EVALUATION OF STATE HUMAN SERVICE BLOCK GRANTS

Program Evaluation Division
Office of the Legislative Auditor
State of Minnesota

Program Evaluation Division

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Program Evaluation Division
Office of the Legislative Auditor
State of Minnesota

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PREFACE

In May 1983, the Legislative Audit Commission directed the Program Evaluation Division to conduct an evaluation of Minnesota's three human service block grant programs: community corrections, community health, and community social services. There was legislative concern about the success of the state/local partnership created by the programs and there were questions about how local governments have spent state block grant dollars.

This report compares the three block grant programs, examines the state formulas for allocating money to local governments, and evaluates the leadership roles of the Departments of Corrections, Health, and Public Welfare (recently renamed Human Services). A separate staff paper summarizes the findings of our surveys of local officials and representatives of human service organizations.

This is a rapidly evolving policy area. As we began our study, the Departments of Corrections, Health, and Public Welfare were themselves re-examining their roles in the three block grants. We anticipate further changes in the months ahead.

We have received the full cooperation of the Departments of Corrections, Health, and Public Welfare. In addition, we have benefited from helpful comments made by many county commissioners and local human service administrators. We hope that this analysis of Minnesota's block grants proves useful to these local officials as well as the Legislature.

This study was directed by Roger Brooks. Major components of the study were carried out by Debra Flanagan, Tom Hiendlmayr, and Doug Wilson.

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EXECUTIVE SUMMARY

Minnesota's block grants have caused a reconsideration of the relationship between state and local government in the delivery of human services. In the past decade the Legislature has created three major block grants:

- Community Corrections Act (CCA), 1973;
- Community Health Services Act (CHS), 1976; and
- Community Social Services Act (CSSA), 1979.

Each program provides state money to local governments for the provision of specific services. The programs have helped to decentralize control over human service programs in Minnesota and strengthen local government.

Since 1966, the federal government has initiated fourteen major block grant programs, giving the states money for community development, crime control, job training, social services, health programs, and other specific programs. Minnesota, however, is one of only a few states to have created state-financed block grants to local governments.

This report summarizes and evaluates the impact of the block grants on the provision of human services in Minnesota. Our project was designed to address the following questions:

- How do the block grants operate?
- How successful are the funding formulas in providing fair and equitable funding to the counties?
- How has the state interpreted its role in the block grants?
- What changes might make Minnesota's block grants more successful?

This report focuses primarily on the state departments of Corrections (DOC), Health (MDH), and Public Welfare (DPW) in implementing their leadership roles in the block grants. Because the three state agencies have not collected uniform and consistent data on local spending decisions, we have been unable to provide more than a general summary of the use of state block grant monies by local governments.

A. BACKGROUND

Block grants provide funds for local governments to use at their discretion within a broadly defined program area, such as

criminal justice or health. Recipients must usually meet certain procedural requirements, such as preparing plans, providing matching funds, or submitting to monitoring and evaluation by the grantor. Alternatively, recipients may be held accountable for meeting performance goals, such as achieving lower mortality or higher employment.

In concept, block grants are positioned somewhere between categorical aids, in which the grantor sets goals and standards and makes all important decisions regarding the actual delivery of services, and revenue sharing, in which the grantor provides funding to be used unconditionally for almost any purpose desired by the local unit.

One problem with block grants is how to provide for accountability. It is easiest if the grantor has established formal goals for recipients to achieve with the funds. Each recipient may be allowed flexibility concerning program design, service delivery methods, and even the kinds of services delivered. However, by specifying goals the grantor ensures that the success of a block grant can be measured. Goals might include changing certain social indicators or achieving a certain level of services.

Without specific goals, the grantor can ensure local accountability only by fixing certain procedural guidelines by which recipients must plan, allocate, report, and evaluate services. The problem is that this tends to remove the local discretion and flexibility that are the hallmark of a block grant. Without block grant goals, the partnership between grantor and recipient may be weakened by unclear role definitions.

The "proper" role for Minnesota's state agencies in implementing their supervisory responsibilities under the block grants depends on the degree to which the Legislature has set goals. Legislative goals are not detailed and specific for any of Minnesota's block grants. However, the community corrections block grant was created with certain implicit statewide goals. The other block grants simply decentralize control over programs and provide state money for local program development. This feature complicates the job of state agencies in overseeing the programs and establishing effective local accountability.

1. COMMUNITY CORRECTIONS ACT (CCA)

Minnesota's first block grant, the Community Corrections Act, was created in 1973 as a mechanism to achieve specific policy goals defined by the Department of Corrections. By providing state funds for local community corrections programs, the state could offer incentives for counties to reduce their reliance on state correctional institutions. Programs funded by CCA include preventive or diversionary programs, such as crisis intervention, individual and family counseling, and recreational programs designed to deter juveniles and first offenders from reentering the criminal justice system.

As of 1984, 27 counties organized into twelve separate agencies participated in the program. These counties represent some 60 percent of the state's population. Money is allocated to counties according to a formula which reflects per capita income, per capita taxable value, per capita expenditures for corrections, and the size of each county's "at risk" population (those aged 6 through 30). Counties are obligated to maintain "their current level of spending for corrections." A county's subsidy is reduced annually by a given amount for each juvenile committed to a state institution. This reduction provides incentives for local program innovations. The community corrections program cost the state $12.5 million in calendar year 1984.

2. COMMUNITY HEALTH SERVICES ACT (CHS)

The Community Health Services Act was enacted in 1976 to foster and support local program initiatives. It provides money for local public health programs and decentralizes decision making but unlike the community corrections program it identifies no state goals. Accountability, therefore, rests mainly on setting procedural standards and monitoring local activities. Community health programs funded by the CHS block grant include public health nursing, home health care, family planning, environmental health, nutrition, and disease prevention and control programs.

Altogether, there are 47 separate CHS agencies incorporating 99.5 percent of the state's population. Only Pine County has chosen not to participate. Funds are allocated to local agencies according to a formula which incorporates per capita income, per capita taxable value, and public health expenditures per 1,000 population. Local agencies must provide matching funds. In 1984, the program cost the state nearly $11.3 million.

3. COMMUNITY SOCIAL SERVICES ACT (CSSA)

The Community Social Service Act was created in 1979. It shifted to the counties the decision-making power for deciding the content and the mix of local social service programs. It identified no specific state goals and offered no "new" state money for social service programs. Although the law originally defined the kinds of services that could be funded by the counties, CSSA now identifies seven "target" groups that are to be served: families with neglected or abused children, dependent wards, vulnerable adults, dependent elderly, mentally ill and mentally retarded persons, chemically dependent persons, and others. Lacking specific statewide goals, local accountability under CSSA can only be achieved by setting procedural standards for local decision making and by keeping track of how state funds are expended.

Under CSSA, county boards are the principal local decision makers; all Minnesota counties participate in CSSA. The law requires counties to submit biennial plans to the state Welfare Department and to follow other prescribed procedures. The sanctions for noncompliance, however, are almost non-existent: DPW can withhold a maximum of one-third of one percent of the county's annual subsidy for non-compliance with state law or agency guidelines.

Under CSSA, money is allocated to each county based on a simple formula: one-third of the annual appropriation is distributed to counties according to their population, one-third is distributed according to the numbers of people aged 65 and over, and one-third is distributed according to the local welfare caseload. Equal matching funds are required from local tax revenues. In 1984, the state spent almost $56 million under the Community Social Services Act.

4. COMPARISONS AMONG BLOCK GRANTS

Minnesota's block grants differ in several important respects. First, the Community Corrections Act is closest to a "goal-oriented" block grant. It was designed in part to reduce local reliance on state correctional institutions. Measuring the success of local agencies in accomplishing that goal provides a meaningful way to hold local units accountable to the state. In contrast, the CHS and CSSA block grants shift decision-making responsibility to local governments with no clearly articulated statewide goals. Local accountability, therefore, must rest primarily on ensuring adherence to prescribed procedures in planning, reporting, and evaluating local services and in making allocation decisions.

Second, CCA and CHS were created by or with the active cooperation of the state departments of Corrections and Health. CSSA, in contrast, was conceptualized by the Legislature without active DPW support. In fact, many participants have characterized DPW as hostile to CSSA.

Third, CCA and CHS were politically less controversial than CSSA because: (a) they largely made available "new" money for corrections and health programs, and (b) they each serve broad and unorganized constituencies rather than groups which have political cohesion.

B. FINANCIAL ISSUES

1. STATE FUNDING FOR MINNESOTA'S BLOCK GRANTS

The state of Minnesota spent $79 million for the three human services block grants in calendar year 1983. The community corrections block grant, $15.2 million in 1983, represents about 17 percent of state corrections spending. While the legislative appropriation for community corrections grew from $1.1 million in 1974 to $15.2 million in 1983, the per capita subsidy adjusted for inflation and for the number of participating counties actually fell 14 percent in this period.

The community health services block grant, some 46 percent of all state spending for health, totaled $11.2 million in 1983, up from

$5.5 million in 1977. But like community corrections spending, real per capita state spending for community health decreased 17 percent during this period because of inflation.

The community social services block grant, the largest of the three, totalled about $53 million in 1983. This amount is roughly six percent of DPW's state funding. Ignoring the effect of new programs folded into CSSA since its inception, real per capita spending for the social services block grant has grown slightly.

2. DISTRIBUTION OF STATE FUNDS TO LOCAL AGENCIES

Block grant funds are allocated to local governments according to formulas set in law by the Legislature. Any future reconsideration of distribution formulas should consider at least four important principles:

- funds should be targeted toward groups in need;
- the mechanism for distributing state funds should be simple;
- an equitable local match should be required to establish a sense of local "ownership" and to provide cost saving incentives; and
- funds should be distributed equitably to local units, reflecting their ability to pay and to raise revenues.

To integrate these principles we derived a formula model as a standard against which to compare the three existing block grant formulas. The model takes the following form:

- The factors found in the formula should include one or more measures of need, perhaps including per capita taxable property value and per capita income to reflect the local ability to pay for services.
- The factors should be equally weighted with the total state appropriation equally divided into as many separate "pots" as there are factors and distributed to local units according to their values on the factors.
- A local matching requirement based on a statewide per capita figure should be required of each participating local jurisdiction.

Compared with these standards, the current community corrections formula has the following problems. First, it measures the per capita expenditures for corrections as an indicator of each county's needs. Spending, however, is an imperfect indicator of needs. Costs may vary across the state and local priorities differ. Second, the calculation of the CCA formula is complex. A county's annual subsidy depends on its ranking on each factor. Each ranking is divided by a statewide average and the resulting quotients on each

factor are averaged. Third, the provision for a local match simply requires a county not to reduce its spending for local corrections below the level it was when the county first participated in CCA. As a result, some counties now generate less than 15 percent of their funding for corrections locally while others generate more than 80 percent locally.

The community health formula also differs from the principles outlined above. First, its three formula factors are relatively simple and straightforward, but, like the CCA formula, need is measured by per capita expenditures for health in each locality. Given the broad nature of community health services, population might be a better indication of need. Second, each county's subsidy can only be determined after a long complicated calculation. The problem results from incremental adjustments made to the formula by the Legislature, such as inflation factors and hold harmless clauses, as well as an inherently complicated formula calculation structure. Third, counties are permitted to use federal Medicare and Medicaid reimbursements to meet the local match requirement. The state Health Department believes this is permitted by law but it does not help to establish local "ownership" in community health programs nor cost containment incentives.

The community social services formula, by comparison with the others, is relatively simple and easy to apply. However, we noted the following problems. First, the formula skews funds toward those counties with large populations of persons aged 65 and older, but ignores the distribution of persons in the other target groups specified in statute. Inclusion of this factor in the CSSA formula has not resulted in more money being spent for the elderly; it simply ensures that counties with high elderly populations get more CSSA funds. Second, there is no measure of the ability of counties to raise revenues and provide services on their own. Per capita property value and per capita income, factors that are present in the other block grant formulas, are lacking in the CSSA formula. Third, welfare caseload statistics used in the formula have not always been up to date. Since these numbers have recently changed, somewhat different subsidy allocations to counties would be made using current statistics.

The three departments should now be evaluating these statutory formulas and examining possible alternatives. Any examination should reflect the four principles outlined above. We also think the three departments should:

- Identify appropriate measures of need where accurate data are available,
- Use the most up to date data for all factors,
- Transfer formula calculations to computers,
- Attempt to determine what is a minimum state average per capita spending requirement for each block grant, and

- Examine each county's allocation under alternative distribution formulas.

3. FUNDING SOURCES FOR COUNTY HUMAN SERVICES

The funds provided to local governments through the block grants--while substantial--represent only a small part of the total expenditures for human services in the state. The community correction block grant accounted for 25 percent of local community corrections spending in 1982. The community health block grant represented just 16 percent of all 1981 local health spending. And the community social services block grant amounted to only 20 pecent of local social services spending in 1982 (the federal Title XX block grant was nearly as large). For each human service area local revenues are the largest single source of funds, a fact which local officials are quick to point out when state or federal authorities try to establish "standards" and "accountability."

4. PROGRAM EXPENDITURES

The Community Corrections Act apparently stimulated a variety of local corrections programs. In CCA counties, traditional probation and parole services have been transferred from state control. In addition, new services like community work service, domestic and child abuse mediation, and youth service bureaus have been established. In 1982, 46 percent of all local community corrections spending, including state block grant spending, was for local incarceration. Twenty-seven percent was for traditional field services, including probation and parole, and 14 percent was for client programming. The rest was largely for administration and charge-backs for the use of state institutions.

The Community Health Services Act also brought about the introduction of new programs in many counties. While many already had a number of community health programs--generally in traditional fields like community nursing and home health--many local agencies have increased services for health education, disease prevention and control, and environmental health. In 1981, 21 percent of all local community health expenditures went for home health services. Another 21 percent went for emergency medical services. Nearly 16 percent went for community nursing services, which was, prior to CHS, the largest single category of community health spending.

The majority of programs now provided under the Community Social Services Act were already administered by counties prior to 1980. There has been relatively little growth in new programs. In fact, by providing greater discretion to county boards, CSSA may actually have brought about a reduction in the scope of services offered throughout the state. Services that have been most frequently discontinued by counties since 1980 include day care, education assistance, employability, family planning, and social and recreational services. Presumably, many counties decided that their local needs did not merit the provision of these services. DPW's

current system for collecting and processing data lacks integration between bureaus and does not permit consistent comparisons across counties. Accordingly, we are unable to present accurate financial data showing how the counties spend block grant funds.

C. STATE ROLE IN BLOCK GRANTS

Minnesota's block grants have been described as "state-supervised and county-administered", but the proper role of grantor and recipient, especially in the division of authority and responsibilities between state and local governments, has been a matter of disagreement.

1. ROLE EXPECTATIONS

From our surveys of county commissioners, local administrators of corrections, health and social service programs, and many of the special interest groups concerned about block grant programs, we found that:

- Block grants are not universally accepted, especially for the delivery of social services.

While most local officials view block grant flexibility as a feature that enables local needs to be met, many special interest advocates believe that flexibility simply means that certain needy groups may go without services. We found agreement that block grants imply a smaller and less intrusive role for the state in human service programs than previously, but disagreement about the proper balance between state and local control:

- Most local officials view planning and allocating funds as roles for local government, while they view the provision of technical assistance and developing information reporting systems as roles for state government. In contrast, the special interest organizations we surveyed envisioned a far greater role for the state in all important program functions.

2. IMPLEMENTING THE BLOCK GRANTS

As each new block grant was created by the Legislature, it fell to the appropriate state agency to further define state/local roles and to implement the block grants. We have found that:

- Each agency has been unwilling or unable to define for itself a strong leadership role. The highest priority at the corrections and health departments was "selling" the block grant program to local agencies. The attitude of the public welfare department was that the Legislature had precluded a strong state leadership role.

- Each agency's implementation efforts took place in relative isolation. In no agency was there a formal effort to learn from the federal government's experience in implementing block grants. The health and public welfare departments did not establish task forces or formal liaisons to learn from preceding Minnesota experiences.

3. PLANNING

Planning--the activity of setting goals, selecting methods, defining services, and otherwise setting forth the intentions of program managers--is an important aspect of control over a program. In a block grant, the grantor's planning guidelines or requirements help to define the limits of the grantee's discretion and provide a means by which the grantor can hold the recipient accountable. As noted earlier, without statewide block grant goals, requirements for functions like planning may provide the chief means of holding recipients accountable. Since they are responsible for block grants lacking such goals, the departments of health and public welfare need to pay special attention to establishing an effective planning oversight function.

We found the following problems associated with state oversight of local block grant planning:

- The state corrections and public welfare departments need to develop and apply standard planning guidelines to make their review of local plans consistent.

- MDH needs to stabilize its method of reviewing local CHS plans. Frequent changes have caused confusion.

- DPW should study the problem of coordinating the plan review process between its Bureaus of Social Services and Mental Health and determine whether it should reorganize or merge bureaus or create a joint task force to unify the review process.

- The planning cycles for the three block grants are not synchronized or coordinated. A joint task force, including at least DPW and MDH staff, needs to study the problem and recommend ways to synchronize the cycles.

4. REPORTING

The reporting relationship between grantor and grantee is a key element in establishing block grant accountability. Local reporting of financial and programmatic data may be used to ensure that a) the grantor's goals are being met, or b) the grantor's procedural standards are being met. From our review, we have found that:

- There are serious deficiencies in the block grant data reporting relationships that have been established between state and local agencies.

Although in some cases a great deal of information is required of local agencies, it has not always been provided in a way to facilitate a statewide analysis of local block grant spending or service delivery. As a result, the Legislature does not have the overall information it needs to assess the impact and success of the block grants.

We found the following specific problems associated with block grant reporting:

- Each agency now requires more frequent financial reports from counties than it uses. Annual reports may be sufficient, except when federal requirements demand more.

- Each agency needs to compile and publish detailed biennial reports showing how block grant funds were allocated to counties and how local agencies spent the funds. These data are currently collected by the corrections and health departments.

- DPW needs to complete an internal information needs assessment, coordinating the needs of the Mental Health and Social Services Bureaus.

- DPW needs to establish a common data reporting format so that it can provide accurate and consistent summaries showing how much counties spend for each social service and/or each statutory target group. It has been unable to provide uniform county-by-county information in its annual Effectiveness Reports.

- MDH and DPW need to consolidate their reporting requirements for federal and state programs.

In providing for local information systems to collect financial and programmatic data, the corrections and health departments have relied on a decentralized approach in which each county is left to develop its own system. DPW, however, has worked to develop a uniform computerized information system, the Community Services Information System (CSIS). Because it is a client-based system, it permits the collection of case information at the county level as well as providing detailed information on social services delivered statewide.

