able to support a broad range of services and service providers.

States can... devise programs without time limits or work requirements when they use their own money, spending state funds under TANF's "maintenance of effort" provision, which requires states to spend 75 percent of the state dollars they spent in 1994. States can even use federal TANF funds to provide benefits to low-income families without time limits if those benefits help pay the costs of working, such as child care or transportation.⁶

Comprehensive Human Service Systems

In many of the sites visited in the fieldwork, the effort to create a client-friendly system began before 1996, with the impetus for change coming from local leaders.

⁵ Thomas L. Gais, *Welfare Reform Findings in Brief*, The Nelson A. Rockefeller Institute of Government, Albany, NY, March 1, 2002, p. 2.

Welfare reform did not so much create the impetus for change as accelerate, reinforce, and help underwrite their efforts.

Local program managers interviewed believe that clients benefit from a system of services that is coherent, rather than fragmented -- termed *comprehensive human service systems* for the purpose of this paper. In order to achieve self-sufficiency and to advance in the workforce, poor families often need multiple benefits and services. Program managers believe that the best way to deliver those services is through a comprehensive system, not a complex maze of overlapping and sometimes conflicting programs.

At the Human Services Agency in El Paso County, Colorado, managers shared a method for analyzing levels of cross-program interaction that they have used in planning changes in the county's service delivery system. Their "service delivery operations continuum" places program interactions in the following categories:

Communication ⊢ Cooperation ⊢ Coordination ⊢ Collaboration ⊢ Integration ⊢ Consolidation
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They determine where the relationships between programs fall on the continuum, as well as where they should be. Their goal is to create interactions that are further to the right on the continuum -- where there is greater collaboration and integration. (Attachment 2 is a more complete version of the continuum.) They cautioned that the optimum level of interaction is not necessarily the same for all programs. In some cases, cooperation and coordination are fine. But in general, they attempt to create relationships where there is a high level of collaboration and integration. The scheme above is useful in considering how local efforts to streamline service delivery have progressed and to determine which the best examples of comprehensive systems. By this logic, systems that exhibit

⁶ Thomas L. Gais and R. Kent Weaver, *Welfare Reform and Beyond*, Brief #21, The Brookings Institution, Washington, DC, April, 2002.

collaboration, integration, and consolidation are more comprehensive than those in which interactions involve only communication, cooperation, and coordination.

What does a comprehensive human service system look like? There is no single answer. One of the hallmarks of system building is that the work is, for the most part, local. As a consequence, local demographics, the needs of client populations, the makeup of local government, the availability of resources, local politics, and the skills and relationships of local program managers all influence the service delivery configurations that are developed. Although there are significant differences between approaches in different locations, one common feature is the collocation of programs in one-stop offices. One of the best examples of a comprehensive system at the sites visited was in San Mateo County, California, where program managers have implemented a number of strategies to create a responsive, client-focused human service system.

Peninsula Works in San Mateo County, California

The Human Services Agency (HSA) of San Mateo County is a large organization that includes a wide range of human services programs in a single administrative unit. Income support programs, employment and training programs, youth and family services, housing programs, vocational rehabilitation services, and alcohol and drug services are the responsibility of a single director of human services. But the story doesn't end there. HSA has gone well beyond reorganization, implementing management and staff processes that are designed to facilitate the delivery of services to county residents. Examples of these processes include:

- **Regionalization** – HSA offices are located throughout the county. Staff and managers in these offices have flexibility to implement policies in ways that meet local needs.
- **Matrix Management** – Managers have dual responsibility. They are responsible for office operations within a region *and* for policy in areas of individual specialization. For example, one regional director is responsible for operation of offices within his region and for policies and processes, agency-wide, related to youth and family services.
- **True One-Stop Access to Services** – One-stop offices in San Mateo County are truly one-stop. Clients have access to a broad range of programs in a single location.
- **A Common Intake Process** – The county has implemented a common intake process in which staff trained in multiple programs use a comprehensive screening and assessment tool to determine client needs.
- **Family Self-Sufficiency Teams** – Multi-disciplinary teams that include staff as well as service providers meet weekly to review cases and recommend appropriate services and benefits.

