

Recommendations for Administrative Flexibility: Supporting Interagency Efforts to Reconnect Disconnected Youth

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Years of research and practice have shown that reconnecting disconnected youth is difficult, if not impossible, within the bounds of a single intervention. Unless the single intervention is, in reality, not a single program—even a comprehensive one—but rather, a reasonably complex strategy to change young people’s environments and opportunity structuresⁱ. Success with disconnected youth, therefore, requires a sophisticated effort which crosses over multiple departmental lines.

State and local leaders understand the vital importance of providing children and youth with a seamless continuum of supports from cradle to college and career, but they are handed a fragmented set of funding streams with which to do the job. Some level of fragmentation is inevitable: Legislatures are divided into committees and executive branches are divided into departments for a reason. If every policy had to be comprehensive, nothing would ever get done. And political realities are such that consolidating programs for disconnected youth into a broad, flexible block grant is not viable – working across multiple congressional subcommittees to create such a program is difficult, and building a vocal enough constituency to sustain support for such a broad program is unrealisticⁱⁱ.

We are left therefore with a system of multiple federal funding streams which, to effectively reconnect disconnected youth, must be transformed by state and local leaders into a reasonably comprehensive strategy to change young people’s environments and opportunities. They need to find a way to put in place a comprehensive enough array of programs to meet the range of youth’s needs, interests and aptitudes. They need to develop an intake system which connects each young person to the right set of available services, supports and opportunities. They need to establish a data, accountability and quality improvement system to avoid waste, fraud and abuse, ensure funds are directed toward effective efforts and continually improve the array of available offerings. They need the capacity to apply for available grants, and to meet the reporting requirements of the grants they receive. They need a governance structure which brings together the range of leaders, departments and sectors that need to work together to collectively oversee, and be accountable for, such a comprehensive system.

Examples of federal funding streams which can be used to reconnect disconnected youth:

- WIA youth employment programs
- Job Corps
- 21st Century Community Learning Centers/ Extended school day funds/ Supplemental Education Services
- GEAR UP
- HHS Child Development Block Grant
- TANF
- Safe and Drug free Schools/Safe Schools Healthy Students
- Title V
- Free and Reduced Lunch, USDA Cooperative Extension support, and other USDA food, nutrition and summer programs.
- Federal Safe and Drug Free Schools
- OJJDP’s Civil Rights/Anti-bullying/Juvenile Justice programs
- SAMSHA’s Substance Abuse Prevention Block Grant, State Incentive Grants, and Partnerships for Success: State and Community Prevention Performance Grant
- CDC’s Suicide Prevention; Teen Pregnancy Prevention, Youth Violence Prevention
- HHS, ACYF, FYSB’s PREP (Personal Responsibility Education Program) grants to states provide evidence-based programming focused on teen pregnancy prevention
- HHS Title X funds to the Family Planning Associations¹.
- Education system dropout recovery programs (such as IDEA and the High School Graduation Initiative)
- Justice and substance abuse reentry programs
- Community Mental Health Services Block Grant
- Child welfare (Title IV-E and, to a lesser extent, IV-B)
- Housing programs
- Medicaid
- Dept of Ed Vocational Rehabilitation Grants to States
- Education for Homeless Children and Youth Grants
- Community Services Block Grant
- FYSB Runaway and Homeless Youth Program

Along with the good that each new funding stream creates, each new federal program also introduces some friction into the system, making such transformation more difficult. Most new funding streams bring with them new specific eligibility criteria and allowable uses of funding which must be followed; data, accountability and quality improvement systems which must be developed; grant application and reporting requirements which must be adhered to; and specified governance and advisory structures which must be established. Collectively, this friction makes it unreasonably difficult to put in place the types of “reasonably complex strategies” which are needed to prevent and reconnect disconnected youth, and wastes too much time on duplicative and redundant administrative tasks that could be better spent working with the target population.

This white paper lays out some of the existing barriers to comprehensive efforts along with some sensible steps federal policymakers can take to make it easier for people on the ground to align the myriad funding streams into a comprehensive solution to reconnect disconnected youth. It was created by taking the document “Recommendations for Administrative Flexibility,” which focused on five areas (Year-Round Afterschool Child and Youth Development Services; Prevention Efforts; Supporting Multi-System and Disconnected Youth; Providing Appropriate Residential Placements; Early Childhood Development Supports), pulling up only the barriers and solutions related to reconnecting disconnected youth, and placing them into a set of functional categories: Governance and Advisory Structures; Eligibility and Intake Processes; Allowable Uses of Funds; Data, Accountability and Quality Improvement Systems; and Grant Application, Administration and Reporting Requirements.