However, only 72 counties, representing about half of the state's population, currently participate in CSIS. Some large counties like Hennepin, Ramsey, and St. Louis have chosen to develop their own information systems for social services. Moreover, despite enthusiasm for CSIS from DPW, many questions remain about the success of CSIS in those counties now using it, including:

- A lack of local flexibility,

- Frequent changes in the system, including the development of new sub-systems,

- The varying needs of different counties,
- The effort required to input information, and
- The inability of DPW to decide systematically what information it ultimately requires from the counties.

Accordingly, we recommend:

- A total assessment of CSIS to be undertaken by an independent information systems specialist. This assessment should be done in conjunction with the DPW study of the department's social service and mental health information needs.

5. TECHNICAL ASSISTANCE

Almost by definition, technical assistance is a role played by the grantor in a block grant. It involves providing information and help on how to do planning, monitoring, evaluating, and delivering services. In general, it is not a method of ensuring local accountability. However, technical assistance can affect the quality of service delivery by local government.

Our study has revealed the following problems with the delivery of technical assistance by the state agencies overseeing the block grants:

- The corrections department needs to develop its capability for delivering programmatic technical assistance to counties. It also needs to disseminate relevant research findings and information on community corrections programs around the state.
- The health department needs to improve the coordination of technical assistance for local health agencies, paying particular attention to coordinating the Office of Community Development with specific program sections of MDH, reconciling the provision of services through central and field offices, making field office boundaries consistent, and providing a more up-to-date technical assistance directory.
- DPW, too, needs to take steps to coordinate the delivery of technical assistance, particularly between the Social Services and Mental Health Bureaus. In addition, DPW should expand its capability of offering technical assistance on substantive programmatic topics, including methods of implementing and delivering social services.

6. EVALUATION

Evaluation is the process of determing to what degree a program is being managed efficiently and is reaching its goals. When

there are statewide block grant goals, evaluation can be the chief method of holding recipients accountable. But even without statewide goals, the grantor can measure the efficiency of service delivery or require recipients to establish their own goals and evaluation mechanisms.

As a program with certain specific goals, the Community Corrections Act provides for accountability through evaluation. The state corrections department can determine, for example, whether local programming has reduced reliance on state correctional institutions. Despite this potential:

- The CCA contains no specific requirements for evaluation to be conducted at either the state or local levels.

Nevertheless, a major statewide evaluation was conducted in 1979 by the Department of Corrections and the Crime Control Planning Board. This evaluation produced mixed findings relating to the achievement of statewide goals. We recommend that:

- The Legislature should require the state corrections department to evaluate at four to eight year intervals the success of local corrections programs in reaching the state's community corrections goals. Such goals and objectives need to be clarified in state statute.

In addition, we found the following problems:

- The state Department of Health needs to summarize for the Legislature every two to four years the results of local evaluations of community health services. The department also needs to consider establishing a small evaluation team which could, at the request of local health agencies, conduct "arms length" evaluations of specific local health programs.

- DPW has not yet developed an effective system for overseeing local evaluation efforts despite statutory requirements that it do so. Special care needs to be taken to ensure that counties are held accountable for establishing specific and measurable program goals against which program performance can be compared.

D. CONCLUSIONS

This report highlights the chief obstacles to effectively implementing state/local block grants: lack of clarity in state and local roles and ensuring accountability for spending block grant funds. To a significant degree, the state agencies evaluated in this report have been given a responsibility to establish complex relationships without a clear rationale. As we have seen, the goals of Minnesota's block grants have not always been clarified, nor have the roles of state and local governments been clearly delineated.

The state/local partnership has developed unevenly in Minnesota without careful attention to consistency in roles from one program area to another. Compared with other states, state/local relations in Minnesota are highly complex. In addition to the block grants, local government aids, school aids, property tax relief programs, and many separate intergovernmental transfer programs make intergovernmental relations in Minnesota complicated and multi-faceted.

What is needed is a comprehensive review of state/local relations as they have developed over the past two decades with special attention directed to sorting out the criteria for deciding how financing and administrative responsibilities should be assigned.

By establishing basic principles of intergovernmental relations--including the criteria for deciding when programs should be state-financed or local-financed, and when they should be be state-administered or local-administered--the Legislature could help sort out these problems relating to roles and accountability. Ultimately this would help make state/local roles more uniform across programs and more "rational". In addition, it would help to define and stabilize state and local revenue needs.

- We recommend that the Legislature consider establishing an advisory commission on intergovernmental relations to undertake a comprehensive review of intergovernmental relations in Minnesota and to recommend a framework for deciding what kinds of activities should be financed and administered by state government and what kinds of activities should be financed and administered by local governments.

I. BACKGROUND

Since 1973, the Minnesota Legislature has created three major block grants to fund human service programs at the local level:

- Community Corrections Act (CCA), 1973
- Community Health Services Act (CHS), 1976
- Community Social Services Act (CSSA), 1979

Although there are many differences among them, each provides state subsidies for services delivered by counties or by multi-county units. Within certain guidelines set by state statute or rule, each local government is free to spend the money as it sees fit.

The federal government has long provided block grants to the states for specified purposes. Since 1966, 14 major block grant programs have been initiated, some nine programs in 1981 alone, and they have become the focus of considerable controversy and speculation. Even now the value and utility of block grants are debated on a national scale.

Although not a new concept, block grants are rare in state government. Only a few states have established community corrections block grants and some of those have looked to Minnesota as a model for emulation; few states have created state-financed block grants for health or social services although some have passed federal block grant monies on to local governments. Because of the relative novelty of the Minnesota approach, other states have expressed interest in learning from the state's experience.

The general impetus for this study derives from a need to summarize and evaluate the impact of the block grants on the provision of human services in Minnesota. Each block grant has affected the scope and delivery of corrections, health, and social services in the state. Considered collectively, the programs have increased the role of local government in these policy areas and altered intergovernmental relations in Minnesota.

In addition, legislators have has raised specific questions about the programmatic outcome of the block grants. Since local governments have considerable discretion under the block grants to choose which human services to provide, legislators have asked: "What services have been funded and what are the outcomes?" These questions relate less to the process created by the block grants than to the result of that process.

Accordingly, this project was designed to address the following questions:

- How do the block grants operate?

- How successful are the funding formulas in providing fair and equitable funding to the counties?

- How have state agencies interpreted their roles in the block grants?

- What changes might make Minnesota's block grants more successful?

This report focuses primarily on the state's role in the three block grants, particularly the response of the state departments of Corrections (DOC), Health (MDH), and Public Welfare (DPW) in implementing the block grants.

The choices made by the three state agencies to define their respective roles in the new block grant programs broke new ground. How the state agencies have interpreted the block grant legislation, how they have viewed their own roles, what steps they have taken to establish new relationships with local units of government were not determined by any pre-existing state law or practice. As a result there are few standards by which to judge the success of the three agencies. Nevertheless, the actions and policies of the agencies can be described, compared with each other and with the stated intent of the Legislature, and analyzed in light of general principles of intergovernmental relations.

In Chapter I we define block grants, review the federal block grant experience, and describe the three Minnesota programs as they were created by the Legislature. In Chapter II we examine the funding formulas, describe trends in block grant financing, and summarize the counties' block grant spending patterns. Finally, in Chapter III we analyze the role of the state in supervising the three block grants, especially in carrying out its responsibilities for planning, monitoring, offering technical assistance, and evaluating.

Because the three state agencies, especially DPW, have not collected uniform and consistent data on local spending decisions, we have found it difficult to provide a detailed summary of the financial commitment to each target group or service area at the local level. Further study is needed to describe local decision making and to determine what level and quality of service is being provided with the resources made available through the block grants.

Nevertheless, we hope this report will provide a useful perspective on Minnesota's block grants and stimulate thinking on ways to improve the state/local partnership that has developed from them.

A. WHAT IS A BLOCK GRANT?

Defining the block grant concept is not easy because each block grant program is unique and some have characteristics that make them like other, quite different, forms of intergovernmental fiscal aid. Usually, block grants are contrasted with categorical aids

and revenue sharing, but labeling a program a "block grant" does not mean that it fits an abstract definition or that it should not have features characteristic of categorical aids or revenue sharing.

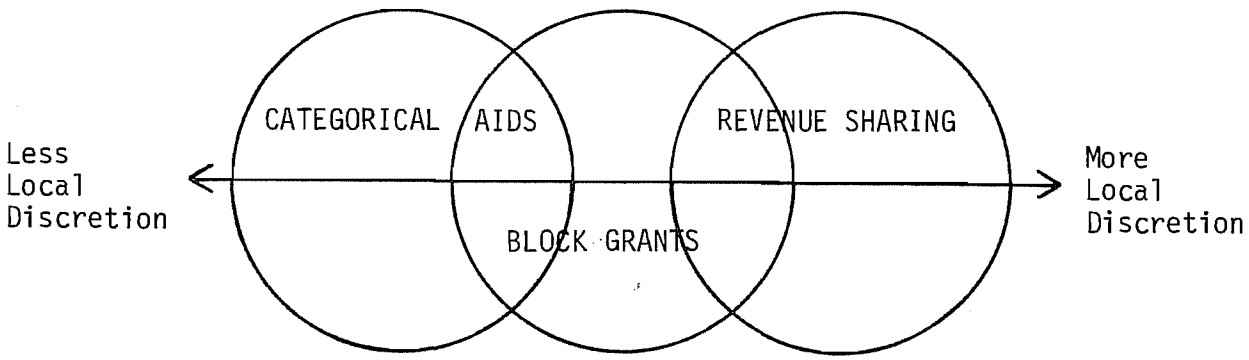
Categorical aids provide funding for specialized purposes and narrowly defined programs. In its categorical aid programs, the federal government has played a major role in such program functions as goal determination, planning, evaluation, monitoring, and standard setting although other governmental units have often had responsibility for actual program implementation. Similarly, in Minnesota categorical aids place a significant responsibility on the state--even in those programs, such as education, where the services are delivered locally. Categorical aid implies a strong and active role for the higher level of government. Aid also may be contingent on local government matching funds or on advance approval of program plans. Categorical programs often, but not always, have clearly defined program objectives.

Revenue sharing, in contrast, provides funding for local governments for almost any purpose desired by the local unit. Federal revenue sharing has awarded federal tax dollars to states and municipalities with few strings attached. Similarly, Minnesota's local government aid program places few demands on local units. As a result, funds have been spent to support existing local government activities, initiate new programs, or simply lower local taxes. Unlike categorical aids, there is no requirement for local matching funds and no need for advance approval of spending plans.

Block grants conceptually fit somewhere between categorical aids and revenue sharing, and they share some of the characteristics of each (see Figure 1.1). Like revenue sharing, block grants permit considerable local discretion concerning how funds are spent, but like categorical aids, they come only with "strings" and conditions.

FIGURE 1.1

TYPES OF INTERGOVERNMENTAL AID



All block grants provide funds for local governments to use at their discretion within a broadly defined program area, such as criminal justice or health. Funds are usually conditional on recipients meeting certain procedural or performance requirements, such as preparing detailed spending plans, providing matching funds, and/or submitting to general monitoring and evaluation by the grantor.

Block grants have five major features which differentiate them from other forms of intergovernmental aid:

1) Aid is authorized for a wide range of activities within a broadly defined functional area.

2) Recipients are allowed considerable discretion in designing programs and allocating resources.

3) Administrative, planning, fiscal and programmatic reporting, and other requirements are kept to the minimum necessary to ensure that the goals of the grantor are reached.

4) The amount of aid a grantee receives is calculated from a statutory formula rather than by a decision of grant administrators.

5) The initial recipient of funds is usually a general purpose governmental unit, such as a county or a city (or a state in the case of federal block grants).[1]

Despite these shared features, block grants may differ considerably from one another. Some consolidate many pre-existing categorical programs while others provide "new" money to help foster local program initiatives. Some specify many detailed mandates or local requirements while others are relatively free of grantor conditions. In general, these differences result from legislative decisions regarding block grant design and purpose.

These differences should not be overlooked. They may determine not only the degree of flexibility in grant administration available to recipients but also the "proper" approach to accountability that should be followed by the grantor.

For purposes of analysis in this report, we differentiate among block grants according to two general features:

1) the number and type of procedural restrictions or conditions that are placed on funds; and

2) the degree to which the grantor has specified goals for recipients to reach with the funds.

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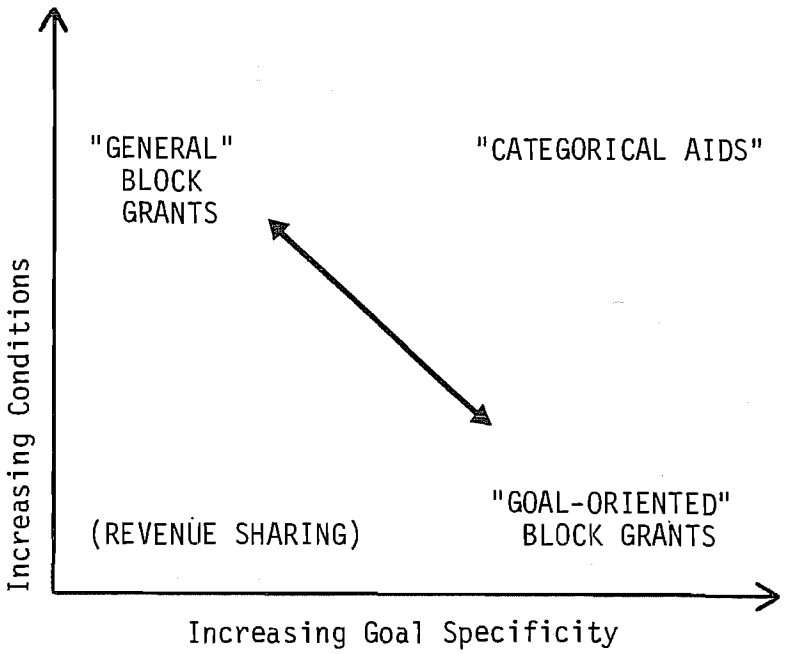
[1]See Advisory Commission on Intergovernmental Relations, Block Grants: A Comparative Analysis, (Washington, D.C.: ACIR, 1977), p. 6.

In a sense, both features may be considered "strings" attached to the aid. Procedural restrictions represent the grantor's power to specify how the recipient will go about planning, allocating funds, keeping track of expenditures, or measuring program outcomes. Goal specifications represent the grantor's intent in supplying resources to the recipient and give the grantor a powerful tool for determining whether the aid program "is working."

Figure 1.2 shows how these two features might interact. Among other things, these two features may determine how the grantor can ensure accountability and how the block grant program can be evaluated.

FIGURE 1.2

BLOCK GRANT FEATURES



Some block grants are created in order to reach a specific and measurable goal: to reduce unemployment, for example, or increase reading scores of disadvantaged children. They define in measurable terms the purpose for which aid is given to local governments. They give discretion to local governments to design and implement specific programs to meet these goals, but local governments are held accountable for their performance. Accountability, therefore, can be ensured by evaluating program results: Has unemployment been reduced? Have reading scores gone up? Under this "goal-oriented" block grant, further controls over local decision making or local procedures are largely unnecessary and may simply add to intergovernmental red tape. As we shall see, the CETA program and Minnesota's community corrections block grant may come closest to this "goal-oriented" model.

Other block grants, however, are created with only general goals: to foster more initiatives by local governments, or to decentralize program decision making. They transfer money, and the power to allocate it, to local governments without specified goals. Because they merely redistribute power among governmental actors for making spending decisions, accountability can usually only be exercised by fixing certain procedural standards by which planning, allocating, reporting, and evaluating will be done at the local level. Evaluating the "success" of these "general" block grants is far more difficult because goals are not defined and there are few objective standards of accountability. As shown later, Minnesota's Community Social Services block grant and most of the 1981 federal block grants exemplify the "general" block grant model.

As suggested by Figure 1.2, block grants with unspecific goals and few restrictions resemble revenue sharing; those with exacting goals and many restrictions resemble categorical aids.

These considerations suggest that block grants should not be analyzed uniformly according to standardized criteria. Accountability under the "general" block grant can only be assured by establishing local procedural standards (perhaps including requirements for local program evaluation) and by ensuring a free flow of information about block grant spending and service delivery back to the grantor. Accountability under the "goal-oriented" block grant can rest on an analysis of local success in reaching the grantors' goals.

The "proper" role for a state agency in implementing its supervisory responsibilities under a block grant, therefore, depends on the nature of the block grant. As we shall see, Minnesota's block grants differ in the degree to which the state has set goals and in the kinds of conditions they place on recipients. For these reasons, the respective state agencies overseeing the different block grant programs in Minnesota quite rightly perceive their roles in different ways. In addition, any outside assessment of block grant outcomes, such as this study, has to abandon any notion that uniform criteria for judging block grant "success" can be used.

B. THE FEDERAL EXPERIENCE

The first block grants were federal programs. Two of these were in place before Minnesota created its first block grants in 1973: the Partnership for Health Act (1966) and the Omnibus Crime Control and Safe Streets Act (1968). These two programs may have provided models for Minnesota's own programs. Subsequently, three more federal block grants were created in the middle 1970s and nine additional ones in 1981.

By the mid-1960s, the proliferation of federal health programs with overlapping responsibilities and delivery systems led to a presidential task force to study the potential for revenue sharing as a method of improving the federal/state grant system. Instead, President Johnson proposed a new kind of grant program in 1966 that

afforded "greater flexibility" than the old system, permitted "comprehensive planning," and encouraged "more concerted action on the basis of such planning." Congress soon passed the Partnership for Health Act, designed to accomplish these general goals through program consolidation and decentralization.

But almost from the beginning there were disagreements over the division of authority and responsibility between the federal government and the states. States liked the new powers they had under the act and managed to gain even greater flexibility from HEW in 1972 by successfully lobbying for the elimination of the requirement to submit state plans. Congress, however, wanted greater federal controls and ultimately became disenchanted with the program. As one critical study put it, "state dominance fostered federal disinterest."[2] Appropriations dropped and in 1981, the program was combined with seven other programs in a broader Preventive Health and Health Services block grant program.

The second federal block grant, the Crime Control Act, was enacted in 1968 to give state and local governments money for a variety of programs, including assistance to police, courts, probation, and parole programs. It also created the Law Enforcement Assistance Administration (LEAA). As the program developed, more stringent requirements were placed on grant recipients, such as lengthy plan requirements. New categorical programs, such as that for juvenile delinquency problems, began to undermine the broad approach of the original act. Complaints from the states, intense state/local rivalries, disappointing trends in crime statistics, and other problems led to federal disenchantment with the program, and it was eliminated in 1981.

Despite these problems with the first two block grants, three more were soon created which consolidated several existing categorical programs. In 1973 the Comprehensive Employment and Training Act (CETA) merged 17 federal jobs programs and shifted substantial authority to more than 400 local "prime sponsors"--mostly city and county governments. CETA was the first truly "goal-oriented" block grant; it was designed to reduce unemployment. Authority to create and implement a variety of job-training programs rested with prime sponsors. Eventually, however, complaints about fraud and abuse and the economic recession which made job training irrelevant as a solution to unemployment soured opinion toward CETA and Congress abolished it in 1981.