- **Information Systems Support** – HSA has developed and implemented a common case management and client tracking system (SMART) accessible to all staff. The system is linked to a data warehouse that provides information for management decisionmaking.
- **Collaboration with Community Partners** – HSA works closely with 17 Family Resource Centers and 7 Core Service Agencies that provide a range of services to county families, all of which are connected to HSA via the SMART system.

Changes in Human Service Systems - Collaboration, Integration and Consolidation

It would be an oversimplification to suggest that the changes in human service systems described below are due solely to policy changes and devolution in welfare reform. Other legislation, such as the Workforce Investment Act (WIA), state and local policies, and perhaps most importantly, the desire of local practitioners to provide better services, all influence what is happening at the local level. Nevertheless, federalism, as embodied in the welfare reform legislation, has had a profound impact on the landscape of human service programs.

The effects of devolution and these other factors on system building can be characterized broadly as *structural* and *procedural*. Structural changes include changes in the agencies administering human service programs, an increase in the number and types of service providers, and blending of funding streams. Procedural changes include changes in client-related processes, such as collocation of multiple programs in “one-stop” offices, common client intake, assessment, and case management processes, integration of staff from multiple agencies into teams, and integration of client data in shared information systems. In all of the sites visited, the goal of these changes, either explicitly or implicitly, was to create a more comprehensive and responsive system.

Structural Changes

- **Consolidating governance structures**

In many of the sites, efforts to simplify the service delivery system began with or

were supported by a reorganization of government agencies, in some locations at the state level, in other locations at the local level, and in some cases, both. The Oregon Department of Human Services recently underwent a major reorganization of departmental offices in order to consolidate management and operations of the department's many programs at the local level. In Ohio, the state's Labor and Human Services departments were merged to create the Ohio Department of Jobs and Family Services. The Nebraska legislature enacted legislation that reorganized the Aging, Health, Public Institutions, Social Services agencies, and the Office of Juvenile Services, creating the new Health and Human Services System. The San Mateo County Board of Supervisors consolidated several program offices into a single Human Service Agency. In Allegheny County, Pennsylvania, a new Department of Human Services was created by consolidating four separate program offices.

Some of the most comprehensive examples of service integration in the sites visited were in locations where the county agency that administers income support programs also runs the local Workforce Investment Act one-stop. In these sites, the level of integration of income support and employment and training programs was the most complete. Examples include San Mateo County, Montgomery County in Ohio, Racine and Kenosha Counties in Wisconsin, Anoka and Dakota Counties in Minnesota, and Mesa County in Colorado.

The Mesa County, Colorado Workforce Center

For clients, the integration of services at the Workforce Center means that in addition to employment-related services, supportive services and financial assistance are also readily available. When clients first visit the Center, the receptionist determines whether they are seeking only employment services. If so, they are directed to the appropriate location in the office. Clients who express a need for other benefits and services participate in a process that, while clearly focused on employment, is designed to address other needs. Clients first participate in an employment workshop and are given an application packet to complete. At a second visit soon

thereafter, clients attend a class in which the various benefits and services, including child support enforcement and income support programs, are described, and the application is accepted. During the next few days, eligibility for TANF and other programs is determined, and clients are scheduled for a three-day class called “Pay It Forward,” which emphasizes client strengths in the development of Individual Responsibility Plans.

- **Collaborative planning and oversight at the local level**

In many localities, a board or similar body composed of community leaders and local program managers is involved in planning, setting goals, and developing strategies to meet the needs of the local population. In Montgomery County, the Board of Commissioners established the Workforce Policy Board (WPB), which oversees Job Center operations and other county human service initiatives. The WPB includes public and private sector representatives who serve on one or more of four councils: the Employers’ Council, which is responsible for determining the workforce needs of area employers; the Youth Council, which provides input into design and operation of county youth programs; the Adult Education and Training Council, which provides input into the design and operation of adult programs; and the Job Center Partners’ Council, which sets policy and oversees the performance of the Job Center. In Fairfax County, Virginia, the Human Service Council, which is comprised of citizens appointed by the Board of Supervisors, analyzes local needs, assists in establishing strategic goals, facilitates the coordination of human service providers, and acts as a liaison between human service organizations and the community.