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- Florida Children and Youth Cabinet
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- Maine Children’s Cabinet
- Maryland Children’s Cabinet
- New Mexico Children’s Cabinet
- New York Commission on Children and Families
- Pennsylvania Commission on Children and Families

Governance and Advisory Structures

Over the years, policies requiring the creation of a new governance and advisory structure focused on a narrow topic have left many states and communities with dozens of separate concurrent collaborations. As one state leader put it, “I used to have to bridge 17 different departments; now I have to bridge 17 different coalitions!”

Examples of barriers

- Many federal programs have their own requirements for state advisory groups, which makes it difficult to merge these groups despite their overlapping missions.

Examples of potential solutions

- New policies should allow the topic du jour to be addressed by existing governance structures/collaborations/advisory bodies, if effective ones exist and are willing and able to address the new topic.
- Agencies should clearly and explicitly communicate where existing policies allow for existing governance structures/collaborations/advisory bodies to be used instead of creating new ones.
- Where current guidance does not allow for such flexibility, waivers should be offered.

Eligibility Criteria & Intake Processes

Policies with restrictive eligibility criteria and narrowly-defined allowable uses leave local providers shaking their heads, wondering if they really have to close the door on a young person in need just because he or she doesn't fit the right category. Disconnected youth almost always need supports from multiple systems at once, requiring them to navigate multiple different eligibility criteria and intake processes just to receive the services they need.

Examples of barriers

- *Diagnosis/assessment systems.* Currently a young person has to get diagnosed under an assessment to access Medicaid-funding services, and then get diagnosed with the same disorder under a different assessment to access IDEA-funded services.
- *Medicaid eligibility.* It is currently interpreted as only providing those services that are "medically necessary" to meet the mental health needs of youth, with a narrow interpretation of "medically necessary." (States report that “part of the problem here is that [the state HHS department] has been chastised for providing services that the Feds did not believe were a fit under definitions for an 'insurance' program, which is what Medicaid actually is. Thus the increased restrictiveness.”) Also, Medicaid will fund services for a child, but not for the child's family. This restriction might prevent funding for family- and home-based therapy that would be more effective than a therapy targeted only at the child.
- *Emotional disturbance eligibility definition.* The definition of emotional disturbance should be consistent between federal agencies. (It is currently different under IDEA, SSA and Medicaid/CMHS.) Under IDEA, the term emotional disturbance "does not apply to children who are socially maladjusted, unless it is determined that they have an emotional disturbance." Socially maladjustment is a somewhat unscientific and contentious term.
- *Job Corps eligibility.* The document “Facts about the Job Corps for Courts, Institutions, and Other Agencies” unnecessarily restricts certain categories of youth involved with the juvenile justice system from participating in Job Corps, such as felony level juveniles who are under supervision (e.g., outstanding restitution or community service work).
- *Title IV-E eligibility.* Title IV-E funds cannot be used to *prevent* out of home placement (which is more cost-effective than paying for out of home placement). While the Federal government has granted

several IV-E demonstration waivers addressing other barriers, it has not yet granted waivers to allow states to use Title IV-E funding to keep kids at home.

- *Eligibility for short-term foster care/emergency shelter.* Title IV-E funds can pay for room and board (but not services), and Medicaid can pay for services (but not room and board). So young people have to qualify for both Title IV-E and Medicaid to get Therapeutic Foster Care, which creates confusion and increases the likelihood that the young person in need will fall through the cracks between these two systems.
- HUD's requirement to prove homelessness before being eligible for housing. The United States Code contains the official federal definition of homeless (in Title 42, Chapter 119, Subchapter I). Currently, the HUD definition of homelessness excludes people living in motels, as well as those who are sharing the housing of others temporarily because they have nowhere else to go. However, both of these living situations are considered "homeless" by other federal programs, including public schools, Head Start, Runaway and Homeless Youth Act, and Early Intervention. In 2008-2009, 72% of all homeless children and youth enrolled in public schools lived in these situations described above and therefore were not eligible for HUD homeless services.
- There is state-level variability in the federal restriction on using Medicaid for services for "inmates of public institutions." Using juveniles as an example, some states interpret this restriction to mean that they must revoke Medicaid eligibility when a youth is detained but not yet adjudicated, or after a youth is committed at a disposition hearing. Some states allow the youth to remain on the Medicaid rolls but do not request federal reimbursement for services while the youth is committed.
- The federal Basic Centers program, which funds shelters across the country currently has little interest in the youth at-risk population we are concerned about, especially if kids are not already homeless.
- The Intensive Temporary Residential Treatment (ITRT) process works only for kids who need out-of-home placements *AND* who essentially meet inpatient hospitalization criteria (in other words, a level of mental illness that would warrant inpatient hospitalization). There are other criteria, too (the need to have exhausted in-home services, etc.) The kids who need to be out of their homes because of risk issues (theirs or their parents) most often do not meet those criteria and fall through the cracks –often ending up in detention.
- There are many youth who present with both mental illness and chemical abuse/addiction (MICA) and criminogenic issues but the systems do not appear to consider the whole need of the youth. There are youth who have relatively minor criminal risk, i.e., they have committed only one or very few misdemeanor crimes. Many of these youth also have relatively minor learning deficits (such as difficulty reading) and minor mental health diagnoses (not all have been evaluated or diagnosed) such as depression, anxiety, and Attention Deficit Hyperactivity Disorder (ADHD). Despite having little criminal history and relatively minor mental health diagnoses, these youth are not attending school, may be refusing to live at home due to parental conflict, may be engaging in very risky (i.e., drug-related or criminal) activity that is not charged and the courts seem to have insufficient resources to access either system.