Other early block grants included the Community Development Block Grant, enacted in 1974, which provided funds to cities and counties for housing rehabilitation, public facility improvements, and economic development projects, and Title XX of the Social Security Act, enacted in 1975, which provided funds to the states for social service programs, including training for the disabled and aid for child care and the elderly. The goals of these programs, especially the Title XX block grant, were not well defined. However,

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[2]ACIR, Block Grants: A Comparative Analysis, p. 17.

they decentralized decision making and provided money for certain kinds of programs deemed desirable by Congress.

The success of these first five federal block grants has been the subject of debate. Because so few have carefully articulated measurable goals, judgments about their success are inconsistent. The Advisory Commission on Intergovernmental Relations (ACIR), focusing on the block grants' ability to reduce service duplication and administrative red tape, recommended a restructuring of the rest of the federal grants system in 1979.[3] The U.S. General Accounting Office (GAO) found "no conclusive pattern to the effects of the . . . block grants on the administrative costs of state and local grantees." The GAO also found that the various federal "agencies' views of accountability differed" and that as a result Congress lacked extensive and usable information from many of the programs. Accountability was to be ensured by planning, spending, record-keeping and reporting, and auditing requirements, but grantee flexibility differed among the block grants and generally diminished over time as federal requirements became more onerous. The GAO review emphasized the difficulty of establishing a balance between desired flexibility on one hand and accountability on the other.[4]

Primarily because of the continued proliferation of federal programs and the Reagan Administration's goal of reducing federal spending, the block grant approach soon was afforded a new chance. The 1981 Omnibus Budget Reconciliation Act created nine new block grants combining some 57 categorical programs and reducing overall federal outlays by nearly 25 percent. The new programs included the following: Alcohol and Drug Abuse and Mental Health Services, Community Development and Small Cities Program, Community Services, Education Consolidation and Improvement, Low-Income Home Energy Assistance Act, Maternal and Child Health Services, Preventive Health and Health Services, Primary Care, and Social Services.

According to the GAO, these new programs differ from the earlier block grants "by imposing certain generic categories of accountability requirements more consistently. The new grants are more detailed in their reporting and auditing provisions but have fewer kinds of planning and spending restrictions than the earlier block grants."[5] The paucity of clearly stated federal goals suggests that accountability rests primarily on ensuring that these various procedural checks are firmly in place.

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[3]Advisory Commission on Intergovernmental Relations, Restructuring Federal Assistance: The Consolidation Approach, (Washinton, D.C.: ACIR, 1979).

[4]U.S. General Accounting Office, Lessons Learned from Past Block Grants: Implications for Congressional Oversight, (Washington, D.C.: GAO, 1982).

[5]Ibid. p.ii.

It may be too early to learn much from the federal experience. The federal government and the states continue to grapple with the same issues that arose early in the development of the first block grants: How strong should the federal role be? How much latitude should the states have? Should block grants contain federal goals or should they simply decentralize decision making? What information does Congress need about program results? Since 1981, there has been greater consistency across federal block grants and a better documented record is being established that may permit a more complete assessment in the future.

C. MINNESOTA'S BLOCK GRANTS

Minnesota's three human service block grants were created over a seven year period under changing social and political circumstances. The specific programmatic needs addressed by each program and the political impetus for each program were unique. However, each block grant program has influenced those that followed. The early progress of the Community Corrections Act, for example, in fostering new local corrections programs was instrumental in shaping legislative and agency thinking about methods of encouraging local public health programs. In addition, the pattern established in the corrections and health block grants paved the way for the more politically volatile program consolidation and shift of decision-making power involved in the Community Social Services Act of 1979. Hence, despite the uniqueness of each program, Minnesota's block grants are not historically independent.

In this section we describe the context within which each block grant was created and outline the major provisions of each. Figure 1.3 summarizes the major characteristics of Minnesota's block grants; Figure 1.4 indicates which counties participate in each block grant program. Appendix A gives a more detailed summary of each program.

1. COMMUNITY CORRECTIONS ACT (CCA)

Minnesota's first block grant, the Community Corrections Act, was created in 1973 as a mechanism to achieve specific policy goals. By providing state funds for local community corrections programs, the state could offer incentives for counties to reduce their reliance on state correctional institutions.

The CCA was enacted at a time when institutionalization costs were rising steeply and when corrections policies were de-emphasizing incarceration in large state institutions. Steps had already been taken to strengthen Minnesota's community corrections programs: the Legislature had mandated juvenile probation services, established programs for work and educational release from prison, and provided state subsidies for county-run residential programs for offenders. Federal block grant funds and help from the LEAA were instrumental in some of these pre-CCA programs.

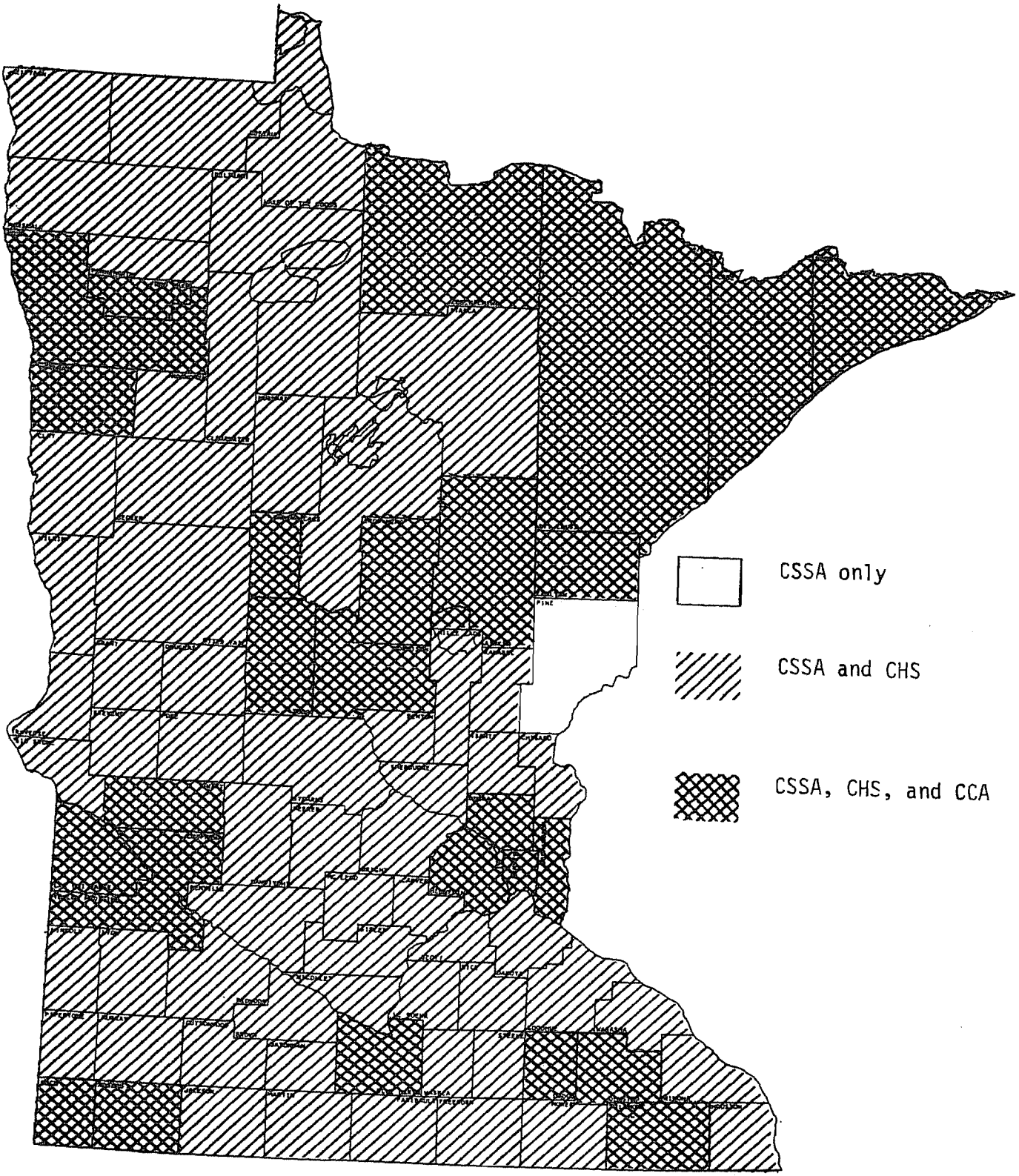
FIGURE 1.3

SUMMARY OF MINNESOTA BLOCK GRANTS

	COMMUNITY CORRECTIONS ACT (CCA) (1973)	COMMUNITY HEALTH SERVICES ACT (CHS) (1976)	COMMUNITY SOCIAL SERVICES ACT (CSSA) (1979)
SERVICES PROVIDED/ PROGRAMS CONSOLIDATED	Preventive or diversionary programs, probation, parole, community corrections centers, and facilities for confinement or treatment of offenders.	Community nursing, home health, health education, disease prevention and control, emergency medical services, and environmental health services.	Services to: 1) abused and neglected children, pregnant adolescents, adolescent parents and their children; 2) dependent and neglected wards of DPW; 3) vulnerable adults; 4) persons aged 60 and over experiencing difficulty living independently and unable to provide for their needs; 5) the mentally ill; 6) the mentally retarded; and 7) the chemically dependent.
TOTAL BUDGET (CALENDAR YEARS)	1980: $13,760,356 1981: 14,681,677 1982: 14,812,030 1983: 15,276,622 1984: 12,569,800	1980: $11,455,020 1981: 11,900,239 1982: 10,884,207 1983: 11,102,801 1984: 11,272,519	1980: $35,901,633 1981: 39,046,061 1982: 42,677,966 1983: 53,003,945 1984: 55,891,051
PERCENT BUDGET CHANGE 1980-1984	-8.7%	-1.6%	+55.7%
ALLOCATION FORMULA	Based on equal weighting of: 1) per capita income; 2) per capita taxable value; 3) per capita expenditure per 1,000 population for corrections; 4) percent of county population aged 6 through 30.	Based on equal weighting of: 1) per capita income; 2) per capita taxable value; 3) per capita local expenditure per 1,000 population for community health services.	Based on equal weighting of: 1) the average unduplicated number of persons who have received AFDC, general assistance and medical assistance in the last two years; 2) the number of county residents aged 65 and over.
COUNTIES PARTICIPATING (AS OF 1984)	27 Counties	86 Counties (all but Pine)	Mandatory participation; 87 counties
EARMARKED OR RESTRICTED EXPENDITURES	None	None	Cost of care for the mentally retarded, epileptic, or emotionally handicapped children.
MATCHING REQUIREMENTS	Counties must maintain the level of local spending for community corrections.	Localities must provide a minimum of $4.50 per capita adjusted for inflation minus the amount of subsidy. Local matching funds may include tax revenue, gifts, service fees, and contract revenue.	Counties must provide funding from tax revenue equal to the amount of subsidy.
SANCTIONS FOR NON-COMPLIANCE WITH STATUTORY OR DEPARTMENTAL REQUIREMENTS	Commissioner of Corrections may withhold all or a portion of the subsidy, if required standards are not met.	If the required amount of local matching funds is not provided, the state subsidy will be reduced proportionately.	Commissioner of Public Welfare may reduce the quarterly payment by one-third of one percent of the county's annual entitlement if the county fails to submit an amended plan within 30 days to meet established requirements. Aid will be reduced also if counties fail to levy an amount sufficient to provide the required matching funds.

FIGURE 1.4

COUNTY PARTICIPATION IN MINNESOTA'S BLOCK GRANTS
(as of January 1984)



Support for expanded community programs grew as the idea spread that most first offenders, especially juveniles, should be dealt with in their own communities instead of being incarcerated with dangerous criminals in large state institutions.

The central idea behind CCA was to link state subsidies for local corrections programs to a county commitment to reduce reliance on state institutions. The subsidies themselves would be available to help develop local alternatives to state institutionalization. A similar program had been pioneered in California in the mid-1960s.

A state task force consisting of representatives from all branches of the corrections profession was created by the Department of Corrections in June 1972. A bill incorporating these ideas was drafted and introduced in the Legislature. The bill was based on several assumptions: a) community-based programs were considered preferable to institutionalization for a variety of offenders, b) overhead costs could be reduced by coordinating the delivery of services at the local level, and c) local administration would minimize the potential for duplication of services and allow counties to respond more effectively to local needs.

In addition, it was assumed that a lack of coordination in correctional services contributed to unequal treatment of offenders. The problem was thought to be exacerbated by the limited number of sentencing alternatives available in the early 1970s. In most instances, the alternatives simply consisted of incarceration or probation, neither of which were considered appropriate for many types of offenders. The development of community corrections programs, it was thought, would promote equity by expanding the range of sanctions and sentencing options.

The bill was passed unanimously in the Senate and with only two dissenting votes in the House and signed into law in May 1973. The chief provisions of the CCA follow:

In order to be eligible for a community corrections subsidy, a county or group of counties must have a population of at least 30,000. Participation is voluntary; non-participants remain eligible for the four pre-CCA categorical programs for probation services, group homes, community corrections centers, and regional jails. As of 1984, 27 counties organized into 12 separate agencies participated in the program. These counties represent some 60 percent of the state's population.

Money is allocated to participating counties according to a statutory formula which includes the following factors: per capita income, per capita taxable value, per capita expenditures for corrections, and the size of the county's "at risk" population (those aged 6 through 30). Counties are obligated to maintain "their current level of spending for corrections".

However, a county's subsidy is reduced each year by a given amount for each juvenile committed to a state institution. Prior to state sentencing guidelines, which reduced local sentencing discretion for adults in 1981, the subsidy was reduced for committed adults

too. A key element of the CCA as originally conceived, this subsidy reduction provides incentives for local program innovations.

Under the CCA, a local corrections advisory board is obligated to prepare an annual plan and county boards decide how funds should be allocated across correctional programs. The state corrections department is supposed to review plans and has the explicit power to withhold "all or a portion of any subsidy" to ensure that state standards are upheld. The law permits the corrections department to promulgate rules to further define standards and procedural methods.

In addition to transferring responsibility for pre-existing probation and parole services, CCA has spawned a variety of new programs. These include preventive or diversionary programs, such as crisis intervention, individual and family counseling, and recreation programs designed to deter juveniles and first offenders from reentering the criminal justice system.

According to the state corrections department, the CCA, "representing the state's most far-reaching criminal justice policy, has restructured Minnesota's correctional services."[6] It has given new authority to administer existing probation and parole programs, provided local government with resources to develop new community corrections programs and strengthen existing ones, and served as a vehicle for uniting in a common forum all important criminal justice actors at the local level.

Because the CCA was designed to reach specific goals--including deinstitutionalization--it provided standards against which its success could be measured. It also averted the need for the state corrections department to establish onerous procedural requirements in order to ensure accountability. These features make the CCA the most overtly "goal-oriented" of Minnesota's three block grants.

2. COMMUNITY HEALTH SERVICES ACT (CHS)

Like the Community Corrections Act, the 1976 Community Health Services Act was formulated to help foster and support local program initiatives. Unlike the CCA, however, it was not designed to accomplish any over-arching state goals such as deinstitutionalization. Accordingly, it may be considered a "general" block grant program. Its primary aim is to foster local program initiatives by decentralizing decision making in the area of public health and providing state funds for community health programs.

Before 1976, the availability of public health programs in Minnesota was uneven. From 1947 through 1965, state funds for local health programs were limted to a $1,500 annual county allocation for

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[6] Minnesota Department of Corrections and Crime Control Planning Board, Minnesota Community Corrections Act Evaluation: General Report, January 1981, p. 1.

public health nursing services. In 1971, the Legislature made one-time grants to small counties which had no home health agency or public health nursing services. The state also employed some 30 hearing and vision consultants, financed a mobile health clinic in the northern tier of counties (soon dubbed the "White Elephant" when it proved unsuitable for winter roads and too cold inside for intended uses), and used other funds to support emergency medical services and maternal and child health programs. Available funds for public health programs--mostly federal dollars--went to the counties most adept at writing grant proposals (mostly the big metro counties). The result, according to MDH staff, was an inequitable distribution of resources and an uneven availability of public health services throughout the state.

At first, the response of the state health department was to propose a series of categorical public health programs which sought earmarked funds for public health nursing, home health care, family planning, nutrition, and disease prevention and control. Perhaps because they failed to offer a comprehensive approach to the problem, they were rejected by the Legislature in 1973. However, the successful passage of the CCA and the Human Services Act in the same year triggered a different line of thought at the health department, according to one top health manager. Instead of the state providing services directly, a state subsidy program for counties similar to that enacted in the CCA would allow comprehensive needs assessment, planning, priority-setting, and decision-making at the local level. A bill for a block grant program was drafted in the summer of 1974, introduced in the House of Representatives in January 1975, and ultimately enacted (by a 119 to 7 margin in the House and a 53 to 14 margin in the Senate) in February 1976.

According to CHS, counties or cities are eligible for community health subsidies, but there are minimum population limits to encourage inter-county and inter-city cooperation. The program is voluntary, but the lure of state dollars for local public health programs has been sufficient to attract all but one Minnesota county (Pine County) into the program. Recipients have a variety of organizational options under the CHS statute. Many counties have formed cooperative arrangements with adjacent counties, or created broad-based human service boards. In addition, five cities in the Twin Cities metropolitan area participate semi-independently. Altogether, with the cities, there are 47 separate CHS agencies, incorporating 99.5 percent of the state's population.

Funds are allocated to local CHS agencies according to a formula that measures past commitments to public health programs and the local ability to pay. Formula factors include per capita income, per capita taxable value, and public health expenditures per 1,000 population. Local agencies must provide matching funds.

Depending on the organizational option selected, the county board, a joint board, a human service board, or a city council makes local allocation decisions, but a local health board is required to draw up a plan and budget that meets state health department approval. Plans must include a needs assessment, an inventory of services,

program descriptions, evaluations of past activities, and other information. The state health department is authorized by law to promulgate rules for further detailing the state/local relationship, and it has statutory powers to ensure local compliance by withholding funding where necessary.

The CHS law also authorizes the establishment of a state advisory committee to make recommendations to the commissioner of health "on matters relating to development, maintenance, funding, and evaluation of community health services."

The "success" of CHS is precisely measurable only by counting the numbers of new public health programs which state funds have made possible and by assessing the efficiency with which funds are allocated and state oversight is conducted. The program was created to give resources to local governments so they could create their own public health programs designed to meet local needs. Because the state did not mandate specific programs, or establish targets or specific health goals, the CHS program resembles the "general" block grant model in which state accountability is best assured by establishing procedural standards. In this case, such standards should presumably ensure that local agencies are making allocation decisions in a way that is indeed responsive to local needs.