- **Collaborating to provide additional services**

The Montgomery County Department of Jobs and Family Services is using TANF and other funds to support a network of local organizations that provide community-based services. Called Targeted Community Based Collaboratives and recently

recognized with an award from the National Association of Counties, these local organizations provide a range of supportive services, such as family crisis intervention and youth mentoring programs, which complement services provided at the county's Job Center.

In Bibb County, Georgia, the local office of the Georgia Division of Children and Family Services, working with local service providers and the city of Macon has developed a number of collaborative projects to bring needed services to local families. Collaboratives include a pediatric clinic, a residential drug and alcohol treatment facility for young mothers, and an alternative education facility for pregnant and parenting teens.

**Bibb County, Georgia
Substance Abuse Treatment Center**

The Substance Abuse Treatment Center is a residential program that allows mothers to receive treatment for substance and alcohol abuse and related problems. Children may reside with their mothers in the facility during treatment and are not placed in foster care. Pregnant women receive an easily accessible, comprehensive array of services including prenatal care, drug and alcohol treatment, individual and group counseling, parenting skills, money management, family planning and other supportive services. This project, currently located in a former school building, is co-sponsored by the Bibb County Department of Family and Children's Services (a state office), which provides an on-site caseworker, River Edge Behavioral Health Services, and the Bibb County Economic Opportunity Council.

- **Integrating funding streams**

The ability to fund services inherent in the TANF statute and regulations gives local managers the flexibility to combine TANF and other funds in order to simplify administration and to provide services that might otherwise be unavailable if each funding stream had to be segregated. The U. S. General Accounting Office, in a recent study of the level of coordination between Workforce Investment Act and TANF programs, reported that "Many state and local officials hailed the flexibility in both the WIA and TANF programs as an important step in helping them to design their service

delivery systems and to coordinate services where appropriate.”⁷ In Racine County, staff combine TANF, WIA, Food Stamp Employment and Training, and other funds to create one system of services for all clients who come to the Racine County Workforce Development Center, a one-stop location for all human service programs in the county.

- **Integrating a wider range of service providers in local systems**

With funding from TANF and other programs, an increasing number of organizations provide core and supportive services. Private, non-profit, community-based, faith-based, and for-profit organizations are involved in planning and delivering the full range of services, including employment and training programs, counseling, basic and behavioral health services, case management, and more.

In addition to providing services, in many locations private providers are being integrated into what have traditionally been governmental processes. In Montgomery County, Goodwill Industries provides case management services. In El Paso County, staff from Goodwill Industries provide employment-related services in the county’s Department of Human Services office. At the same location, representatives of the Faith Partners program connect agency clients on a voluntary basis with church members who provide mentoring support in the transition from welfare to work.

**El Paso County, Colorado
Faith Partners Program**

This is a faith-based mentoring program formed by several local churches in response to welfare reform. Faith Partners assists individuals and families to leave welfare dependency by providing supports to assist in the transition. Mentoring teams of volunteers from the member churches lend encouragement, support, and life skills coaching to families. A team of approximately five volunteers who have committed to serve for one year is assigned to each family in the program.

⁷ *WORKFORCE INVESTMENT ACT: Coordination of TANF Services Through One-Stops Has Increased Despite Challenges*. Statement of Sigurd R. Nilsen, Director, Education, Workforce, and Income Security Issues, U.S. General Accounting Office before the Subcommittee on Employment, Safety, and Training, Committee on Health, Education, Labor, and Pensions, U.S. Senate. GAO 02-739T, U.S. General Accounting Office, Washington, DC., May 16, 2002, p. 23.

DHS provides access to the program by asking clients if they are interested in the program. If so, volunteer coordinators, who are located in the DHS office, make arrangements for a team to begin working with the family.