Examples of potential solutions: Broaden eligibility criteria, provide eligibility waivers, align and streamline intake processes

- New policies should allow one diagnosis/assessment to be sufficient for services funded by different agencies, and should ensure special target populations are reached without preventing disconnected youth who are clearly at risk but fall outside of a narrowly defined set of criteria from accessing services. Based upon the youth's personal needs as identified by the assessment, there could be a continuum of low to high supports across agency lines.
- Agencies should clearly and explicitly communicate where existing policies allow for flexibility among interagency intake processes and eligibility criteria.

- Where current guidance does not allow for such flexibility, waivers should be offered (and/or perhaps allow state regulations and definitions to be used instead of federal ones). For example:
 - Allow a young person who needs short-term foster care/emergency shelter to need only to qualify for Title IV-E or Medicaid to receive *both* room and board covered by IV-E *and* services covered by Medicaid.
 - Expand Multiple Systemic Therapy or Multi-dimensional treatment for youth in foster care by expanding MST/MDT to support high-risk, non-state custody youth.
 - Have Job Corps apply the same eligibility for criteria for felony level juveniles under supervision that currently exists for juveniles under supervision for misdemeanors.
 - Expand the Medicaid definition of “medical necessity” to include delays/deficits in areas of developmental and adaptive functioning, such that measures of psychological, emotional, adaptive, and/or social functioning with identified qualifying parameters would automatically result in approval for services. This would be true whether or not the child met criteria for the current definition of medical necessity or had a currently accepted diagnosis (like a v-code).
 - Create a common definition of “emotional disturbance” across IDEA, SSA and Medicaid/CMHS, and remove the vague “social maladjustment” definition.
 - Congress passed legislation in 2009 to expand the HUD definition of homelessness. However, those changes, while significant, are not sufficient: Many homeless children and youth remain ineligible under the complex new rules. H.R. 32, The Homeless Children and Youth Act of 2011 would create a streamlined referral process so that vulnerable children and youth who are identified by other federal programs are eligible for HUD-funded emergency and transitional housing, as well as critical support services. It amends the HUD definition of homelessness to include children, youth, and their families who are verified as homeless by school district liaisons, Head Start programs, Runaway and Homeless Youth Act programs (RHYA), and early intervention programs under the Individuals with Disabilities Education Act, Part C.
 - Title IV-E waiver and IV-B funds could be useful for temporary, therapeutic placements, and definitions could be aligned to allow youth to stay in temporary housing without parental consent. (Currently, runaway youth can stay without parent’s permission, but respite requires parental consent.)

Allowable Uses of Funds

Once a local provider has established that the young person is indeed eligible for services, they next have to figure out if they are allowed to provide the young person with the type of support necessary to address their particular situation. If what the youth needs isn’t the exact intervention for which the funding was intended, they may miss a critical opportunity to reconnect the young person in front of them. And since most disconnected youth have multiple needs, it becomes extremely difficult to match their needs with each of the providers who have funding to provide the needed services.

Examples of Barriers

- Lack of coordination between WIA program guidance and Education’s afterschool and summer learning programs funds via 21st CCLC to maximize academic and work-force skills development year-round. Grant (and encourage) waivers for states wishing flexibility to use Title IV-E funding to prevent imminent out-of-home placement.
- Make it easier to access Title IV-E (foster care and adoption) waivers and use this funding to keep children at home who are in imminent danger of out of home placement. (This could also help with temporary and emergency placement.)