3. COMMUNITY SOCIAL SERVICES ACT (CSSA)

The 1979 CSSA was created last among the three Minnesota block grants. According to those involved in drafting the legislation, the earlier block grants--especially the CHS--largely inspired the form ultimately taken by CSSA. However, unlike the earlier programs, CSSA was largely the product of legislative initiative and compromise. The state welfare department, to which ultimately fell the responsibility to implement and supervise the program, was not active or supportive of legislative efforts. Although the official DPW position was one of neutrality, many participants characterize DPW as hostile to CSSA.

Important factors in determining the need for a new approach to funding social services in Minnesota included the following: the federal government had already set a precedent in creating a federal block grant to consolidate social service programs in 1975; many legislators were dissatisfied with both the proliferation of special state categorical grants-in-aid programs and the efficiency with which they were being run by DPW; and some legislators felt unable to assess the validity of special interest claims that the state needed to earmark more funds for certain programs.

More than one legislative initiative was mounted to address these issues. A bill was introduced in the House in 1977 to decentralize social services and combine them with health services at the county level. Counties were mandated to provide certain services to specific population groups. The bill represented an attempt to coordinate and decentralize service delivery under state policy guidelines and supervision. The House passed the bill, but it failed in committee in the Senate.

Another bill providing state aid for local social services was introduced in the House in 1979. Later in the session, a companion bill was put forth in the Senate. The primary difference between the two proposals lay in the strength of the state role in establishing and enforcing social service policy. The Senate version specified the goals to be achieved and emphasized the need to reduce costs and reliance on services by subsidizing preventive and non-institutional programs. Specific responsibilities of state and local agencies were mandated to ensure accountability and coordination in administration at both levels of government.

By contrast, the House bill minimized state supervision and enhanced local autonomy to establish social service policy. These differences were reconciled by Senate amendments to the House bill. Requirements for a state plan, an evaluation procedure, and imposition of a maximum funding level were included in the bill. Provision was also made to enable the state to sanction counties whose plans fail to meet statutory or department mandates but the sanctions were so minimal that they underlined the Legislature's unwillingness to leave the state with a significant role in the block grant. Despite the inclusion of amendments made by the Senate, CSSA more closely resembled the House bill in granting broad authority to county government. The amended bill was passed by a vote of 127 to 0 in the House and 47 to 6 in the Senate.

The CSSA created no new programs and did not represent "new" state money for existing social service programs. However, the sum of the previously separate categorical appropriations that were combined in the block grant was increased over the previous biennium. It gave each county a subsidy which the county could use for the mix of social services it decides is needed. It also incidentally created a separate block grant procedure for allocating federal Title XX (social service) funds to the counties.

Under CSSA, money is allocated to each county based on a simple formula: one-third of the annual appropriation is distributed to counties according to their population, one-third is distributed according to the population aged 65 and over, and one-third is distributed according to the local welfare caseload. Equal matching funds are required from local tax revenues.

Title XX funds are allocated according to a somewhat different formula, reflecting federal intentions of serving low income groups. After administrative and migrant day-care costs are subtracted, two-thirds of the funds are distributed to counties according to the size of their respective welfare caseloads and one-third is distributed according to population.

Although the law originally defined the kinds of services that could be funded by the county, CSSA now identifies seven "target" groups that are to be served: families with neglected or abused children, dependent wards, vulnerable adults, dependent elderly, mentally ill and mentally retarded persons, chemically dependent persons, and others. Each year the Legislature has specified

that certain local program expenditures cannot be reduced by the county. Since this feature earmarks some subsidy dollars, it places limits on local spending discretion.

Under CSSA, county boards are the principal local decision-makers. They must submit a biennial social services plan to DPW which includes goal statements, a needs assessment, an inventory of services, a discussion of methods of encouraging public participation, and other procedural requirements. However, DPW has no real sanction to ensure compliance: at most, DPW can withhold only one-third of one percent of the county's annual subsidy.

DPW is required to develop its own statewide biennial "plan" which consists of summaries of local plans and a discussion of intergovernmental coordination problems.

Accountability under CSSA is established not only through local plan requirements but also through local and state "program evaluation" requirements. Each county is required to prepare its own biennial evaluation of program effectiveness. DPW, in turn, is supposed to prepare progress reports one year into the biennium and evaluate the effectiveness of "each program" at the end of the biennium. However, since there are no statewide goals or programmatic standards associated with CSSA, such evaluations must be based on an acceptance of local program objectives.

As with other "general" block grants, CSSA decentralizes decision making, but it does not do so in order to give local governments flexibility in maximizing specific goals set by the Legsilature. Instead, program goal definition is left to the counties. As a result, DPW's block grant role is mainly one of ensuring that counties follow prescribed planning, reporting, and evaluation procedures. To the extent that counties follow these procedures and fulfill their own program objectives, the CSSA can be judged successful. As with all "general" block grants, however, the final evaluative judgement must come from the Legislature.

D. SOME COMPARISONS

There are many obvious similarities and differences among Minnesota's block grants. In this section, we identify some of the most salient features of the block grants that determine their importance in the intergovernmental aid system and that bear on their overall success.

The similarities among the three programs are readily apparent. All are designed to grant state money to local units of government along with the general authority to plan, allocate, and deliver certain kinds of human services. Each program is "state-supervised and county-administered," a kind of partnership in which authority, perogatives, and responsibilities are divided up between state and local governments.

While each program budget is large by state standards (the CHS budget represents about half of the state health department's biennial appropriation), each represents only a small amount of the total funds available to local governments for community human services programs. The CHS subsidy, for example, is only about 16 percent of the total amount of community health funds available to local governments. The CSSA subsidy represents about 20 percent of local social services monies and the CCA grant represents about 25 percent of local corrections' expenditures. Federal grants, fees, local tax revenues, and other sources of funds supplement state block grant subsidies. For these reasons, local governments are sometimes suspicious of state mandates and requirements.

The differences among the block grants help reveal the features that contribute to a strong state/local partnership and provide for meaningful state oversight.

First, CCA is a "goal-oriented" block grant. It was designed to reach major state goals (including reduced reliance on state correctional institutions) and it gives local governments both the resources and the decisional flexibility needed to reach the goals. As a result, CCA is amenable to statewide evaluation. It provides uniform standards against which its success can be measured.

In contrast, CSSA effects a shift of decision making responsibility to local governments with no clearly articulated statewide goals or even a statement of why it is important that state tax dollars be used to support local social service programs. Accordingly, there is no statewide objective standard for measuring success and the program is not easily amenable to statewide evaluation. Local accountability, therefore, must rest primarily on ensuring adherence to prescribed procedures in planning, reporting, and evaluating local services and in making allocation decisions.

Similarly, CHS is a block grant program without clearly identified state goals. Although the Legislature provided resources for local governments to develop certain kinds of public health programs, it did not establish measurable goals against which local progress could be gauged. As a result, the state now has more public health programs than it had before CHS, but whether those programs are effective in meeting state health goals is difficult to judge because the goals have not been defined.

Second, CCA and CHS were created by, or with the active cooperation of, the state departments of corrections and health. CSSA was conceptualized in the Legislature without active DPW support. These different patterns may have contributed to a differential sense of program "ownership" among the three state departments and to a somewhat different sense among them of the proper state role in their respective block grants. This point is discussed further in Chapter III.

Third, CCA and CHS were politically less controversial than CSSA because: a) they provided "new" money for corrections and health programs and b) they each serve broad or unorganized constituencies rather than groups that are politically cohesive. In fact, eligible funding under CCA and CHS is defined in terms of services, while under CSSA it is currently defined in terms of target groups. Many of CSSA's target groups were the beneficiaries of direct state categorical programs before CSSA and the shift of decision-making authority to local governments was interpreted by some as abandonment by the state.

II. FINANCIAL ANALYSIS OF MINNESOTA'S BLOCK GRANTS

This chapter explores several financial issues relating to Minnesota's block grants. The history of state funding, a description and analysis of each distribution formula, local level funding sources, and local expenditures are examined. A comparison among the three block grants for each issue is made where appropriate.

A. STATE FUNDING FOR MINNESOTA'S BLOCK GRANTS

The state of Minnesota committed $79,307,449 to the three human services block grants in calendar year 1983. While small compared to other components of the state's budget, this demonstrates a specific level of commitment to fund these three groups of human services with state funds. These state monies are supplemented with federal and local funds; the overall annual funding for these human services provided by local governments is approximately $350 million. Questions regarding the ability of these block grants to keep pace with inflation, the pattern of growth, and the programs that were added to each block grant are discussed in the following sections.

The difference in the relative importance of the block grant appropriation in each department's fiscal year 1982 budget is demonstrated in Table 2.1. For the Department of Health (MDH), the CHS appropriation represents almost half of the department's budget (state funding), while funding for the CCA subsidy is 17 percent of the Department of Corrections (DOC) budget. The appropriation for CSSA is the largest of the three block grants but makes up only six percent of the Department of Public Welfare's (DPW) state funding.

1. COMMUNITY CORRECTIONS

Community corrections is a voluntary program for counties with 27 counties representing approximately 60 percent of the state's population presently participating. In 1974, the first year of CCA, six counties with a combined population of approximately 660,000 decided to participate, receiving state funds totaling $1,179,442. By 1983, the state commitment had grown to over $15 million and involved counties with a population totaling 2.4 million.

State funding provided for corrections in each county prior to CCA was for local based state parole officers. These officers became county employees when the county decided to participate in CCA. The majority of Minnesota counties still do not find it cost effective to participate in CCA. The local cost of assuming responsibility for community corrections is apparently large enough so as not to offset the benefits and flexibility the county would receive under CCA.

TABLE 2.1

BLOCK GRANT FUNDS AS A PROPORTION OF ALL STATE EXPENDITURES FOR CORRECTIONS, HEALTH, AND SOCIAL SERVICES, FISCAL YEAR 1982
(Millions $)

	Department		
	Corrections	Health	Public Welfare
State Block Grant Appropriation	$11.1	$11.2	$ 41.0
Total State Departmental Appropriation	$63.3	$24.4	$ 699.3
Block Grant as Percent of State Appropriation	17.5%	45.9%	5.9%
Total Departmental Budget[a]	$72.8	$57.4	$1,420.1
Block Grant as Percent of Total Departmental Budget	15.2%	19.5%	2.9%

Source: Governor's Biennial Budget, FY 1982-83.

[a]Includes federal funds.

Table 2.2 shows the growth in state funds along with the statewide per capita subsidy based on 1980 population data. To permit valid annual comparisons, each year's subsidy has been adjusted to account for those counties that began their participation at some time other than the beginning of the year. To demonstrate annual growth in funding measured on a common base (regardless of new county participation and the resulting increase in population), a statewide per capita figure is used.

In nominal dollars state funding has increased every year except 1982--the peak of the state's recent fiscal crisis. However, inflation has outpaced state funding since 1974. The G.N.P. implicit price deflator (measuring changes in the cost of government services) has increased 102 percent since 1974 while adjusted per capita state funding for CCA has grown only 72 percent. Figure 2.1 shows that:

- between 1974 and 1983, the state's real per capita spending for community corrections has decreased almost 14 percent.

TABLE 2.2

STATE COMMUNITY CORRECTIONS FUNDING
Calendar Years 1974-1983

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
CCA Subsidy	$1,179,442	$2,794,286	$4,532,926	$6,177,126	$12,144,849	$13,591,030	$14,735,356	$15,169,177	$14,812,030	$15,268,256
Adjusted CCA Subsidy[a]	$2,399,720	$2,794,286	$5,953,221	$6,337,458	$12,415,060	$13,591,030	$14,735,356	$15,169,177	$14,812,030	$15,268,256
Population[b]	659,517	659,517	1,244,667	1,296,773	2,404,069	2,436,612	2,436,612	2,436,612	2,436,612	2,436,612
Per Capita Adjusted CCA Subsidy	$3.64	$4.24	$4.78	$4.89	$5.16	$5.58	$6.05	$6.23	$6.08	$6.27
Percent Change in Per Capita Adjusted CCA Subsidy		16.5%	12.7%	2.3%	5.5%	8.1%	8.4%	3.0%	-2.4%	3.1%
Constant Dollar (1974) Per Capita Adjusted CCA Subsidy[c]	$3.64	$3.87	$4.08	$3.88	$3.81	$3.79	$3.72	$3.53	$3.21	$3.14
Percent Change in Constant Dollar Per Capita Adjusted CCA Subsidy		6.3%	5.4%	-4.9%	-1.8%	-.5%	-1.8%	-5.1%	-9.1%	-2.2%

[a]CCA subsidy has been adjusted so that the figure reflects funding as if all enrolled counties had participated for the full calendar year. Since many counties began participating March 1 or July 1, their total funding for that first year was increased for comparative purposes to show what would have been the full year's funding.

[b]All population figures are 1980 census data.

[c]The constant per capita adjusted CCA subsidy reflects 1974 constant dollars. This figure is calculated by deflating the per capita adjusted CCA subsidy by the GNP implicit price deflator for state and local government purchases of goods and services.

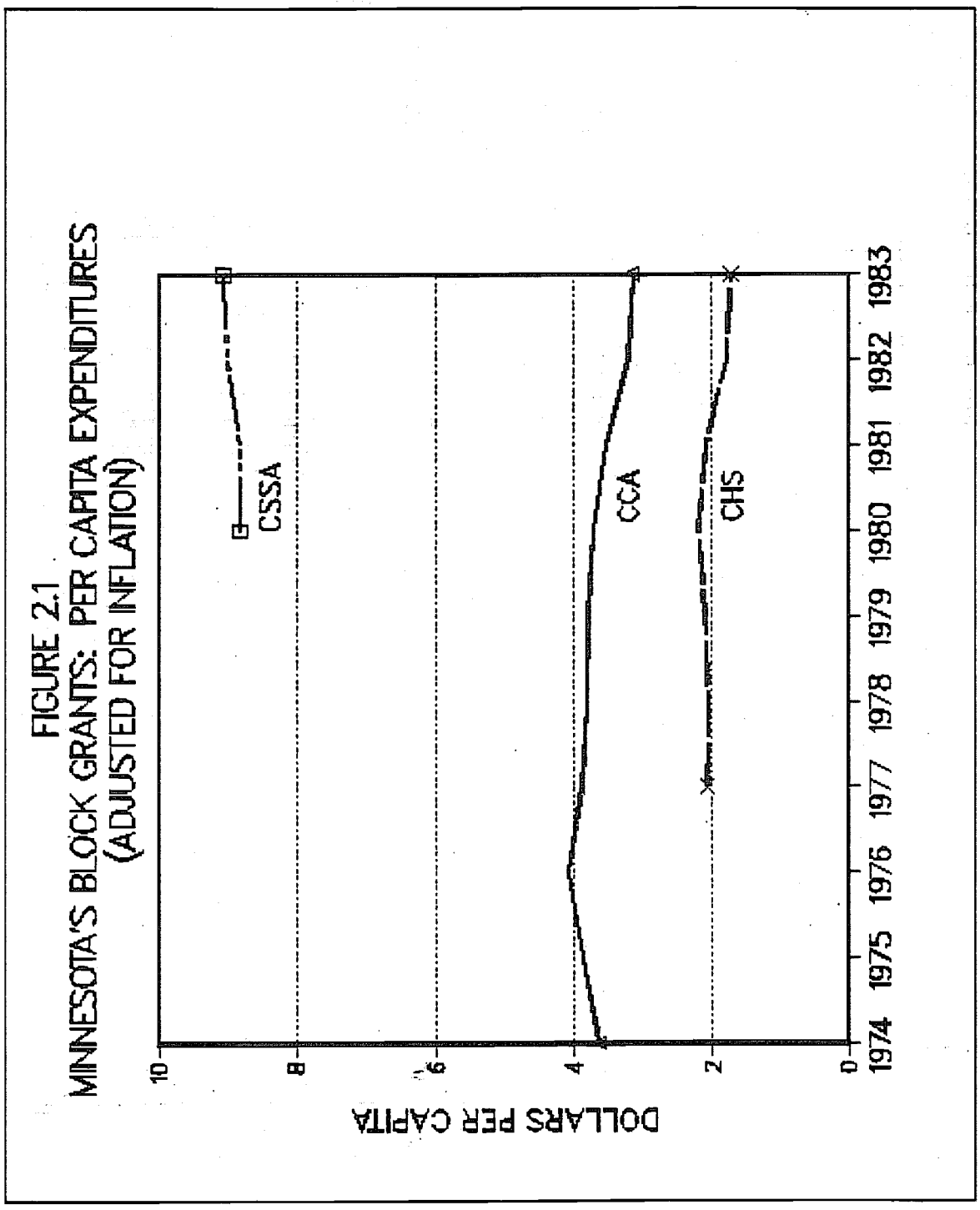
FIGURE 2.1
MINNESOTA'S BLOCK GRANTS: PER CAPITA EXPENDITURES
(ADJUSTED FOR INFLATION)
DOLLARS PER CAPITA
0
2
4
6
8
10
1974
1975
1976
1977
1978
1979
1980
1981
1982
1983
CSSA
CCA
CHS

2. COMMUNITY HEALTH SERVICES

Prior to the enactment of the Community Health Services Act, the Department of Health provided limited community health services. These services were funded with a combination of state funds and federal categorical grants. When CHS was enacted, the department combined some of these funds to provide for the CHS subsidy, while other programs such as family planning and hypertension were continued. Over time, state funds have become the largest component of the total CHS subsidy but federal funds from the Preventive Health and Health Services block grant still account for a small share of the total subsidy.

The rate of growth in total CHS funding in current dollars has been much less than that of CCA (see Table 2.3). The major reason for this was that the initial participation rate in CHS was higher than that in CCA. Counties participating in CHS the first year represented about 75 percent of the state's population.

Per capita adjusted subsidy growth was also substantially less than the CCA. Over the life of each block grant, CCA has had an annual increase in adjusted per capita funding of approximately 8 percent while CHS adjusted per capita funding has only grown around 4.5 percent. But more importantly, like CCA, the CHS subsidy has not kept pace with inflation. Prices have increased 65 percent between 1977 and 1983 while the CHS subsidy has only grown 30 percent (adjusted per capita subsidy). Figure 2.1 demonstrates that:

- like CCA, real per capita state spending for community health has decreased 17 percent between 1977 and 1983.