Procedural Changes

- **Consolidating the location of client services -- Collocation**

As Attachment 1 indicates, the majority of the locations visited have developed one-stop offices as a fundamental strategy to improve service delivery. Collocation is, in many instances, a critical step in facilitating many of the other changes described below. Managers and staff in these sites describe the benefits of collocation in the most glowing terms. They suggest that collocation with other program managers, staff and service providers improves formal and informal communications, facilitates client-related processes by simplifying access to programs and services, and creates bonds between staff from different organizations. Working together helps staff understand how different programs contribute to larger community goals. The size and scope of these offices vary from small, neighborhood-based offices with a few service providers to an eight and one-half acre building in Montgomery County, with 47 service providers.

Montgomery County, Ohio

The Job Center

The Montgomery County Job Center is located in what had been warehouse near the central business district of Dayton. Multiple government and private agencies and service providers currently utilize five and one-half acres of the building, with an additional three acres available for expansion. The building has large areas where workers sit in cubicles as well as fully enclosed offices. One part of the building where many of the service providers are located has large hallways, much like a shopping mall. These hallways are used for job fairs that the Center sponsors twice yearly. In 2001, more than 100 employers participated in each of the job fairs.

The county's vision for economic growth in the region -- in which the Job Center plays a key role -- in emphasizes workforce development and services for employers. As a consequence, the majority of programs and services at the Job Center focus on employment and training and connecting job seekers with employers. Income support programs and employment supports to assist job seekers are readily available. In the Job Center's 2001 Annual Report, these are termed "get-ready-for-the-workplace" services. In 2001, the number of client visits to the Center

exceeded 30,000 per month.

- **Integrating client intake and assessment processes**

In many sites, collocation was one step in a larger effort to simplify and streamline client processes. At the Rogue Family Center in Jackson County, Oregon, staff from each of the approximately 20 programs located at the center spend a few days each month conducting client intake, where they use a standardized assessment tool to determine the need for a wide range of programs and services.

Jackson County, Oregon
The Rogue Family Center

The Rogue Family Center was designed from the outset as a site where multiple programs would be provided in an integrated manner. The 25,000 square foot facility houses approximately 55 staff from twenty-one human service agencies. In addition, located in the building but with a separate entrances are a branch of the county sheriff's office and a Head Start center.

Two managers from different agencies share responsibility for the office, and a Project Integration Team, comprised of management and line staff, plans events, discusses policies and generates new ideas for the center. Thus, line staff are involved in major decisions that affect center operations.

At the Center, new clients go through a single point of entry/common assessment process. All staff participate in this process on a rotating basis. The primary case manager acts as a navigator and is responsible for working with clients and service providers to ensure that clients comply with case plans. Families with complex problems are invited to participate in developing their case plans, along with the agencies that will provide supports, ensuring buy-in by all parties. Communication across programs and agencies is both formal, through team staffings, and informal, in the open cubicles that form the core of the office layout. Formal team staffing meetings are interdisciplinary and are held monthly.

- **Integrating staff from multiple organizations and programs in teams**

One of the advantages of collocation is the ease with which staff from multiple agencies can work together. In many locations, managers have taken the opportunity to move beyond collocation to create multi-disciplinary teams. In Coos County, Oregon, client intake is conducted by a team of staff from the county office of the state

Department of Human Services, the local Community Action Agency, and the non-profit Women's Crisis Center. In Montgomery County, staff from Goodwill Industries work side-by-side with county employees in Integrated Service Teams. In Jackson County, staff from multiple programs and agencies meet regularly to review cases and develop common case plans.

One of the more unique examples of this type of teaming is found in El Paso County. The county's Department of Human Services has adopted a philosophy that seeks to integrate income support programs, such as TANF, with child welfare programs. Typically, these programs are administered separately, even in counties where the same agency has responsibility for both systems. In El Paso County, income support programs are viewed as a form of prevention for child welfare services, such as out-of-home placement. The County created a number of teams that include staff from income support *and* child welfare programs.