- Design federal policies and rules to encourage the provision of mental health services and early interventions before a disorder becomes serious enough to qualify for special education services.
- A Medicaid managed care waiver (around a capitated system of care) could have the flexibility to allow for more services of a less “medical” nature, which would better allow for planning for a youth’s individual needs.
- *Case Manager*. The definition of “case management/case manager” varies from federal agency to federal agency, and needs to be better aligned.
- *Federal “zero-tolerance” laws*. These are often misinterpreted to allow for expulsion for any locally-defined cause (which studies show do harm).

Examples of potential solutions: Align definitions and expand allowable uses of funds to include effective interagency strategies for serving disconnected youth; consider allowing blending/braiding of funds

- New policies should use common definitions of types of services funded by different agencies, and should ensure that the funding can be used flexibly for a range of proven effective interagency strategies for helping disconnected youth, as long as they are willing to be held accountable for results.
- Agencies should clearly and explicitly communicate where existing policies allow for flexibility among allowable uses of funds for reaching disconnected youth. For example:
 - Communicate that the Basic Centers programs should (or at least could) have a stronger focus on at-risk kids to expand short term emergency placement capacity for this population.
- Where current guidance does not allow for such flexibility, waivers should be offered. For example:
 - Interagency case managers: Most federal programs fund case managers, so that a youth involved with multiple systems might end up with several case managers. Wouldn’t it make more sense for federal agencies to pool youth case management funds, so that each youth/family has one case manager that coordinates services funded by multiple sources?
 - Federal agencies could provide clear direction that encourages states and their local LEA’s to abolish “zero-tolerance” policies, which exist federally to ban weapons near or on school-grounds. (Maybe encourage LEA’s to partner with or develop alternative educational programs that can maintain safety and that work with these youth toward return to regular public school or provide an alternative path to graduation and independent living).
 - Allow and encourage states the use of Federal Medicaid dollars for high-fidelity wraparound to assure that an adequate safety plan is in place for both the youth and the community.
 - Expand the Medicaid definition of “preventive” services to include the types of services states are looking to provide. Medical necessity would play a less restrictive role in prevention services.
 - Reviewing definitions in all relevant federal grant programs to ensure they allow for funds to be used for residential centers for youth (such as Systems of Care), and to ensure that definitions and regulations are consistent across systems to allow a facility to house youth from multiple systems.
 - Allowing blending/braiding of funds:
 - Encourage SAMHSA (substance abuse) to work with agencies that administer funds to provide mental health services (e.g., DOE/IDEA, Medicaid, Mental Health Block Grant) to facilitate the braiding of substance abuse and mental health funds.
 - Regulatory and statutory changes to allow states and localities to combine funding from multiple sources to implement a comprehensive afterschool and summer learning and work-ready approach to children and youth.
 - Combine a portion of these funding streams at the federal level and send the combined funding stream to states to issue RFPs to local school/community

collaboratives that ask how they will accomplish stated and agreed-upon outcomes/assessments/evaluations over a multi-year period.

- Allow for State SEA's to engage specific "schools in need of improvement/turnaround schools" through a targeted invitation to apply for comprehensive, quality, youth-centered academic and work-force development programming.
- In Title I, Section 143 (b) (2) of the new draft WIA legislation, under Youth Innovation and Replication Grants: Use of Funds, add skills to be developed related to science, technology, engineering and math (STEM) as well as literacy.
- Blend substance abuse, violence and suicide prevention funds to support comprehensive bullying and harassment prevention and youth development work through state-led distribution to local school/community partnerships.
- Creating new funding streams to fill gaps among existing available funds
 - The substance abuse block grant requires a specific set aside for prevention funding. This could be a requirement of other block grants and alternative types of grant programs in DOJ, BJA, and other federal agencies.
 - Create federal funding/grant opportunities that would support the development of low barrier community based alternatives to serving at-risk youth that don't require services to be authorized by Medicaid as "medically necessary," especially for children with support needs unrelated to their functioning. For example, when a child has good development and adjustment but does not have any family support – such as parents dead or in prison, and no other safe or available family or community resources). Such a block grant could cover supports, housing, and services.
 - Identify a source of funding that is funneled through juvenile corrections to pay for short-term, out-of-home placements for those kids who very legitimately need to be out of their homes (often very toxic or dangerous homes), but do not meet the ITRT criteria.
 - Pooling at federal level: Federal agencies create demonstration project funding pools that parallel such efforts at the state level (e.g., federal DOE and CMHS pool funds for a joint demonstration project for school-based mental health services).