3. COMMUNITY SOCIAL SERVICES

Unlike CHS, CSSA continued services already provided at the county level. The enactment of CSSA was a management change which combined a number of categorical programs and their funding into the CSSA block grant. Funding for CSSA was based on the previous commitment to these categorical programs. The categorical programs were grants made for:

- community mental health centers;
- detoxification;
- halfway houses;
- day activity centers;
- day care;
- state administration aid;
- affected employees; and

TABLE 2.3

STATE COMMUNITY HEALTH SERVICES FUNDING
Calendar Years 1977-1985

	1977	1978	1979	1980	1981	1982	1983	1984	1985
CHS Subsidy	$5,554,306	$8,055,430	$9,772,821	$11,455,020	$11,900,239	$10,884,317	$11,203,248	$11,203,316	$11,476,089
Adjusted CHS Subsidy[a]	$6,688,378	$8,381,187	$9,806,615	$11,505,502	$11,900,239	$10,906,826	$11,035,248	$11,203,316	$11,476,089
Population[b]	3,231,788	3,770,332	3,985,703	4,056,090	4,056,090	4,056,090	4,056,090	4,056,090	4,056,090
Per Capita Adjusted CHS Subsidy	$2.07	$2.22	$2.46	$2.84	$2.93	$2.66	$2.69	$2.74	$2.80
Percent Change in Per Capita Adjusted CHS Subsidy	7.2%	7.2%	10.8%	15.4%	3.2%	-8.2%	1.1%	1.5%	2.5%
Constant Dollar (1977) Per Capita Adjusted CHS Subsidy[c]	$2.07	$2.06	$2.10	$2.20	$2.09	$1.79	$1.72	NA	NA
Percent Change in Constant Dollar Per Capita Adjusted CHS Subsidy		-.5%	1.9%	4.8%	-5.0%	-14.4%	-3.9%	NA	NA

[a]CHS subsidy has been adjusted so that the figure reflects funding as if all enrolled counties had participated for the full calendar year. Since m many counties began participating March 1 or July 1, their total funding for that first year was increased for comparative purposes to show what would have been the full year's funding.

[b]All population figures are 1980 census data.

[c]The constant per capita adjusted CHS subsidy reflects 1977 constant dollars. This figure is calculated by deflating the per capita adjusted CHS subsidy by the GNP implicit price deflator for state and local government purchases of goods and services.

- youth and underserved.

The funds for these programs were totaled for the 1978 fiscal year and the formula used this figure to determine the proper allocations to counties.

In 1983, other categorical grants were folded into the block grants. These programs were grants for:

- cost of care for mentally retarded, epileptic or emotionally handicapped children;
- community mental health pilot program (SLIC); and
- community based residential program for mentally ill persons.

For 1984, two other program changes affect the CSSA program. First, the funding for a portion of the Semi-Independent Living Service (SILS) program was folded into the block grant. This increases the overall funds available to counties. Second, the state's share of the Medical Assistance costs for training and rehabilitation for residents of intermediate care facilities for mentally retarded persons will be deducted quarterly from each county's subsidy payment. However, despite this reduction in CSSA payments, counties should experience a savings by making available Title XX funds and local property tax revenues, which had been dedicated to providing these services.

Table 2.4 shows the total state funding for CSSA for 1980 to 1984. In nominal dollars, the total state subsidy grew substantially between 1980 and 1984 but much of the growth is attributable to the additional programs folded into CSSA. To measure the state's commitment to the growth of this program, we calculated an adjusted CSSA subsidy which simply subtracted the effect of these new programs. This adjusted subsidy still shows an annual increase in state funding but at a slower rate.

Our analysis shows that:

- CSSA is the only block grant of the three that has kept pace with inflation.

Costs rose 21 percent between 1980 and 1983 while state CSSA funding (adjusted CSSA subsidy) increased 26 percent during the same period. Figure 2.1 shows that real per capita spending measured in 1980 constant dollars has increased (after the additional programs were folded in) about 3 percent. Of course, many associated with social services might assert that the demand for social services during this period of recession and high unemployment has far outstripped the increases in state funding.

TABLE 2.4

STATE COMMUNITY SOCIAL SERVICES FUNDING
Calendar Years 1980-1984

	1980	1981	1982	1983	1984
CSSA Subsidy	$35,901,633	$39,046,061	$42,677,966	$53,003,945	$55,891,051
Adjusted CSSA Subsidy[a]	$35,901,633	$39,046,061	$42,677,966	$45,238,646	$47,500,578
Population[b]	4,075,961	4,075,961	4,075,961	4,075,961	4,075,961
Per Capita Adjusted CSSA Subsidy	$8.81	$9.58	$10.47	$11.10	$11.65
Percent Change in Per Capita Adjusted CSSA Subsidy		8.7%	9.3%	6.0%	5.0%
Constant Dollar (1980) Per Capita Adjusted CSSA Subsidy[c]	$8.81	$8.81	$8.99	$9.05	NA
Percent Change in Constant Dollar Per Capita Adjusted CSSA Subsidy		0.0%	2.0%	0.7%	NA

[a]The CSSA subsidy was adjusted by removing the effect the programs that were folded into the block grant have on the subsidy.

[b]All population figures are 1980 census data.

[c]The constant per capita adjusted CSSA subsidy reflects 1980 constant dollars. This figure is calculated by deflating the per capita adjusted CSSA subsidy by the GNP implicit price deflator for state and local government purchases of goods and services.

B. DISTRIBUTION OF STATE FUNDS TO LOCAL AGENCIES

Block grant funds to local governments are allocated according to statutory formulas. Unlike the categorical grants that block grants have often replaced, little or no discretion is left to the state agency to decide which county gets how much money.

Each block grant has a unique distributional formula. In the following sections we describe each formula, discuss the strengths and weaknesses of each, and analyze the distribution of state block funds to the counties.

There is always controversy about the methods used to allocate government money. In general, each recipient prefers a method which maximizes money to them at the expense of other recipients. Metropolitan counties in Minnesota have often been at loggerheads with outstate counties concerning the best way of allocating block grant money. A method favoring one may hurt another. For this reason, it is important for the Legislature to consider the principles on which block grant allocation formulas should be based.

At least four important principles should be considered:

- Funds should be targeted toward groups in need;
- The mechanism for distributing state funds should be simple enough to be understood by both government and the general public;
- A local match should be required to establish a sense of local "ownership" and to provide cost-saving incentives; and
- Funds should be distributed equitably, reflecting not only the local unit's ability to pay but also on its ability to raise revenue.

To integrate the four principles outlined above, we considered a number of different ways of distributing state funds to counties. One of the models that we derived from the principles is outlined below. While this is only one possible formula, we offer it as a standard against which to compare the three existing block grant formulas. The model takes the following form:

- The factors found in the formula should include one or more measures of need, per capita taxable property value, and per capita income.
- The factors should be equally weighted with the total state appropriation equally divided into as many separate "pots" as there are factors and distributed to local units according to their values on the factors (similar to the way CSSA funds are presently distributed).

- A local matching requirement based on a statewide per capita figure should be required of each participating local jurisdiction.

Factors measuring the need for services under each block grant are included since it is generally recognized that the demand for these services may vary from county to county. Population may be a common measure of need for all three block grants. Per capita income and per capita taxable property value are incuded to account for the principles related to equity. Per capita taxable property value reflects the different capacities of local governments to raise local revenues through the property tax. This factor is important because we recommend a local match and those counties with the least ability to raise local revenue should receive more state aid. Per capita income measures the ability of local citizens to pay their property taxes. We recognize that in many cases, a citizen's property wealth is not directly related to his income, a problem most often present in the agricultural regions of the state in some years. The combination of measures of property wealth and annual income will hopefully balance this problem so that equity can be a component of the formula.

By distributing state block grant funds by a method similar to the present CSSA mechanism, simplicity may be ensured, providing for greater understanding and minimizing the manipulation of the distribution mechanism for one county's benefit. The method used by CSSA divides the total amount appropriated by the Legislature into the same number of funds that there are formula factors. These funds are kept analytically separate for the purposes of determining allocations. The fund set aside for the first factor is then allocated in proportion to counties' values for the factor. Identical procedures are used to divide up and allocate the funds set aside for the other factors. All attempts to incorporate inflators, minimum or maximum payments, hold harmless clauses, or any other means to alter the distribution of state aids should be discouraged in each formula since these only add complexity and may take away from a fair and equitable distribution of funds.

We feel that by requiring a local match, the public can be assured that the state and local funds are being used efficiently and effectively. By only supporting the block grants with state money but providing the services at the local level, there is little incentive for counties to spend funds efficiently. We feel that to maintain the partnership concept behind Minnesota's block grants, a minimum level of local funding should be required. To calculate the local matching requirement, a statewide per capita commitment for each block grant should be determined with input from the appropriate state agency, counties, and the Legislature. The per capita state appropriation (total state appropriation divided by the state's population) would be subtracted from this figure to determine the local match.

In the sections that follow, we compare each of the three block grant formulas with the principles and model formula outlined above. We show where there are deficiencies in the formulas themselves, the procedures used to apply the formulas, and the requirements for local matching funds.

1. COMMUNITY CORRECTIONS ACT

The distribution of funds to local CCA agencies is determined in a complex formula outlined in Figure 2.2. The formula is based on per capita income, per capita taxable property value, population between the ages of 6 and 30, and past correctional expenditures for each county. The county values for each of the factors are divided by the 87 county average. Resulting quotients are summed and divided by four and then multiplied by the appropriation to determine the county's eligible subsidy. Each county's subsidy is then reduced by the annual cost of incarceration (chargeback) of juveniles in state institutions.

Table 2.5 lists the 1980 and 1983 subsidy payments to the 12 participating community correctional agencies. These figures include the chargebacks that are later paid by the counties for state incarceration costs so the ultimate value of CCA payments to local units is less than that shown. The table also shows payments on a per capita basis for 1983. CCA payments fall within a relatively narrow range. The highest per capita payment is to the Arrowhead agency at $7.66 while the lowest payment is to the Rock/Nobles agency at $4.80.

TABLE 2.5

DISTRIBUTION OF CCA FUNDS TO LOCAL COMMUNITY CORRECTIONS AGENCIES
Calendar Years 1980 and 1983

	CCA Grant[a] 1980	CCA Grant[a] 1983	Percent Change 1980	CCA Grant[b] Per Capita 1983
Anoka	$ 1,092,198	$ 1,303,622	19.36%	$6.38
Arrowhead	1,905,641	2,276,677	19.47	7.66
Blue Earth	284,593	319,606	12.30	6.06
Crow Wing/Morrison	406,539	468,869	15.33	6.59
Dodge/Fillmore/ Olmsted	596,101	682,426	14.48	5.20
Hennepin	4,933,778	5,212,369	5.65	5.51
Ramsey	2,901,502	3,256,691	12.24	7.10
Red Lake/Polk/ Norman	293,719	287,879	-1.99	5.80
Region 6W	313,600	300,631	-4.14	5.85
Rock/Nobles	170,733	157,417	-7.80	4.80
Todd/Wadena	254,297	289,098	13.69	7.20
Washington	607,655	721,337	18.71	6.15
STATE TOTAL	$13,760,356	$15,276,622	11.02%	$6.23

Source: Minnesota Department of Corrections.

[a]These figures include the chargeback amounts which account for county costs of state incarceration. Actual annual payments are less.

[b]The 1983 per capita figures are based on 1982 population estimates, the latest available.

FIGURE 2.2

COMMUNITY CORRECTIONS SERVICES FUNDING FORMULA

Total annual state CCA funds are distributed to counties by the following process:

1. The values of the following four factors are determined for all of the 87 counties:

   a) Per capita income.
   b) Per capita taxable value of county property.
   c) The percent of the population in the age range of six to thirty.
   d) Per capita expenditure for correctional purposes which is calculated by summing the following:

      - the number of persons convicted of a felony under supervision of the county at the end of the year multiplied by $350;
      - the number of pre-sentence investigations completed annually in the county multiplied by $50;
      - the annual county cost for its probation officers' salaries for the year; and
      - one-third of the probation officers' salaries to account for their fringe benefits.

2. For each county the following are summed to calculate its score:

   a) per capita income is divided into the 87 county average;
   b) per capita taxable value is divided into the 87 county average;
   c) target population is divided by the 87 county average; and
   d) per capita correctional expenditure is divided by the 87 county average.

3. The totaled scores are then divided by four. This quotient becomes the computation factor which is multiplied by the appropriated value determined by the Legislature times the county's population. The resulting product is the county's eligible subsidy.

4. For participating counties, the annual per diem costs of incarceration of the county's juveniles in state institutions is deducted from the eligible subsidy. In addition, the per diem costs of adults serving terms of less than five years in state institutions sentenced prior to 1981 are also deducted from each county's eligible subsidy.

a. CCA Formula Factors

The current formula includes four factors: per capita income, per capita taxable property value, a measure of the target population (between 6 and 30), and an estimate of past funding. These factors are designed to reflect disparities in the ability to raise local revenues and the different levels of need among counties for correctional services. It is unclear whether these factors achieve these goals and studies have questioned the appropriateness of the present factors.

An important feature which established a local incentive to rely less on state institutions (one of the purposes of CCA) is added to the CCA formula. The costs for using state correctional institutions are deducted from each county's subsidy: the less the use of state institutions, the greater the subsidy for local programs.

Per capita income measures the relative wealth of a county's residents. Those counties with higher income receive smaller amounts of subsidy (independent of the other factors). Two rationales may be cited for the inclusion of this factor: it may measure the county's ability to pay, and it may be correlated with the expected incidence of crime. Ability to pay at the local level is an important consideration, but counties collect a property tax, not an income tax and income alone is therefore only a rough measurement of the county's ability to raise revenue. A relationship between income and incidence of crime may exist, but it needs to be demonstrated.

Per capita taxable property value more directly measures a county's ability to raise local revenue. This factor is used in a number of state aid programs such as educational foundation aid and local government aid. While many feel that a measure of local revenue raising ability is important, officials from outstate counties with higher priced agricultural land complain that they are unfairly treated by this factor.

Critics point to two major problems with the factor. First, the large number of property classifications in Minnesota and other problems in the land valuation system have made it impossible to accurately and equitably value land across the state. The second problem is that taxable property value does not reflect the property owner's ability to pay the property tax. Southern Minnesota counties assert that while farmers may have large land holdings, they may not have sufficient income to pay the taxes on those holdings. As a result, some county officials believe that this factor alone does not truly reflect the county's ability to raise revenue equitably across all counties. The CCA formula does combine taxable property value and income which should take care of some of the problems outlined above.

To measure the CCA target population, the formula includes a factor which reflects the proportion of population between the ages of 6 and 30. Reasoning that a large share of community correctional expenditures will be directed to this age group, this factor is included to ensure that counties with a larger proportion of this risk population receive a greater share of the subsidy.

Finally, the per capita expenditures for corrections factor increases the subsidy for those counties with greater costs per capita. It is reasoned that those with larger expenditures must also be faced with greater need or cost of providing services. But evidence for this is lacking. A "Committee to Study the Financing of Correctional Services and the Community Corrections Act in Minnesota" was created by legislative mandate in 1979. This committee studied the CCA funding formula and found the following problems with this factor:[1]

- The measures that are used to estimate past spending do not truly reflect correctional needs.
- There may be no way to uniformly estimate these measures since counties are able to manipulate their calculations.
- The cost per unit for these measures varies across the state so need cannot be uniformly assessed using these measures. For example, labor costs are much less in the rural areas of the state than for Hennepin and Ramsey Counties.
- These measures only reflect traditional needs and not those associated with more innovative programs like prevention.

This committee believed that this factor really only measured the number of offenders served rather than need. In addition, this factor does not account for ability to raise local revenues. Those counties with larger per capita tax bases may be able to raise greater revenues to spend on correctional services. Those counties in the most need may be politically or economically unable to raise sufficient revenues and are therefore penalized by this factor. Finally, inclusion of this factor may tend to reward the inefficient county that spends lots of money but achieves few positive results. As a result, it established the wrong kind of local incentives.

This committee proposed a new formula which would include only three factors:

1) The number of persons convicted annually in state district court (to measure the number of adult offenders served).
2) The number of individuals between the ages of 5 and 17 (to measure the size of the population at risk).
3) Total county population.

The first factor retrospectively measures the need for community corrections while the second factor prospectively measures need. The third factor measures need less directly, but stabilizes

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[1] Committee to Study The Financing of Correctional Services and the Community Corrections Act in Minnesota, Recommendations Concerning the Financing of Correctional Services in Minnesota (Report to the 1981 Minnesota Legislature, March 30, 1981).

funding. The committee felt that these items were easy to measure accurately and would provide uniform data across the state. It should be noted that the juvenile population factor does not measure the differences in county practices for handling juveniles in the court and correctional system but the committee felt that some measure of the juvenile target population was so important that its inclusion was essential.

- We find that these proposed factors address the target groups of CCA meeting the principle related to need. These measures of need are superior to those found in the present CCA formula but the principles related to equity must also be addressed in these proposed factors. For this reason we feel that measures of property wealth and income remain as factors in any new CCA formula.

b. Calculation of CCA Formula

The complexity of the CCA formula extends beyond the formula factors. Many additional complaints have been directed at the complex way the formula is implemented.

The determination of a county's annual subsidy involves a complicated ranking or scoring procedure (see Figure 2.2). Each factor must be calculated, divided by a statewide average, and finally the resulting four quotients are averaged. The final report of the legislative committee that studied the CCA formula stated that the current formula is "very complex and it is exceedingly difficult to understand its operation."[2] If a simpler structure were utilized without changing the present CCA factors, each local agency's resulting grant would be little different than it is now. As a result, the legislative committee recommended a far simpler method of applying the formula.

When CCA was enacted, many at the corrections department believed that state corrections spending should be 70 percent for corrections at the local level and 30 percent for state-operated institutions. The original base figure used to calculate the first biennial appropriation was founded on this assumption. However, there was no needs assessment made at that time to determine if this base figure was meaningful.[3] Equally important, the same base figure adjusted for inflation has been used each biennium since. Meanwhile, the goal of reversing the 1973 spending patterns of DOC has certainly not been met since funding for state operated institutions accounts for 69 percent of fiscal year 1984 spending and all community corrections spending represents 27 percent (including state-operated community correctional services) of DOC spending in fiscal year 1984.

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[2] Ibid.

[3] Ibid.

- We find the present means of implementing the CCA formula overly complex and believe it should be simpliefied along the lines suggested in the model formula. Any changes to the formula should retain the subtraction of incarceration costs to provide an incentive to minimize state institution populations.

While the model procedure is simple, there is at least one problem that would have to be overcome. All counties do not currently participate in CCA. If more counties participate in the future, the stability of current participants' block grant funding could be jeopardized since each participant's values on the factors would change. Increasing the overall state appropriation should minimize this problem, but further steps might have to be taken to ensure funding stability. The department should analyze this problem prior to effecting a change in formula calculation methods.

c. Local Matching Requirements for CCA

Under the Community Corrections Act, counties are required not to reduce their local spending for corrections services. The statute assumes that the CCA subsidy will augment existing funds. DOC interprets this provision to mean that counties must generate local funds (adjusted for inflation) equal to or greater than what the county was spending for local corrections the year prior to participating in CCA.

Local matching requirements may be a good idea: they guarantee a local commitment. However, we find problems in DOC's current policy. First, the current policy may treat counties that had a firm prior commitment to local corrections unfairly when compared to lower spending counties. These lower spending counties may continue to under-fund corrections while higher spending counties are locked into a higher match. As we show later, Crow Wing/Morrison generates just 11 percent of its funding locally, while Ramsey County generates 80 percent locally. Second, the local matching requirement in no way relates to actual need. Two counties with similar demographic characteristics and correctional needs may have substantially different local matches due to past spending decisions in the counties. This provision does not encourage counties to recognize unmet needs and increase their funding. The Corrections Department is concerned that any effort to increase the local share for some counties may cause them to stop participation in CCA.

- The present local matching requirement is based on past spending commitment and may fail in providing the proper incentive in meeting a county's correctional demands. We recognize that there is a difference in correctional needs throughout the state but we are uncertain about the appropriate local share of funding.

Another financial issue is the DOC policy on carrying forward CCA funds from year to year. Such a carry forward is permissible, but the actual funds are held by DOC. DOC closely monitors local expenditures (examining quarterly reports from each

local unit) and regulates the distribution of CCA subsidy funds according to the rate of spending at the local level. If it appears that an agency is not spending state funds at the rate they set out in their plan, DOC may withhold a portion of the CCA subsidy. Withheld funds are placed in a revolving account of the state general fund and interest accrues to the state. To receive any part of these carry-over funds, local units must demonstrate to DOC staff, through the annual plan or an amendment to the plan, that these funds are required to maintain or expand local programs. The carry-forward funds held by the state for all participating counties totaled $1,991,585 at the end of calendar year 1982.

Some local officials believe that they should be allowed to retain the funds and collect the interest income. They feel that the DOC role in the arrangement indicates that the state does not trust local government to manage its own funds. Alternatively, of course, local agencies could be penalized for (this is the case for CSSA) or prohibited from carrying forward any funds. The current arrangement does deter local units from accumulating large fund balances for the sole purpose of increasing income. We feel that the present arrangement is workable but if changes are made to transfer carry-forward funds to counties, restrictions in the size of accumulated fund balances (possibly measured by some percent of annual subsidy) should be included.

2. COMMUNITY HEALTH SERVICES

The distribution of CHS funds to counties is at least as complex and confusing as that involved in the CCA program (see Figure 2.3). The CHS formula is based on a county's average per capita income, taxable property value, and past expenditures. A scoring system which ranks counties on each factor plus further calculations characterizes the complex CHS distribution procedure. Subsidies are adjusted to reflect inflation and there is a "hold-harmless" clause which ensures that counties receive funds at least equal to those received in 1981. Recently, the subsidies have been prorated downward since the formula has not been fully funded by legislatively appropriated CHS funds and other MDH funds.

Table 2.6 shows the subsidy payments to counties for calendar years 1980 and 1984. In addition, 1984 per capita subsidy payments are shown for each county based on 1982 population figures. The range between the highest and lowest counties is relatively small, especially when compared with the CSSA subsidy (see below). There are three primary reasons for this. First, the total per capita subsidy is relatively small (for CHS the largest 1984 per capita subsidy is $4.63, while for CSSA the largest is $19.87 per capita). Second, the factors for the CHS formula are calculated on a per capita basis so the differences between the factor values for counties are small. Finally, the calculation of the formula is constrained by limits--no county can receive more than $2.75 and less than $1.75 per capita before inflation is accounted for. Those counties with the highest and lowest per capita subsidy payments for 1984 are listed in Table 2.7.

FIGURE 2.3

COMMUNITY HEALTH SERVICES FUNDING FORMULA

Total annual state CHS funds are distributed to counties by the following process:

1. Each county is ranked based on the following factors:

   a) per capita county income from lowest to highest;
   b) per capita taxable value of county property from lowest to highest; and
   c) per capita local community health expenditures from highest to lowest.

2. Each county's ranking for these three factors is summed and the counties are ranked again according to this total score.

3. The median total score is determined and each county's total score is divided into this median.

4. The actual subsidy rate for each county is determined by multiplying the value above (#3) by $2.25.

5. Since no county or city can receive more than $2.75 per capita or less than $1.75 per capita, the subsidy rate must be adjusted to reflect these limits.

6. The county subsidy is then calculated by multiplying the adjusted rate by the county's total population.

7. Additional funds are available to counties who participate in multi-county units ($5,000 for each county and to those local agencies who have a population of at least 50,000 ($.25 per capita).

8. The adjusted subsidy is determined by multiplying the county subsidy (#6) by the appropriate inflation factor. For 1984 this inflation factor was 1.202.

9. Because of a "hold-harmless" clause in 1981 and 1983 appropriations bills, each county is eligible to a subsidy equal to the greater of the 1981 subsidy or the adjusted subsidy calculated above.

10. Finally a prorated subsidy is determined that reflects the actual amount of state funds available for distribution to counties. For 1984 and 1985 the greater of the 1981 subsidy or the adjusted subsidy is multiplied by .8909.

TABLE 2.6

DISTRIBUTION OF COMMUNITY HEALTH SERVICE PAYMENTS TO COUNTIES
Calendar Years 1980 and 1984

COUNTY	CHS Grant 1980	CHS Grant 1984	Percent Change 1980-84	CHS Grant Per Capita 1984	COUNTY	CHS Grant 1980	CHS Grant 1984	Percent Change 1980-84	CHS Grant Per Capita 1984
AITKIN	$ 49,061	$ 48,422	-1.30%	$3.58	MARTIN	$ 59,395	$ 58,234	-1.95%	$2.36
ANOKA	427,697	419,824	-1.84	2.05	MEEKER	41,753	56,084	34.32	2.65
BECKER	89,594	91,756	2.41	2.95	MILLE LACS	61,574	59,635	-3.15	3.22
BELTRAMI	105,541	104,899	-0.61	3.17	MORRISON	98,896	99,530	0.64	3.38
BENTON	-0-	72,793	NA	2.79	MOWER	87,054	80,179	-7.90	2.02
BIG STONE	31,919	30,146	-5.55	3.86	MURRAY	32,559	35,302	8.42	3.07
BLUE EARTH	115,889	112,056	-3.31	2.12	NICOLLET	69,285	63,813	-7.90	2.31
BROWN	76,058	70,051	-7.90	2.45	NOBLES	52,315	48,183	-7.90	2.19
CARLTON	103,214	101,539	-1.62	3.40	NORMAN	34,755	32,010	-7.90	3.37
CARVER	71,862	69,433	-3.38	1.77	OLMSTED	244,686	248,220	1.44	2.64
CASS	70,784	72,988	3.11	3.45	OTTER TAIL	139,768	166,872	19.39	3.06
CHIPPEWA	52,220	48,096	-7.90	3.24	PENNINGTON	54,542	53,561	-1.80	3.71
CHISAGO	60,341	59,339	-1.66	2.21	PINE	-0-	-0-	NA	0.00
CLAY	127,845	143,238	12.04	2.92	PIPESTONE	40,560	42,038	3.64	3.62
CLEARWATER	35,107	33,504	-4.57	3.68	POLK	88,907	81,886	-7.90	2.36
COOK	16,856	15,525	-7.90	3.69	POPE	-0-	32,946	NA	2.79
COTTONWOOD	34,995	33,195	-5.14	2.32	RAMSEY	1,529,544	1,408,752	-7.90	3.07
CROW WING	120,602	122,881	1.89	2.95	RED LAKE	23,147	22,933	-0.92	4.20
DAKOTA	423,151	415,782	-1.74	2.05	REDWOOD	52,549	49,683	-5.45	2.60
DODGE	35,730	33,043	-7.52	2.19	RENVILLE	55,168	50,812	-7.90	2.55
DOUGLAS	90,923	94,801	4.27	3.29	RICE	98,387	96,743	-1.67	2.06
FARIBAULT	51,820	47,727	-7.90	2.45	ROCK	27,527	27,593	0.24	2.55
FILLMORE	55,753	68,769	23.35	3.13	ROSEAU	39,574	45,755	15.62	3.59
FREEBORN	73,769	68,089	-7.70	1.92	ST. LOUIS	738,781	680,437	-7.90	3.11
GOODHUE	90,368	88,355	-2.23	2.24	SCOTT	80,817	82,061	1.54	1.74
GRANT	26,746	25,093	-6.18	3.44	SHERBURNE	18,282	69,417	279.70	2.15
HENNEPIN	2,892,016	2,663,625	-7.90	2.81	SIBLEY	47,742	46,517	-2.57	2.97
HOUSTON	41,617	58,299	40.08	3.15	STEARNS	346,626	319,252	-7.90	2.84
HUBBARD	48,397	50,651	4.66	3.37	STEELE	63,290	62,197	-1.73	2.02
ISANTI	59,759	74,861	25.27	2.98	STEVENS	41,828	41,732	-0.23	3.65
ITASCA	134,974	124,214	-7.90	2.72	SWIFT	49,316	46,867	-4.97	3.66
JACKSON	40,063	36,899	-7.90	2.71	TODD	85,274	85,650	0.44	3.29
KANABEC	40,255	41,172	2.28	3.30	TRAVERSE	21,143	19,473	-7.90	3.57
KANDIYOHI	85,330	78,592	-7.90	2.00	WABASHA	57,865	67,478	16.61	3.54
KITTSON	25,786	23,750	-7.90	3.55	WADENA	51,719	50,953	-1.48	3.60
KOOCHICHING	64,011	61,810	-3.44	3.50	WASECA	40,810	39,931	-2.15	2.12
LAC QUI PARLE	42,628	39,262	-7.90	3.76	WASHINGTON	252,089	243,267	-3.50	2.08
LAKE	48,788	44,935	-7.90	3.41	WATONWAN	34,991	32,227	-7.90	2.70
LAKE OF THE WOODS	19,491	17,952	-7.90	4.63	WILKIN	30,170	27,796	-7.87	3.27
LE SUEUR	59,624	70,358	18.00	3.00	WINONA	114,635	113,941	-0.61	2.47
LINCOLN	30,539	31,724	3.88	3.90	WRIGHT	116,191	126,296	8.70	2.08
LYON	78,846	86,344	9.51	3.42	YELLOW MEDICINE	42,690	48,491	13.59	3.64
MCLEOD	65,885	68,880	4.55	2.29					
MAHNOMEN	22,896	21,657	-5.41	3.83	STATE TOTAL	$11,455,011	$11,197,690	-2.25%	$2.71
MARSHALL	50,057	46,513	-7.08	3.58					

SOURCE: Minnesota Department of Health.

TABLE 2.7
COUNTIES WITH HIGHEST AND LOWEST PER CAPITA SUBSIDY PAYMENT*
1984

Highest		Lowest	
Lake of the Woods	$4.63	Scott	$1.74
Red Lake	4.20	Carver	1.77
Lincoln	3.90	Freeborn	1.92
Big Stone	3.86	Kandiyohi	2.00
Mahnomen	3.83	Mower	2.02

Source: Minnesota Department of Health.

*Pine County receives no subsidy at this time so has not been included in this ranking.

a. CHS Formula Factors

Those who drafted the CHS statute have stated that the Community Corrections Act served as a model for CHS. The formula factors reflect this influence. The effect of the CHS formula is to provide a greater subsidy to counties which have low per capita income, low taxable value, and a larger local commitment to community health.[4] However, when the complex formula calculation mechanism is considered, the CHS funding technique is highly sensitive to population distribution.

The per capita income factor roughly measures the capability of a county's families and individuals to pay for community health services. Community health services may be more difficult to pay for in counties with low average incomes. Community health providers attempt to receive all or some portion of the costs for health services through fees or third party reimbursements (insurance companies), both of which are hard to collect from low income individuals. Medicare and Medicaid do partially offset this problem. The income factor also accounts for one of portions of the equity principles.

A county's taxable property value is the second CHS factor. It attempts to measure a county's ability to raise local revenue for community health services. Like the similar CCA factor, critics see two problems: the inaccuracy of property assessment statewide, and the weak relationship between property values and a landowner's capacity to pay property taxes. However, if ability to raise local revenue is an important consideration, this factor may be the best available.

[4]Plumb, Deborah A., and Randy J. Rehnstrand, Community Health Services: The Role of the Local Agency (Paper presented at the American Public Health Association Meeting, Montreal, Canada, November 16, 1982).

The final factor in the formula is a measure of past spending for community health services. Its intent is to measure a local agency's commitment to community health and the demand for health services. Unfortunately, this factor cannot take into account the political or financial constraints a local unit of government has in raising money to spend for the services. More significantly, it does not take into account the actual need for the services. In any case, it does not reward counties for running programs efficiently, it rewards them for spending more money.

- We find the present CHS factor recognizes the principles related to equity. The past spending factor should be re-evaluated since we feel that it does not measure need and there may be better measures of need available. At the minimum, population should be a factor since this probably would be the best measure of need given the characteristics of CHS services.

b. Calculation of CHS Formula

The real complexity in the CHS formula is the ten-step procedure used to calculate each county's subsidy (outlined in Figure 2.3). We have identified five problems with this procedure: the ranking or scoring of the factors, the subsidy rate constraints of $1.75 and $2.75, the use of inflation factors, the 1981 hold-harmless clause, and the recent prorating of the subsidy.

First, the present ranking or scoring system reflects an attempt to distribute funds equitably among counties. By ranking counties, the relative differences among counties are recognized but this ranking does not reflect the actual differences among the values of each factor. For example, if County A ranked first with the largest per capita income (one of the CHS factors) of all 87 counties and County B ranked second among all counties but had a substantially lower per capita income than County A, that large difference in the value of the factor is not recognized by the current system. The reverse may also occur: very small, meaningless differences among the counties may be magnified by this process.

Second, after determining preliminary subsidy rates, a minimum and maximum test is applied. A maximum rate of $2.75 per capita is given in statute. If the calculated subsidy rate exceeds this amount, that county is only eligible for the $2.75 per capita amount. By the same token, any participating county is eligible to receive at least $1.75 per capita. This procedure tends to smooth out the effects of the formula factors themselves and makes the CHS funding mechanism highly sensitive to population distribution. The procedure, however, is cumbersome and affects a large proportion of the preliminary subsidy calculations. In the calculation for the 1984 subsidies, the preliminary subsidy rates exceeded the maximum for 29 counties and were less than the minimum for 20 counties. Over 55 percent of the counties' rates had to be adjusted to fit within the limits. The problem is further magnified when the absolute difference between preliminary subsidy rates and the constraints is examined. The counties with the highest and lowest preliminary subsidy rates are listed in Table 2.8.

TABLE 2.8

COUNTIES WITH HIGHEST AND LOWEST PRELIMINARY SUBSIDY RATES, 1984

Low Preliminary Subsidy Rates		High Preliminary Subsidy Rates	
Martin	$1.25	Wadena	$15.51
Faribault	1.30	Clearwater	9.21
Watonwan	1.35	Mahnomen	5.36
Cottonwood	1.46	Todd	5.17
Freeborn	1.47	Becker	5.08

Source: Minnesota Department of Health.

Third, a "hold-harmless" clause provides that counties will receive funding each year that is at least equal to the 1981 subsidy and represents a further departure from the true focus of the formula. Enacted to protect counties from losing funds because of state budget cuts and the changes in distribution resulting from the 1980 census data, 22 counties, including Hennepin, Ramsey, and St. Louis, are affected by this provision in 1984. These counties account for 53 percent of total CHS funds distributed for 1984.

Fourth, the subsidy amounts for the counties must be adjusted for inflation for each year since the current CHS formula does not have a mechanism for taking into account changing costs and appropriations. A 7 percent inflation adjustment was made for 1979 and 1980, and a 5 percent adjustment for 1984. A further 5 percent increase will be added for the 1985 subsidy. These adjustments further complicate the calculation of subsidies and reduce the ability of county officials and the public to completely understand the basis for the block grant's allocations.

The final problem is that the CHS block grant has not been fully funded. The legislative appropriation has not matched the amount the formula calculation has yielded. The formula itself is independent of the appropriation and therefore must be adjusted to match the available funds. In 1984 and 1985, the funds that are available for CHS (state and federal) represent only 89.09 percent of what the formula requires and each county's subsidy had to be adjusted downward.

MDH staff are apparently able to comprehend the structure of the formula, but local health officials have indicated to us that its complexity is confusing and difficult to explain to their local boards of health. As a result of these problems, we find that:

- The CHS calculation method needs to be restructured because of its complexity and possible inequity involved in the way funds are allocated. Hold-harmless clauses, ranking minimum and maximum subsidy rates and pro-rating all work against the goal of simplicity.

c. Local Matching Requirements for CHS

The local matching requirement for CHS is based on the following procedure:

1) Each county's eligible prorated subsidy is determined as outlined in Figure 2.3.

2) Each county must spend at least $4.50 per capita for community health services. This figure is then adjusted upward for inflation and then prorated to reflect actual legislative funding.

3) The local match is the difference between the adjusted figure outlined in #2 and the CHS subsidy the county is to receive in that period.

Local match is defined in statute to include "local tax levies, gifts, fees for services and revenues from contracts" (Minn. Stat. 145.921 Subd. 3). The state health department interprets this to include private fees and federal government funds. Federal funds, including Medicare, Medicaid, and collections from the Veterans Administration, are justified as being third-party reimbursements (fees). In 1981, Aitkin and Cass Counties did not commit any property tax funds to community health and relied heavily on third-party reimbursements (including Medicare and Medicaid) or federal revenue sharing funds for its "local" match. Many other counties, generally in the central and northern regions of the state, use only small amounts of property-tax-generated funds for their total community health expenditures.

Whatever the correct interpretation of the statutory provision, this definition of local match does not uniformly reflect the local government's commitment to fund community health services from local tax sources. It also encourages counties to use more Medicare and Medicaid funds, placing further pressure on these already burdened federal and state programs. While using third-party reimbursements may help hold down local taxes, it may be unfair to those counties that use the property tax as a major source of funding.

- In order to ensure an equal local commitment from each county to enhance cost savings, the Legislature should clarify the meaning of the CHS local match provision to exclude federal reimbursements--to better reflect the actual local commitment to fund community health services.

3. COMMUNITY SOCIAL SERVICES ACT

CSSA has the shortest track record of the three block grants but involves the largest amount of funds. These funds are distributed in a relatively simple formula outlined in Figure 2.4. Funds are distributed based equally on three factors: public assistance caseload, total population, and the number of individuals 65 years and older. Data is collected for the three factors and the total

funds are distributed to counties according to their relative share of the state total for each factor. For example, if a particular county accounts for five percent of the state's total population, that county is eligible for five percent of the funds which are distributed according to that factor.

FIGURE 2.4

COMMUNITY SOCIAL SERVICES FUNDING FORMULA

Total annual state CSSA funds are distributed based on the following three factors:

1. One-third of the CSSA funds are distributed based on the county average monthly unduplicated number of AFDC, General Assistance (GA) and Medical Assistance (MA) caseloads in the calendar year two years prior to the year the funds are to be distributed.

2. One-third of the CSSA funds are distributed based on the most recent estimate of the county population as determined by the state demographer.

3. One-third of the CSSA funds are distributed based on the most recent estimate of the county's number of persons 65 years and older as determined by the state demographer.

Table 2.9 shows the distribution of CSSA funds to the counties for calendar years 1980 (the first year of the block grant) and 1984. In addition, the percentage change between those years as well as the 1984 distribution per capita for each county is included.

As shown in Table 2.9, there is great variance in the amounts that are distributed to the counties. Since the 1982 population in each county ranges from 946,401 in Hennepin to 3,874 in Lake of the Woods, the absolute value of the subsidy varies greatly. More interesting is the size of the subsidy when examined on a per capita basis. The variance is still pronounced, ranging from $19.87 per person in St. Louis County to $7.02 in Anoka County. This large difference is due primarily to the effect that the number of public assistance caseloads and elderly population factors have on the formula. St. Louis County had a large number of persons eligible for the AFDC, GA and MA programs as well as an older than average population. Anoka County on the other hand scored low on both these measures relative to the state as a whole. The five counties with the highest and lowest per capita subsidies for 1984 are listed in Table 2.10.

TABLE 2.9

DISTRIBUTION OF COMMUNITY SOCIAL SERVICE PAYMENTS TO COUNTIES
Calendar Years 1980 and 1984

COUNTY	CSSA Grant 1980	CSSA Grant 1984	Percent Change 1980-84	CSSA Grant Per Capita 1984	COUNTY	CSSA Grant 1980	CSSA Grant 1984	Percent Change 1980-84	CSSA Grant Per Capita 1984
AITKIN	$ 174,776	$ 203,993	16.72%	$15.06	MILLE LACS	$ 189,373	$ 287,795	51.97%	$15.53
ANOKA	703,937	1,433,984	103.71	7.02	MORRISON	297,045	389,508	31.13	13.24
BECKER	257,143	389,352	51.41	12.51	MOWER	369,559	545,017	47.48	13.70
BELTRAMI	327,267	466,064	42.41	14.07	NICOLLET	150,518	284,507	89.02	10.30
BENTON	175,897	252,352	43.47	9.66	NOBLES	164,857	278,681	69.04	12.68
BIG STONE	70,126	103,898	48.16	13.30	NORMAN	94,484	133,584	41.38	14.08
BLUE EARTH	483,188	629,872	30.36	11.93	OLMSTED	673,375	1,022,209	51.80	10.85
BROWN	167,692	323,849	93.12	11.34	OTTER TAIL	380,372	632,506	66.29	11.60
CARLTON	373,365	453,395	21.43	15.19	PENNINGTON	156,743	217,254	38.61	15.07
CARVER	286,215	387,767	35.48	9.90	PINE	214,662	304,362	41.79	15.19
CASS	284,537	360,591	26.73	17.04	PIPESTONE	110,860	146,750	32.37	12.64
CHIPPEWA	148,530	223,590	50.54	15.05	POLK	363,826	476,341	30.93	13.74
CHISAGO	197,778	286,394	44.81	10.66	POPE	97,626	156,242	60.04	13.25
CLAY	356,549	485,827	36.26	9.91	RAMSEY	5,171,695	8,657,232	67.40	18.89
CLEARWATER	130,789	164,693	25.92	18.07	RED LAKE	49,401	61,695	24.89	11.30
COOK	46,264	57,670	24.65	13.71	REDWOOD	183,497	246,624	34.40	12.91
COTTONWOOD	133,003	210,961	58.61	14.77	RENVILLE	154,590	250,724	62.19	12.58
CROW WING	358,036	556,611	55.46	13.35	RICE	342,368	557,073	62.71	11.87
DAKOTA	1,137,548	1,956,364	71.98	9.62	ROCK	74,747	132,351	77.07	12.23
DODGE	117,099	176,919	51.08	11.72	ROSEAU	113,405	141,092	24.41	11.08
DOUGLAS	207,190	326,095	57.39	11.32	ST. LOUIS	3,306,874	4,350,035	31.55	19.87
FILLMORE	159,481	259,686	62.83	11.83	SCOTT	343,190	490,350	42.88	10.42
FREEBORN	332,264	471,451	41.89	13.31	SHERBURNE	183,560	340,304	85.84	9.45
GOODHUE	287,026	470,943	64.08	11.96	SIBLEY	81,589	173,036	112.08	11.07
GRANT	65,503	94,434	44.17	12.95	STEARNS	724,195	1,039,877	43.59	9.25
HENNEPIN	8,955,849	14,230,354	58.89	15.04	STEELE	200,200	331,542	65.61	10.75
HOUSTON	93,969	210,851	124.38	11.37	STEVENS	94,622	123,165	30.17	10.78
HUBBARD	107,854	196,697	82.37	13.08	SWIFT	111,705	181,033	62.06	14.13
ISANTI	172,220	262,183	52.24	10.44	TODD	214,159	329,975	54.08	12.69
ITASCA	434,695	597,450	37.44	13.06	TRAVERSE	51,587	77,495	50.22	14.21
JACKSON	123,845	192,282	55.26	14.12	WABASHA	99,232	228,186	129.95	11.97
KANABEC	121,793	155,634	27.79	12.49	WADENA	148,618	183,835	23.70	12.99
KANDIYOHI	258,489	500,110	93.47	12.70	WASECA	102,870	216,271	110.24	11.51
KITTSON	67,615	85,110	25.87	12.71	WASHINGTON	677,043	1,129,961	66.90	9.64
KOOCHICHING	229,704	307,120	33.70	17.41	WILKIN	67,423	105,173	55.99	12.36
LAC QUI PARLE	80,890	167,129	106.61	15.99	WINONA	214,162	478,352	123.36	10.38
LAKE	132,536	181,987	37.31	13.82	WRIGHT	357,448	676,425	89.24	11.15
LAKE OF THE WOODS	37,712	48,564	28.78	12.54	YELLOW MEDICINE	133,342	199,753	49.81	15.01
LE SUEUR	200,251	315,840	57.72	13.47	FARIBAULT/MARTIN/ WATONWAN	537,717	797,342	48.28	14.22
McLEOD	239,899	345,016	43.82	11.46	REGION 8N	331,564	532,313	60.55	11.86
MAHNOMEN	70,294	79,844	13.59	14.12					
MARSHALL	116,524	145,707	25.04	11.23					
MEEKER	142,188	252,339	77.47	11.93	STATE TOTAL	$35,901,633	$55,891,051	55.68%	$13.52

SOURCE: Minnesota Department of Public Welfare.

TABLE 2.10
COUNTIES WITH HIGHEST AND LOWEST PER CAPITA SUBSIDIES
1984

Highest		Lowest	
St. Louis	$19.87	Anoka	$7.02
Ramsey	18.89	Stearns	9.25
Clearwater	18.07	Sherburne	9.45
Koochiching	17.41	Dakota	9.62
Cass	17.04	Washington	9.64

Source: Minnesota Department of Public Welfare.

a. CSSA Formula Factors

The inclusion of the current factors in the CSSA formula can be traced to its legislative history. During the development of the CSSA legislation, numerous factors were considered but only three were finally included in the formula: county population, the size of the public assistance caseloads, and the number of persons 65 and over.

CSSA's county population factor probably goes further than any in measuring basic social service needs. First, some social services included in the CSSA taxonomy are directed at the whole population regardless of income, race, or disability. These services include adoption, foster care, information and referral, and protection (see Appendix D for a list of these services). Second, many of the disabilities associated with CSSA are generally thought to occur relatively uniformly across the population. For example, individuals who have chemical dependency problems are thought to make up between eight and ten percent of the general population and those with mental retardation problems make up between one and three percent of the population. Not all of those who have these disabilities need services but there is probably little variation in these needs from county to county. The general population factor, then, may be an adequate indicator of where the needs for social services exist.

The public assistance caseload factor measures need somewhat differently. Specific social services such as day care, employability, and recreational services are directed particularly at low income groups. In addition, counties and private vendors attempt to receive payment directly from a client or some third party such as an insurance company before using public funds to cover the costs of social services. But low income families cannot afford the payments or do not qualify for third party reimbursement. Moreover, those who because of some mental or physical handicap are unable to retain employment are counted by this factor. These individuals rely on a variety of county-provided social services for treatment of their handicap but are often unable to pay for them. Some experts assert that some cases of mental illness may result from conditions associated directly with low income. They cite research findings that families

experiencing emotional stress or problems related to nutrition have a higher incidence of mental illness. Others believe that family conditions associated with low income generate a greater need for family counseling and out of home placement.

In Minnesota, federal Title XX social services funds are allocated to counties according to a formula which distributes two-thirds of the money based on county public assistance caseloads and one-third based on county population. Since both state and federal funds are used for similar services, some believe that low income considerations are too heavily weighted. However, the rationale for leaving this factor in the CSSA formula appears strong.

The third CSSA formula factor, the county's elderly population, does reflect the fact that some social services are directed toward the elderly. They include nutrition (home delivered and congregate meals) and home management services. However, many believe the formula's emphasis on the elderly is inappropriate since other measurable target populations (such as the mentally retarded or children in need of day care) are not measured in the CSSA formula. One county official we contacted believes the elderly population truly "at risk" is accounted for twice in the formula: once by the elderly factor and once by the public assistance caseload factor. Of course, inclusion of the elderly factor does not mean that more money goes to the elderly. It simply means that counties with high elderly populations get more CSSA funds.

It may have been accidental that this elderly factor was included in the CSSA formula. It was a holdover from early drafts of CSSA legislation that envisioned combining CHS and CSSA. The merger provision was ultimately dropped, but the factor measuring the elderly population was retained in the bill that was passed.

One alternative to using an elderly factor alone might be to determine statewide risk populations (e.g., the present seven target populations) and distribute funds to counties based on the number of individuals from each risk population in the county. Given the present problems associated with determining the size of the target populations and the lack of accurate statewide data, this proposal appears unmanageable.

A recent study found that the present seven target populations identified in the CSSA statute do not include groups of people believed to be in need of social services, such as families experiencing breakdowns and individuals who lack economic opportunity.[5] Additional factors, including unemployment and divorce rates, were suggested to replace or augment the present factors in the formula.

Other factors have been identified by various individuals or special interest groups. Past spending for social services has been suggested because it measures the commitment of each county for

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[5]Woehle, Ralph, The Community Social Services Act: Social Service Utilization and Funding in Minnesota Counties (School of Social Development, University of Minnesota, Duluth, April 1982).

locally funding social services. Those that support this believe that counties that demonstrate a political willingness to fund social services should be rewarded by a larger share of state funds. Others contend that local commitment does not reflect actual need and that individuals in need of social services will suffer even more in low spending districts. A measure of the ability to raise local revenues has also been discussed as a factor in the CSSA formula. Taxable property value is for example, a measure used in the CHS and CCA formulas but problems related to this factor are outlined in the proceeding section. Finally, some outstate officials believe that CSSA funds should be distributed simply according to population, avoiding all other complications.

We find that:

- The present CSSA factors do attempt to measure need, specifically those related to population and public assistance caseload. The concern of the elderly factor merits a closer look and if evidence proves that some of the concern raised above is true, this factor should be dropped from the formula. To account for the principle relating to equity, we believe that income and a measure of property value should be included as factors. Further examination will be required to measure if the combination of the public assistance caseloads and income factors over represent this area of need.

- Legislative action to fundamentally alter the Title XX formula may be necessary so that it is identical to that for CSSA. Since the funds generally are used for the same services and since there is not a strong rationale for retaining a separate formula for the two block grants, the criteria of simplicity and equity lead us to recommend identical formulas.

b. Calculation of the CSSA Formula

Applying the formula for CSSA is easy as compared with the CCA and CHS formulas: one-third of the total appropriation is allocated according to the counties' standing on each of the three factors. Its simplistic nature has brought little complaint from counties. However, a problem does exist regarding this procedure.

- DPW's inability to use up-to-date demographic indicators in calculating county subsidies may over-reward some counties at the expense of others.

The last time the formula was applied was in 1982. At that time, 1980 caseload data was used and 1979 population data was used. For the subsidy payments for 1983 and 1984, the Legislature directed that 6 percent and 5 percent inflation adjustments, respectively, were to be made. In addition, funds from five categorical programs were also added to the CSSA subsidies for those two years.

If the formula was calculated for 1984 using the current data sources set out in statute, there would have been a sizeable adjustment to the payments to counties. While the total population and the number of individuals over age 65 have experienced only minor changes, caseload data for AFDC, GA, and MA has changed significantly across the state in recent years. Table 2.11 shows the differences in caseload data between 1980 and 1982 for selected counties. The statewide average change in the number of AFDC, GA, and MA unduplicated cases was -6.19.

TABLE 2.11

DIFFERENCES IN CASELOAD DATA BETWEEN 1980 AND 1982

Counties Significantly BELOW the Statewide Average Decline in Caseloads		Counties Significantly ABOVE the Statewide Average Decline in Caseloads	
County	Percent Change	County	Percent Change
Kanabec	-20.17	Mahnomen	12.16
Carver	-14.62	Benton	11.20
Hennepin	-12.93	Lake	10.58
Lake of the Woods	-12.82	Dodge	10.31
Ramsey	-11.58	Red Lake	9.33
Cook	-10.91	Aitkin	7.89
Anoka	-10.27	Pennington	6.93

Source: Minnesota Department of Public Welfare.

Those counties that had a greater decline in caseload numbers, like Kanabec and Hennepin, received a larger CSSA subsidy than they otherwise would have if the formula had been recalculated for 1984 using 1982 data. Those counties that would have received a larger subsidy payment if the recalculation had occurred included Mahnomen, Benton, and Lake.

A number of factors might explain why these caseloads varied so much from 1980 to 1982: tightening up eligibility criteria for GA and AFDC, population movements, or various other demographic changes that reduced reliance on welfare programs in general. Tougher eligibility criteria may not mean that actual need for social services decreases. In fact, given the recession during 1982-83 with rising unemployment and declining public assistance in real terms, demand for social services may actually have increased. But other explanatory factors may have reduced local demand in some counties and increased it in others.

- These considerations highlight the need for DPW to calculate the CSSA subsidy using the most recent demographic data possible. This should be the rule in calculating the subsidy for all three block grants.

The department's performance in explaining the process for determining the amount of each subsidy payment to counties has otherwise been satisfactory. The simplistic nature of the CSSA formula as compared to the CCA and CHS formulas increases county and public understanding of how funds are allocated.

c. Local Matching Requirements for CSSA

Under CSSA, counties are required to provide local money "at least equal to the amount" of the CSSA grant for the corresponding calendar year. These local funds are to be generated from only the local property tax (both county and municipal) and not from gifts, other federal and state grants, or fees for services. This differs significantly from the CHS local match in which funds from a number of sources are allowed in the local match. One possible problem with this matching requirement is that the counties that are in the most need and receive the greatest amount of state aid also must generate the largest amount of local match. Given the fact that almost all counties contribute a much larger local share than required, this may not be a problem but since we feel the equity principle is important there may be a change necessary.

Since 1980, only a few counties have failed to levy the required local match and these counties have had their CSSA grants reduced accordingly. The statute requires that the CSSA subsidy should be reduced by an amount equal to the difference between the actual levy and the required levy. DPW staff determines if the matching requirement has been met from the county fiscal reports.

Further statutory requirements ensure that CSSA subsidy funds are spent in a specific period and for the appropriate purpose. Generally, all funds are spent in the same year except in those cases where bills for the end of the year are not paid until the beginning of the next year. DPW relies on financial reports sent by each county to verify these activities. If counties do not spend the subsidy for obligations in the year for which it was distributed, DPW requires the county to return one-half of the amount that has not been spent.

The underfunding for social services at the local level has not been a problem except for only a few counties which were penalized in the first two years. For a reason yet to be determined by DPW staff, more counties may be penalized for underspending in 1984. One problem we recognized is that any underfunding problem that may exist is not recognized by DPW for up to a year after the funds have been distributed. A shortage of staff was the reason given by DPW, but we feel that the lack of computerized data processing by DPW may also contribute to this time lag.

To determine if counties spend CSSA funds for an appropriate purpose, DPW relies on the same information as for the underspending. DPW interprets the statute broadly by stating that state CSSA funds used for any service related to community social services is appropriate. Given the language in the law, we agree that this broad interpretation is proper. DPW has discovered no instance in which a county has used state CSSA funds improperly.

4. ACTION PRESENTLY NEEDED BY STATE DEPARTMENTS

It is likely that the Governor and the Legislature will take a close look at state/local fiscal relationships including block grants during the 1985 Legislative session. To prepare for this, the three departments should now be evaluating the formulas and examining possible alternatives. Any examination should reflect our model formula and the four principles outlined earlier; targeting state funds to the greatest need, simplicity of the distribution of funds, equity of both raising local funds and paying property taxes, and the requirement of local funds.

We also feel that there are other considerations that the departments should look at. They include:

- Identifying measures of need where accurate data is available.
- Using the most up-to-date data for all factors. This may extend further than just state sources, but include the federal Departments of Labor and Commerce.
- Transferring formula calculations to computers. This is done in at least two departments presently and should be extended to the third.
- Attempting to determine what is a minimum state average per capita spending requirement for each block grant. This will aid in calculating local matching requirements and the degree of state/local participation.
- Examining each county's allocation under alternative distribution formulas. Actions may be necessary to phase in a new formula over a two or three year period so some counties can adjust to new state aid amounts and new local share.
- Departments should regularly consult with legislative staff, county staff, and other interest groups to gain another view of any new alternatives.

C. FUNDING SOURCES FOR COUNTY HUMAN SERVICES

While state funds make up a significant portion of the total funding for human services, in Minnesota local government provides the largest source of money for services covered by all three block grants. Local funding comprised 66 percent of community corrections funding, while the state provided for 25 percent of the total in 1982. For CHS, local participation accounted for almost 74 percent of total funding in 1981, while the state's contribution made up only about 16 percent. For CSSA, local funding accounted for 47 percent of total funds in 1982 and state funding, of which the CSSA subsidy is the major component, represented 28 percent. This section examines these sources further.

1. COMMUNITY CORRECTIONS ACT

One of the initial goals of the CCA was to promote greater local participation for correctional services, not only in the development and administration of programs but also in funding. Statewide, this local commitment appears strong (see Figure 2.5). However, a closer examination demonstrates that the metropolitan counties make a far greater contribution than do many outstate counties. Table 2.12 shows the funding sources statewide, while Appendix E details the distribution of funding sources for the 12 CCA agencies.

TABLE 2.12

SOURCES OF FUNDING FOR COMMUNITY CORRECTIONS SERVICES
1982

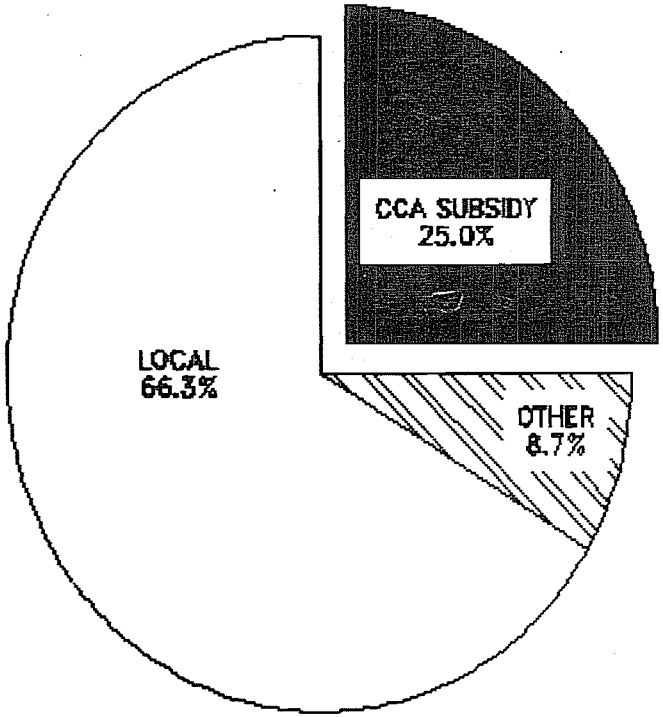
Source	Amount	Percent of Total Funding
State:		
CCA Block Grant	$14,419,304	25.0%
Local:		
Local Property Tax	$38,138,342	66.3%
Other:		
Other	$ 5,007,028	8.7%
TOTAL	$57,936,723	100.0%

Source: Minnesota Association of Community Corrections Act Counties, Summary Report: A Profile of County Participation in the Minnesota Community Corrections Act, September 1983.

- The variance in funding shares among agencies is significant. Ramsey County, for example, generates 80 percent of its funding through county revenue and only 19 percent from the state CCA subsidy. The Crow Wing/Morrison agency, in contrast, generates only 11 percent of its funding locally, while the state CCA subsidy accounts for 88 percent of total funding.

The other agencies fall between these extremes but there is a general pattern reflecting lower local funding in outstate agencies and greater local funding in metro area agencies. One reason for this pattern may be that there is a greater demand for correctional services per capita in urban areas.

FIGURE 2.5
SOURCE OF FUNDS
FOR COMMUNITY CORRECTIONS
1982



2. COMMUNITY HEALTH SERVICES

Table 2.13 shows the state, local, and federal funding sources for CHS (see also Figure 2.6). Funds from local sources make up the largest share of funding but only about one-half of this local funding is generated from tax dollars. Private fees make up a large portion of the local funding. While the CHS subsidy is the largest component of state funding, family planning and other state grants contribute some money. Federal funding in large part represents grants (such as the WIC program) that are passed through MDH to local CHS agencies. These federal funds also include substantial amounts from Medicare, Medicaid, and the Veterans Administration which represent third-party reimbursements collected by local agencies.

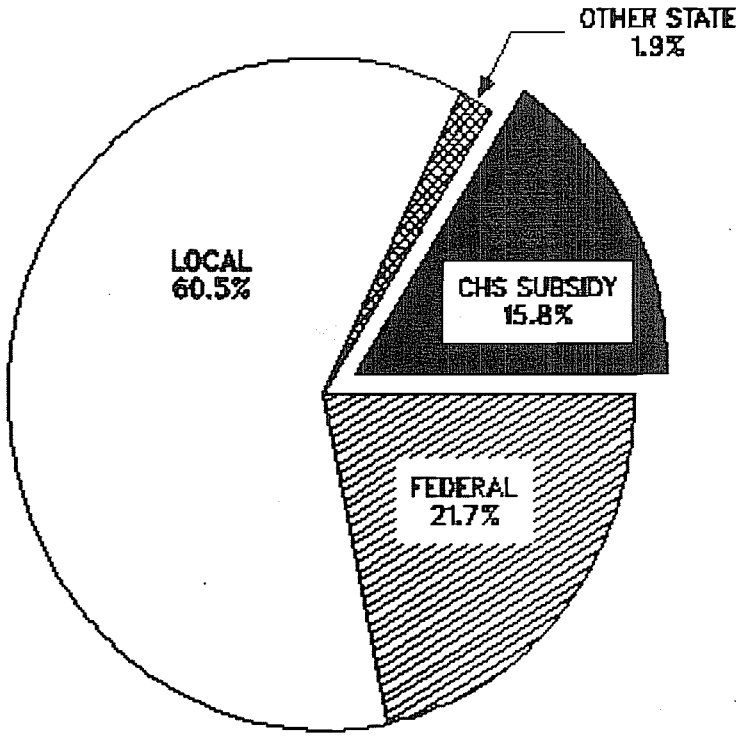
TABLE 2.13

SOURCES OF FUNDING FOR COMMUNITY HEALTH SERVICES
1981

Source	Amount	Percent of Total Funding
State:		
CHS Block Grant	$11,187,087	15.8%
Other	1,314,384	1.9
Total State Funding	$12,501,471	17.7
Federal:		
Grants	$ 6,130,679	8.7
Medicare	4,359,089	6.2
Medicaid	3,960,587	5.6
Revenue Sharing	488,347	.7
Veterans Administration	406,491	.6
Total Federal Funding	$15,345,193	21.7
Local:		
Property Taxes	$23,370,173	33.1
Private Fees	13,692,560	19.4
Contracts	1,990,908	2.8
Grants	1,069,386	1.5
In-Kind	1,153,303	1.6
Gifts	149,802	.2
Other	1,320,553	1.9
Total Local Funding	$42,746,685	60.6
TOTAL	$70,593,289	100.0%

Source: Minnesota Department of Health.

FIGURE 2.6
SOURCE OF FUNDS
FOR COMMUNITY HEALTH SERVICES
1981



In meeting the local match for CHS, counties vary significantly in their reliance on property taxes. While some counties rely on property taxes (from both county and municipal levies) for the largest part of their local match, a number of counties have attempted to maximize third-party reimbursement from Medicare, Medicaid, and private fees. This variance from county to county is demonstrated in Appendix F. As noted earlier, MDH allows these funds--including federal reimbursements--to count toward the local match under CHS.

3. COMMUNITY SOCIAL SERVICES

Local funding for social services, paid through local property taxes is the largest funding component for social services (see Figure 2.7). Table 2.14 shows that 47.5 percent of total funding is from local sources while state and federal funding represent 28.7 percent and 20.9 percent respectively. The CSSA subsidy makes up the largest share of state funding while Title XX funding accounts for almost all of the federal funding. Other state programs that fund social services are various categorical grants from the Bureaus of Social Services and Mental Health. Appendix G shows the sources of funding for community social services for each Minnesota county.

TABLE 2.14

SOURCES OF FUNDING FOR COMMUNITY SOCIAL SERVICES
1982

Source	Amount	Percent of Total Funding
State:		
CSSA Block Grant	$ 42,677,966	20.0%
Other	17,658,953	8.3
Total State Funding	$ 60,336,919	28.3%
Federal:		
Title XX Block Grant	$ 41,412,668	19.4%
Other	3,206,402	1.5
Total Federal Funding	$ 44,619,070	20.9%
County:		
Total County Funding	$101,374,220	47.5%
Other:		
Total Other Funding	$ 7,045,912	3.3%
TOTAL	$213,376,121	100.0%

Source: Minnesota Department of Public Welfare.

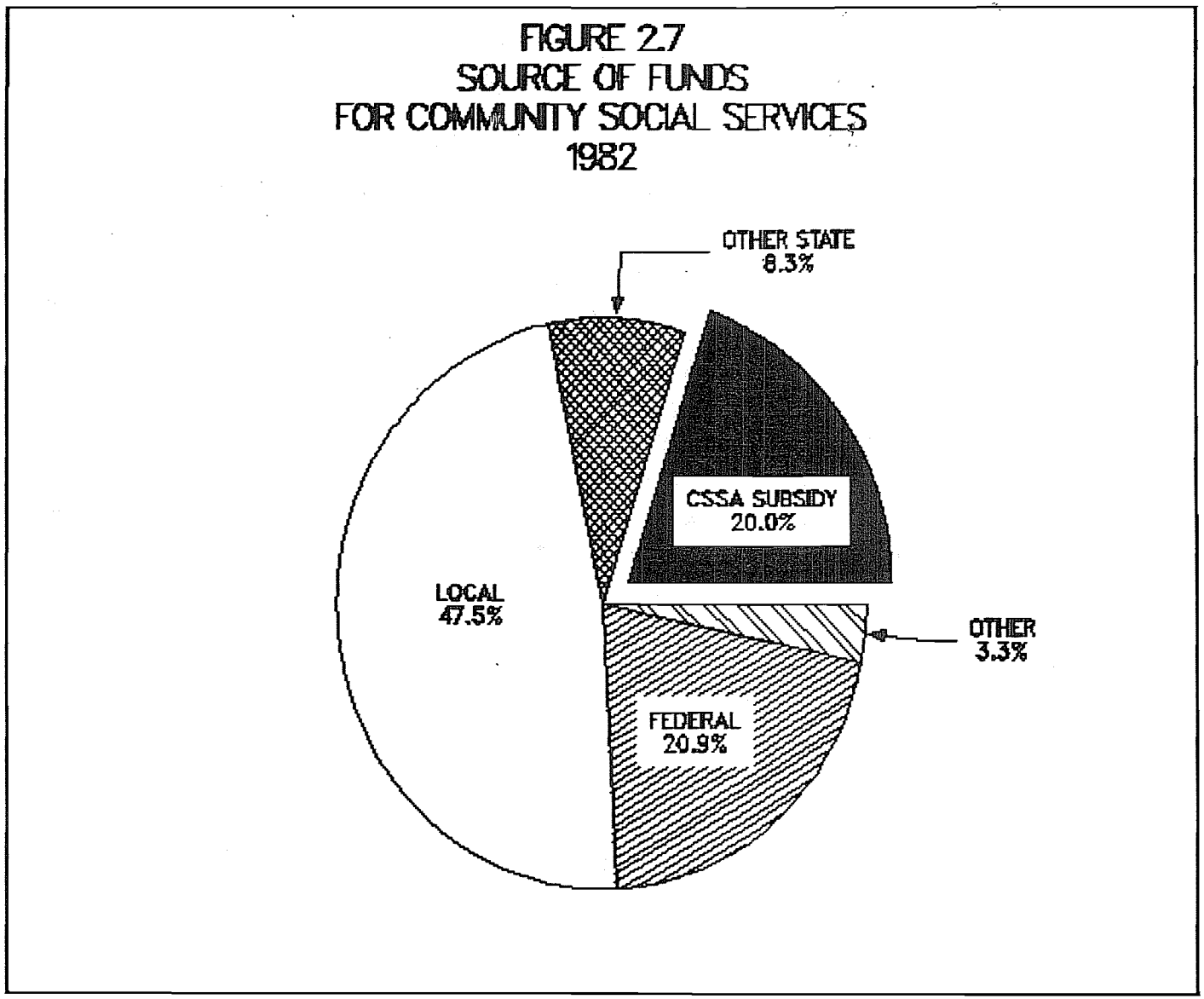


FIGURE 2.7
SOURCE OF FUNDS
FOR COMMUNITY SOCIAL SERVICES
1982
OTHER STATE
8.3%
CSSA SUBSIDY
20.0%
LOCAL
47.5%
OTHER
3.3%
FEDERAL
20.9%

The local funding requirements for CSSA mandate that counties at least levy an amount equal to the CSSA subsidy for each calendar year. Counties almost always meet this minimum and generally they levy a further amount. Some in fact make the decision to levy a far greater amount than what is required, but since this is a local decision, the variability among counties in per capita levy is substantial. Table 2.15 shows the ten counties that levy the greatest amount and the ten that levy the least for 1983 based on 1980 data. The county with the highest per capita levy, St. Louis County, levies almost seven times as much as the county with the lowest levy. This data, while representing the pattern of local commitment, must be used carefully because of significant differences in accounting practices and the accumulation in fund balances of local funds from year to year.

TABLE 2.15

RANKING OF COUNTY LEVY FOR SOCIAL SERVICES FOR 1983

County	Greatest County Levy Per Capita[a]	County	Least County Levy Per Capita[a]
St. Louis	$68.75	Red Lake	$ 9.87
Scott	59.10	Crow Wing	11.60
Hennepin	54.26	Brown	11.83
Itasca	53.57	Houston	12.06
Pine	47.88	Fillmore	12.31
Dakota	44.35	Lac Qui Parle	12.56
Mille Lacs	43.14	Winona	12.60
Mower	41.50	Hubbard	12.88
Lake of the Woods	41.36	Douglas	13.44
Cook	39.32	Pennington	13.57

Source: Minnesota Department of Public Welfare.

[a]Based on 1983 county levy data and 1980 census data.

D. PROGRAM EXPENDITURES

Approximately $350 million of federal, state, and local funds is spent by counties and other local agencies for the over two hundred services provided under the three block grants. Block grants generally allow local decision makers to allocate the available funds according to locally determined priorities. What one local agency sees as a very high priority may have very little support in another agency. This section shows the broad spending patterns of local agencies for two of the three block grant programs. Unfortunately, the data collected by DPW on local social services spending are not consistent and therefore cannot be aggregated in meaningful ways statewide.

1. COMMUNITY CORRECTIONS

The passage of the Community Corrections Act initiated a large number of new community correctional programs. The scope of programs beyond the traditional probation and parole services that were provided by the state prior to CCA has been expanded to include services like community work service, domestic and child abuse mediation, and youth service bureaus. Appendix B details the pattern of service delivery for the state prior to and after the enactment of CCA according to our survey of local corrections administrators. The majority of county administered programs have been started after the counties began participation in CCA. The general trend is that programs that were present in a few counties prior to CCA have spread into many other counties since then.

To summarize local agency activities, the numerous services have been grouped into six general categories: local incarceration and detention, traditional field services (such as probation and parole), client programming, victim services, chargebacks for using state correctional institiutions, and administrative expenditures. These categories are outlined in Appendix H. Expenditures for 1982 have been divided into these six categories in Table 2.16. Statewide traditional field services and local incarceration account for 75 percent of total expenditures.

TABLE 2.16

STATEWIDE COMMUNITY CORRECTIONS EXPENDITURES
BY PROGRAM AREAS
1982

	Expenditures	Percent of Total 1982 Expenditures
Local Incarceration	$26,385,429	46.4%
Traditional Field Service	15,654,485	27.5
Client Programming	7,781,843	13.7
Victim Services	117,718	.2
Chargebacks for State Institutions	3,293,485	5.8
Administration	3,597,675	6.3
TOTAL	$56,830,635	100.0%

Source: Minnesota Department of Corrections.

Variations among agencies are significant in some program areas (see Appendix I). For example, spending for client programming accounts for 24 percent of total spending in Blue Earth County but just 3 percent in the Arrowhead agency. Some counties spend the majority of their funding on traditional field services (58 percent in Region 6W and 76 percent in Rock/Nobles) while the state average is only 27.5 percent. This demonstrates the impact that Hennepin and Ramsey Counties have on state totals since their spending for traditional services is just below the state average. There are also significant differences between Ramsey and Hennepin County spending. For example, spending for local incarceration represents 57 percent of Hennepin County's spending but only 35 percent of Ramsey County's.

2. COMMUNITY HEALTH SERVICES

Similar to CCA, the enactment of CHS in 1977 brought about the introduction of new programs in many counties. While many already had a number of community health programs--generally in traditional fields like community nursing and home health--many local agencies have increased services for health education, disease prevention and control, and environmental health. Appendix C summarizes the statewide distribution of services prior to and after the enactment of CHS according to our survey of local health administrators.

The almost one hundred health services listed in Appendix C are combined into seven general program areas. As shown in Table 2.17, home health and emergency medical services represent the largest components of community health expenditures while health education and administration account for the smallest shares. However, these figures must be considered estimates since "other" expenditures may fall into one of these categories. Partially because of local accounting procedures and interpretation of statewide definitions the "other" category is a significant proportion. County by county expenditures for these same eight categories are found in Appendix J.

There has been significant growth in total community health expenditures since the enactment of CHS. There has also been a significant shift in the distribution of those funds across expenditure categories. Table 2.18 shows total statewide expenditures for community health services for 1975, the year before the passage of CHS. While the categories are slightly different, the changing pattern can be seen. Between 1975 and 1981, home health and emergency medical expenditures have grown most dramatically in importance. Spending for community nursing, disease prevention, and environmental health have grown proportionally less. Caution must be shown in interpreting these data since definitions have changed and the 1981 figures break out administration and the "other" category.

TABLE 2.17

STATEWIDE COMMUNITY HEALTH SERVICES EXPENDITURES
BY PROGRAM AREA*
1981

	Expenditures	Percent of Total 1981 Expenditures
Community Nursing	$11,059,761	15.6%
Home Health	14,795,507	20.9
Disease Prevention	5,039,249	7.1
Emergency Medical	14,651,660	20.7
Health Education	2,520,856	3.6
Environmental Health	8,940,579	12.6
CHS Administration	3,824,003	5.4
Other	9,970,023	14.1
TOTAL	$70,801,638	100.0%

Source: Minnesota Department of Health.

*Excluding supplemental.

TABLE 2.18

STATEWIDE COMMUNITY HEALTH SERVICES EXPENDITURES
BY PROGRAM AREA
1975

	Expenditures	Percent of Total 1975 Expenditures
Community Nursing	$ 8,462,422	29.4%
Home Health	3,703,874	12.9
Disease Prevention	4,878,367	17.0
Emergency Medical	3,432,944	11.9
Health Education	741,556	2.6
Environmental Health	6,437,613	22.4
Nutrition[a]	218,079	.81
Family Planning[a]	734,712	2.6
Dental Health[b]	132,631	.4
TOTAL	$28,742,248	100.0%

Source: Office of Community Health Services Development, Community Forum, Minnesota Department of Health, 1977.

[a]Nutrition and family planning are now a component of community nursing.

[b]Dental health is now a component of disease prevention.

3. COMMUNITY SOCIAL SERVICES ACT

The enactment of CCA and CHS saw many counties and local agencies start or expand correctional and health programs, but since the passage of CSSA the number of new social service programs has been limited. This trend, shown in Appendix D underlines an important difference among the block grants. While CCA and CHS generally introduced opportunities for new and expanded services for counties and local agencies, CSSA was a management change which offered no new money. The majority of programs that are now provided under CSSA were already administered by counties prior to 1980. CSSA changed the decision-making responsibility from the state to the county. Given this and the fact that some of the services provided under CSSA are mandated in statute or DPW rules, it is understandable that there has been relatively little growth in new programs.

Unlike the other block grants, CSSA (by providing greater discretion to county boards) may have actually encouraged some counties to drop certain services. Services that have been most frequently discontinued since 1980 include day care, education assistance, employability, family planning, and social and recreational services. One explanation for this is that individual county boards decided that their county needs did not merit the provision of these services.

DPW's current system for collecting and processing data lacks integration between bureaus and does not permit consistent comparisons across counties. