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**HOUSE JOINT RESOLUTION NO. 60**  
**AMENDMENT IN THE NATURE OF A SUBSTITUTE**  
 (Proposed by the Senate Committee on Rules  
 on February 24, 2006)

(Patron Prior to Substitute—Delegate Nixon)

*Directing the Joint Legislative Audit and Review Commission to evaluate the administration of the Comprehensive Services Act. Report.*

WHEREAS, the Comprehensive Services Act (CSA) was created in 1992 to establish a comprehensive system of services and funding through interagency planning and collaboration in order to better meet the needs of troubled and at-risk youth and their families; and

WHEREAS, concerns associated with the total general fund cost of the program (more than \$194 million in fiscal year 2001) and the average rate at which these costs have been increasing (approximately 10 percent annually) prompted the 2002 General Assembly to pass budget language directing the Secretary of Health and Human Resources to develop and implement a plan for improving services and containing costs in the treatment and care of children served through the CSA; and

WHEREAS, financial support provided by the Commonwealth and local governments for early intervention services for youth and their families and community services for troubled youth who have emotional or behavior problems continues to increase; and

WHEREAS, these program costs are often unpredictable and have dramatically increased each fiscal year, making fiscal planning and budgeting a difficult process for local governments; and

WHEREAS, the Joint Subcommittee Studying Youth and Single Family Group Homes in the Commonwealth, pursuant to House Joint Resolution 685 (2005), has studied the regulation of and zoning and siting issues, services, and reimbursement for children's residential facilities or group homes in the Commonwealth; and

WHEREAS, the Joint Subcommittee has recommended legislation to increase accountability and improve regulatory authority for disciplinary actions in egregious situations; and

WHEREAS, the Joint Subcommittee has received comprehensive data on the regulatory programs for group homes, particularly the interdepartmental regulation of children's facilities through the Departments of Education; Juvenile Justice; Mental Health, Mental Retardation and Substance Abuse Services; and Social Services and the regulation of adult group homes by the Department of Mental Health, Mental Retardation and Substance Abuse Services; and

WHEREAS, although the Joint Subcommittee believes that redundant and duplicative regulatory requirements are unnecessary, the members were disconcerted by the failure of the interdepartmental program to take steps to develop regulations to implement requirements enacted by House Bill 2461 and Senate Bill 1304 in 2005 and concerned about the bureaucratic weight caused by requiring four regulatory boards and their departments to "cooperate" in setting and enforcing facility standards; and

WHEREAS, in addition, the Joint Subcommittee received voluminous data on the costs and statistics of placements through the CSA that only served to emphasize the gaps in statewide data on the rates being paid by localities for group home reimbursement of CSA children, the glaring fact that many children are placed out of their home jurisdictions into such group homes, and the apparent lack of monitoring of placements across jurisdictional lines by the responsible parties; and

WHEREAS, the Joint Subcommittee believes that a detailed examination of the rates paid for, efficacy of, and the accountability for Comprehensive Services Act placements must be conducted, as well as an analysis of the interdepartmental regulatory program to determine whether stricter standards, rate setting, and perhaps other measures should be taken to ensure the safety of the vulnerable children placed in group homes; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Legislative Audit and Review Commission be directed to evaluate the administration of the Comprehensive Services Act.

In conducting its study, the Joint Legislative Audit and Review Commission shall:

1. Evaluate the costs, quality, and reimbursement of children's residential services;

2. Examine the interdepartmental regulation of these facilities;

3. Assess the administration of the CSA by state and local governments, including the methodology for projecting caseloads and the costs and adequacy of funding to administer the program at the state and local levels;

4. Ascertain the total costs of CSA residential services for state and local governments and offer recommendations to improve services and contain costs. In conducting this evaluation, the Commission shall examine the current practices of negotiating contracts with residential service providers and identify and assess alternatives that may be more cost effective than current contracting practices, including: (i) analyzing the costs and rates paid, whether the Commonwealth and localities are receiving quality

60 services for the funds expended, and whether group homes and campus facility rates for the placement  
61 of CSA children are set rationally and cost effectively; (ii) evaluating effective strategies for negotiating  
62 and reporting group homes and residential facilities rates; and (iii) requiring a state agency or  
63 instrumentality, such as the Office of Comprehensive Services, to negotiate statewide or regional  
64 contracts for residential treatment services funded from the state pool for such services;

65 5. Consider whether residential facilities that provide "medically necessary" services should be  
66 qualified Medicaid providers in order to receive payment from the state CSA funding pool as a means  
67 of containing costs;

68 6. Determine the regulatory and fiscal steps that may be necessary to contain costs, procure quality  
69 services, ensure accountability for services, and protect the health, safety, and welfare of children placed  
70 in residential facilities, particularly children placed across jurisdictional lines when appropriate services  
71 are not available in their communities;

72 7. Evaluate the quality and capacity of services available to and provided for CSA children and their  
73 families;

74 8. Identify the impact of cross-jurisdictional placements on (i) CSA children without immediate  
75 access to their families, communities, and support networks and (ii) local jurisdictions, including but not  
76 limited to, services that are not reimbursed through CSA, such as law enforcement, fire protection,  
77 mental health services, and education;

78 9. Determine whether CSA children receive appropriate care, case management, education,  
79 supervision, and quality assurance by the funding jurisdiction, whether steps should be taken to increase  
80 services in the home jurisdictions of such children, and identify barriers to serving CSA children in their  
81 communities;

82 10. Evaluate the costs and benefits of requiring the local entity responsible for the placement of  
83 children across jurisdictional lines, due to a lack of appropriate services and facilities in the home  
84 locality, to initiate the development of community-based services, including group homes or other  
85 services, to serve the needs of such children and their families and to stimulate the implementation of  
86 community-based services; and

87 11. Assess the regulatory structure and implementation of the Standards for Interdepartmental  
88 Regulation of Children's Residential Facilities to determine whether the interdepartmental program  
89 should be continued and whether returning the regulatory responsibility for residential facilities to the  
90 relevant state agencies would increase accountability and ensure the safety, health, and welfare of the  
91 children placed in residential facilities.

92 Technical assistance shall be provided to the Joint Legislative Audit and Review Commission for this  
93 study by the Office of Comprehensive Services, and the Departments of Social Services, Education,  
94 Juvenile Justice, and Mental Health, Mental Retardation and Substance Abuse Services. All agencies of  
95 the Commonwealth shall provide assistance to the Commission for this study, upon request.

96 The Joint Legislative Audit and Review Commission shall complete its meetings for the first year by  
97 November 30, 2006, and for the second year by November 30, 2007. In each year, the Chairman shall  
98 brief the Joint Subcommittee to Study the Cost Effectiveness of the Comprehensive Services for At-Risk  
99 Youth and Families Program (SJR 96, 2006) no later than November 1, and shall submit to the House  
100 Committee on Finance, the House Committee on Appropriations, the Senate Committee on Finance, the  
101 Senate Committee on Education and Health, the House Committee on Health, Welfare and Institutions  
102 and the Division of Legislative Automated Systems an executive summary of its findings and  
103 recommendations no later than the first day of the next Regular Session of the General Assembly. Each  
104 executive summary shall state whether the Chairman intends to submit to the General Assembly and the  
105 Governor a report of its findings and recommendations for publication as a House or Senate document.  
106 The executive summaries and reports shall be submitted as provided in the procedures of the Division of  
107 Legislative Automated Systems for the processing of legislative documents and reports and shall be  
108 posted on the General Assembly's website.