Data, Accountability and Quality Improvement Systems

Instead of pooling resources to develop one effective, interconnected, interagency set of data, accountability and quality improvement systems, many states and localities have parallel systems – one for each federal, state, local and foundation-funded grant. These parallel systems often make redundant technological expenditures, collect overlapping sets of information, and are built in ways which inhibit the flow and transfer of data among them. As a result, despite new resources devoted to systems, most state and local policymakers and practitioners still do not have the information they need to be make informed decisions.

Examples of Barriers

- FERPA and HIPAA prevent data sharing among the various providers and state and local agencies addressing disconnected youth, especially between schools/departments of education and the following:
 - Prevention services not labeled as educational or vocational supports;
 - State and local agencies that fund afterschool programs (especially departments that fund afterschool services focused on supporting areas other than educational and vocational development);

- Recovery programs not labeled as educational or vocational supports, such as juvenile justice, re-entry programs and foster care emancipation programs.

Examples of potential solutions

- New policies should allow data to be shared across agency lines (when multiple agencies serve the same population), and should allow new data collection, accountability and quality improvement requirements to be addressed through existing interagency systems, if effective ones exist and are willing and able to address the new requirements.
- Agencies should clearly and explicitly communicate where existing policies allow for interagency data sharing and flexibility to address new requirements using existing interagency data, accountability and quality improvement systems. For example:
 - The Department of Education's proposed guidance of FERPA helps clarify the extent to which data is allowed to be shared. (Addressing the remaining barriers listed above would likely require statutory changes.)
- Where current guidance does not allow for such flexibility, waivers should be offered.

Grant Application, Administration and Reporting Requirements

Most policies include a predictable set of elements dictating funding mechanisms, how and when to apply, regulations and reporting requirements. When each grant is implemented independently, grantees lose valuable time cutting through red tape – time that could better be used to advance their missions.

Examples of Barriers

- Federal funding for youth prevention efforts is currently distributed separately, using varying funding schedules, across multiple agencies, each of which support similar evidence-based and promising programs that address many if not most of the same prohibitive behaviors. This duplicative Federal funding process and request to states (and thereby local sub-grantees) creates uncoordinated activities that drain capacity and compromise the quality and effectiveness of each separate initiative towards desired outcomes.
- Supplementary Educational Services funding creates barriers to applications that make it difficult for community based-organizations/21st Century Community Learning Centers to compete with for-profit tutoring businesses. (For example, programs need to be certified or somehow approved for specific programming identified by the federal government. Also, some for-profits offer parents incentives such as free laptops in exchange for selecting the for-profit's tutoring program.)
- Duplication in data reporting requirements.
- Deadlines and applications. The deadlines and applications for the various funding streams create a significant barrier to creating an appropriate program for a child, even when there is a case manager assigned to a case.
- Administrative barriers regarding personnel costs supported by multiple funding streams under OMB Circulars A-87 and A-122.

Examples of potential solutions: Streamline and Align Grant Application, Grant Administration and Grant Reporting Requirements

- New policies should align application deadlines, proposal elements and reporting requirements with those of other programs addressing a similar population. (Similar to the way 456 post-secondary institutions accept a Common Application, the federal government could create a common application and common reporting requirements for all programs addressing disconnected youth, with each program adding on top only those few questions/reporting requirements specific to that program which are not addressed in the common application/reporting requirements.)

- Agencies should clearly and explicitly communicate where existing policies allow for existing applications and reports to be used instead of creating new ones.
- Where current guidance does not allow for such flexibility, waivers should be offered. For example:
 - Allow for a waiver of time and effort reporting requirements under OMB Circulars A-87 and A-122. (see Attachment A.)

ⁱ Karen Pittman, Merita Irby and Thaddeus Ferber. "Unfinished Business: Further Reflections on a Decade of Promoting Youth Development," in *Youth Development: Issues, Challenges and Directions*, Philadelphia: Public/Private Ventures, Fall 2000. See also National Research Council and Institute of Medicine (Jacquelynne Eccles and Jennifer Appleton Gootman, Eds.). *Community Programs to Promote Youth Development*, Washington, DC: National Academy Press, 2002 and Dryfoos, J. D. (1990) *Adolescents at Risk: Prevalence and Prevention*. Oxford University Press, New York.

ⁱⁱ A thought experiment illustrates this well: Picture a school librarian. How likely is it that they will hear about a bill which has been introduced to serve disconnected youth? How likely are they to pick up the phone and call Congress about it? How likely are they to pick up the phone and call a colleague to tell them about it? Now instead, consider if it was the "School Librarian Act." By simple human nature, narrowly defined programs are more likely to attract a depth of support which it is difficult for broad bills to achieve.