- **Integrating information and information systems**

Common complaints among human service practitioners are the limitation on information sharing due to privacy concerns and the related issue of the limitations of current information systems to share data across programs. One low-tech solution that has been successfully implemented in Oregon and many of the other sites is to secure a release of information from clients that allows programs to share information.

Information systems present more complex challenges, but there are encouraging developments on that front as well. Information systems in most state and county human service systems generally reflect the stovepipe nature of the programs. Large, mainframe-based systems have been built in isolation over the last three decades in many programs,

including income support, child welfare, child support, and employment programs. These systems are antiquated, do not use modern technologies, and do not easily adapt to needs such as case management and sharing client information. At the state level, an exception is Nebraska.

Nebraska's N-FOCUS System

N-FOCUS is a fully automated eligibility determination and case management system that integrates twenty-seven human service programs. It is the only system in the country that has integrated child welfare case management functions in the same system as other human service programs. Built in a client/server environment, the system makes use of rules-based artificial intelligence to determine eligibility for multiple programs, including:

- Income Support Programs (TANF, Food Stamps, Medicaid)
- Employment First and Food Stamp Employment and Training
- Child Care
- Emergency Assistance
- Adult Protective Services intake
- Developmental Disabilities case management
- Children and Family Services (Child Welfare programs)
- Social Services for the Aged and Disabled and for Children and Families
- Refugee Resettlement
- Medicaid waiver programs

In addition to assisting caseworkers in determining eligibility, the system has extensive case management functionality, includes information on available resources and services, and is used to make payments to clients and providers. N-FOCUS electronically interfaces with other state and national systems, such as the state Bureau of Motor Vehicles, Unemployment Compensation, the Internal Revenue Service, and the Social Security Administration.

The One Ease-E Link system under development in New Jersey is another example of a case management, screening, and information sharing system that is available to human service professionals throughout the state. If fully implemented, the system could serve as a state-wide tool for managing human service programs.

There are also encouraging developments at the county level. San Mateo County is developing the SMART system, which connects county employees *and* local service providers in a common case management system. Allegheny County has developed the

E-CAPS system, which is designed to provide common case management and information sharing for county-administered programs.

Critical Success Factors

It would be a mistake to assume that policy changes, devolution, and the flexibility of TANF funds will in and of themselves ensure that local systems are improved. As evidenced at the sites visited, a number of other factors contribute to an environment in which the development of a comprehensive service system is more likely to occur.

- **Visionary leadership**

In most of the sites visited, managers traced efforts to improve service delivery to one or a small number of leaders who were able to enlist the support of the human services community. In Montgomery County, the visionary was a member of the business community with a keen interest in human service issues; in Jackson County, it was a county commissioner; in Bibb County, it was a leader who had held various city, county, and state political offices and the county director of state human service programs. While the beginnings of comprehensive service initiatives can be traced to a small number of visionary leaders, the vision was supported by local program managers, business leaders, and the leadership of organizations that provide services, such as the school system.

- **A willingness to take chances, experiment and change**

Time after time, managers spoke of their independence from higher-level bureaucracy, that it was better to “ask for forgiveness, rather than permission.” They value the flexibility inherent in the TANF program, which has provided the means to

implement innovative and untried strategies. If a new approach is unsuccessful, they are willing to change direction.

- **Measuring performance**

Managers pay close attention to performance indicators, including those required by state and federal agencies as well as locally-developed performance and outcome measures. The Job Center in Montgomery County contracts for quarterly customer service surveys of job seekers and employers. San Mateo County recently implemented a county-wide budget process that links program funding to performance. The system, called Outcome-Based Management and Budgeting, requires the Human Services Agency to set priorities, document accomplishments, and measure performance.

- **Staff training and development**

A common issue mentioned time and again in our interviews was the need for continual staff training and development. Cross-program training at regular intervals is conducted in almost all of the sites. In many locations, staff responsibilities have changed to reflect a case-management and service-oriented approach, with eligibility determination functions and case management functions combined in a single staff position.

- **Teams, teams, and more teams**

As is probably apparent from the descriptions above, staff at the sites visited participate in teams -- management teams, team staffings, teams focused on specific client populations, teams that set agency goals and priorities, etc. At all of these sites, managers stressed the importance of teams, not just to accomplish the specific purposes for which the teams are formed, but also as a means of developing personal bonds,

sharing information, and learning more about the role of each program and service in meeting community needs.

- **Resources**

In many of the sites, resources beyond federal and state program funds were needed to initiate and support local efforts to improve services. In Allegheny County, a local foundation funded the development of the county's new information system. In Montgomery County, a portion of the county levy is used to support the Job Center.

A number of the sites fund full-time staff positions with responsibility to facilitate the integration of services. Mesa, Jackson and Montgomery are among the counties that have hired managers to direct the operation of and facilitate partner interactions at county one-stop offices. Fairfax County created the Department of Systems Management for Human Services, with responsibility to improve access to services, facilitate service integration, and increase civic engagement.

**The Fairfax County, Virginia
Department of Systems Management for Human Services**

In order to facilitate coordination and integration of services and to improve access to and availability of services, the county created the Department of Systems Management (DSM) for Human Services. DSM focuses efforts in three areas:

- **Access:** ensuring access to human services by building the community's capacity to provide services, raising public awareness of available resources, and strengthening public services to meet community needs.
- **Service Integration:** promotes service integration at all levels of service planning and delivery, including coordinating individual residents' service plans across public and private agencies, and supporting strategic partnerships, process coordination, and operational collaboration among public and private service agencies.
- **Community Involvement:** promoting civic engagement for all members of the community by providing meaningful opportunities for involvement to residents, community based agencies, civic organizations, and interested citizens.

DSM staff include Coordinated Service Planners, Regional Managers, and what is, in effect, an in-house consulting staff. Coordinated Service Planners connect county residents with

government and community services at call centers (see below). Regional Managers do not have line authority over programs and services in the regional offices, as the name suggests. Rather, they are responsible for coordinating services and developing community resources at the local level. Research, Analysis, and Project Services is an in-house consulting staff who perform a number of functions to facilitate county service initiatives and integrate services. These functions include gap analysis, process analyses and mapping, data analysis and data collection, benchmarking and policy analysis. Recent products include an extensive study of the local immigrant and refugee communities.

- **Time and patience**

Another common theme is that developing a comprehensive human service system takes time and patience. Many of the sites have been involved in system building for a decade or more, and managers suggest that there is still much work to do; in none of the sites visited did managers suggest that they had finally succeeded, that they were “there.” Changes in local politics, demographics, the economy, and program requirements create continuing challenges.

- **Size matters**

One local manager used the term "Goldilocks county" to define one of the factors critical to the success of local efforts to integrate services. The county was "not too big, and not too small, but just the right size." By this, he meant that the county was large enough to have the resources and service provider community to meet the needs of the client population, but not so big as to be encumbered by large bureaucracies and an overwhelming number of service providers.

Additional Research Needs

How common are comprehensive service systems, and what difference does it make to deliver services in a more cohesive manner? The first question is more easily answered than the second.

The Rockefeller Institute's study of service integration, which provided much of the information cited in this paper, was not a survey of all states and counties. The locations visited were purposely selected as being among the better examples of service integration. As a consequence, it should not be assumed that these sites represent the norm. Quite the opposite is more likely the case. The U.S. General Accounting Office recently reported on the level of integration between Workforce Investment Act one-stop offices and Temporary Assistance for Needy Families programs around the country. Based on site visits and surveys that provided information from all states in 2001 and 2002, they reported that

16 states... provided cash assistance services at least part time at the majority of their one-stop centers, compared with 9 states in 2000. Collocation of Food Stamps and Medicaid remained the same: seven states reported in both years that they provided those services at least part time at the majority of one-stops.⁸

TANF and WIA serve overlapping client populations. The fact that only 16 states reported a significant level of integration (collocation) between the programs and that even fewer states reported collocation of Medicaid and Food Stamp programs with WIA one-stops is a clear indication that service integration across multiple human service programs is the exception.

The General Accounting Office also provided information that bears on the second question -- what difference do comprehensive, integrated systems make?

While research shows that a variety of conditions influence if, and how, states and localities choose to coordinate TANF services, limited research is available on the effectiveness of coordinated service delivery on TANF

⁸ WORKFORCE INVESTMENT ACT: Coordination between TANF Programs and One-Stop Centers Is Increasing, but Challenges Remain. Statement of Sigurd R. Nilsen, Director, Education, Workforce, and Income Security Issues, U.S. General Accounting Office before the Subcommittee on 21st Century Competitiveness, Committee on Education and the Workforce, House of Representatives. GAO 02-500T, U.S. General Accounting Office, Washington, DC., March 12, 2002, p. 10.

clients' outcomes. In our analysis of the literature, we did not find a national study that compared the effectiveness of coordinated service delivery to that of other service delivery methods in supporting successful outcomes for welfare clients. Without research on the effectiveness of coordinated service delivery, states and localities must make decisions without the benefit of thorough evaluation and analysis.⁹

That is not to say that there is no evidence whatsoever that building comprehensive systems has no impact. Managers and staff at the sites visited universally praised the benefits of collocation and service integration. They suggested that benefits include better communication, both formal and informal, improved staff morale, a greater appreciation of the role of each program in achieving goals and helping families, the ability to more easily target multiple resources on community needs, and better results for clients.

Customer satisfaction surveys are conducted regularly in many of these sites, and the results almost universally indicate that the large majority of clients are satisfied with the services that they receive. These offices also fare well in comparison to their peers with regard to program performance measures, such as TANF participation rates and starting salaries for clients who become employed after receiving services. But in none of the sites were these measures directly attributable to steps taken to simplify and streamline access to services, nor have any of the sites implemented rigorous, longitudinal and comprehensive outcome measurement processes that would indicate the effects of multiple programs on such factors as family well-being and stability. Consequently, a second round of site visits is intended to focus on questions related to the effects of developing comprehensive service systems.

⁹ WORKFORCE INVESTMENT ACT: States and Localities Increasingly Coordinate Services for TANF Clients, but Better Information Needed on Effective Approaches, GAO 02-626, U. S. General Accounting Office, Washington, DC, July, 2002, p. 22.

Conclusion

Building comprehensive systems is not a simple task. As one manager put it, “The only people who like change are wet babies.” Nevertheless, the leadership, program managers, and staff in the offices visited for this research have expended considerable time and effort to build better service delivery systems. While many of these efforts initially met with resistance, managers and staff now say that they would never go back to the old ways of doing business.

Policy changes, funding flexibility, and devolution in welfare reform in 1996 were not the only factors motivating these efforts; other factors, such as leadership, governance structures, and community involvement play critical roles. Nevertheless, welfare reform has made a considerable difference by strengthening the signals that welfare is no longer a long-term option, that providing services to assist families to achieve self-sufficiency is important and necessary, and by giving states and localities the flexibility, and the means, to support system building. Perhaps the single most significant contribution was to give local managers the sense that they have control over the system, that their efforts to plan and implement new strategies to improve services and create comprehensive systems are making a difference.

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Attachment 1

Human Service Systems

The following chart lists principal sites visited for the study of service integration in chronological order. With the exception of Allegheny County, PA., the local sites on the list were the location of, at a minimum, income support programs (TANF, Medicaid and Food Stamps.) The chart also indicates the governmental unit responsible for program administration of income support and other key programs, whether those other programs were located with income support programs, and integration strategies at the sites, including whether a major reorganization of the agency with responsibility for income support programs has occurred, whether income support and other programs and services are located in a one-stop office, whether non-governmental service providers (third party services) are located at the same site, and whether multi-disciplinary teams and common client intake processes are in place.

SITE	PROGRAMS				INTEGRATION STRATEGIES				
	Income Supt	WIA	Child Welfare	Child Supt	Agency Reorgan-ization	One-Stop Offices ¹⁰	Third Party Svces	Multi-Discip. Teams	Common Intake Process
Jackson Cty, OR	State	No Other	Yes State	Yes State	Yes State	Yes	Yes	Yes	Yes
Coos Cty, OR	State	Yes Other	Yes State	Yes State	Yes State	Yes	Yes	No	Yes
Atlantic Cty, NJ	County	No Other	No State	Yes Cty	No	Yes	Yes	No	No
Bibb Cty, GA	State	No Other	Yes State	No State	No	No	Yes	No	No
Allegheny Cty, PA	State	No Other	Yes Cty	No State	Yes Cty	No	No	No	No
Fairfax Cty, VA	Cty	Yes Cty	Yes Cty	No Cty	Yes Cty	Yes	No	No	No
Lincoln, Nebraska	State	No Other	Yes State	No State	Yes State	Yes	No	No	No
Mesa Cty, CO	Cty	Yes Cty	No Cty	No Cty	Yes Cty	Yes	Yes	Yes	Yes
El Paso Cty, CO	Cty	No Local	Yes Cty	Yes Cty	Yes Cty	Yes	Yes	Yes	Yes
San Mateo Cty, CA	Cty	Yes Cty	Yes Cty	Yes Cty	Yes Cty	Yes	Yes	Yes	Yes
Montgomery Cty, OH	Cty	Yes Cty	No Cty	No Cty	Yes Cty State	Yes	Yes	Yes	Yes
Racine Cty, WI	Cty	Yes Cty	Yes Cty	No Cty	Yes State	Yes	Yes	Yes	Yes
Kenosha Cty, WI	Cty	Yes Cty	No Cty	Yes Cty	Yes Cty, State	Yes	Yes	Yes	Yes
Anoka Cty, MN	Cty	Yes Cty	No Cty	No Cty	Yes Cty	Yes	Yes	Yes	Yes
Dakota Cty, MN	Cty	Yes Cty	Yes Cty	Yes Cty	Yes Cty	Yes	Yes	Yes	Yes

Cty = County Other = Administration by other than the county or the state

¹⁰ Sites where the majority of local human service programs are available at one-stop locations.

Attachment 2

Service Delivery Operations Continuum¹¹

	Communication	Cooperation	Coordination	Collaboration	Integration	Consolidation
<i>Communication</i>	Clear, consistent and non-judgmental discussions and giving or exchanging information in order to maintain meaningful relationships. Individual program or causes are totally separate.					
<i>Cooperation</i>	Assisting each other with respective activities, giving general support, information, and/or endorsement for each other's programs services or objectives. Policy and consumer decisions are often/usually autonomous; but agencies, groups or individuals can comfortably work together towards mutual gains.					
<i>Coordination</i>	Joint activities and communication are more intensive and far reaching. Agencies or individuals engage in joint planning and synchronization of schedules, activities, goals, objectives and events. These efforts may be coordinated, but policy and budget decisions are still relatively independent. Program or advocacy accountability and outcomes are distinct, however, mutual gains are desirable, and participants consider each other equal.					
<i>Collaboration</i>	Agencies, individuals or groups willingly relinquish some of their individuality or autonomy in the interest of mutual gains or outcomes. True collaboration involves actual changes in agency, group or individual behavior, operations, policies, budgets, and even staff or power resources in order to support the collective goals or ideals.					
<i>Integration</i>	Relationships evolve from collaboration to actual restructuring of services, programs, memberships, budgets, missions, objectives, and staff. Missions, target populations, functions, and even power are shared so that the individual "parts" make up a stronger "whole." More individuality and autonomy are surrendered.					
<i>Consolidation</i>	Agency, group or individual behavior, operations, policies, budgets, staff and power are united and harmonized. Individual autonomy or gains have been fully relinquished towards adopted common outcomes and identity.					

¹¹ The Service Delivery Operations Continuum was developed by a community-based committee facilitated by the El Paso County, Colorado Department of Human Services.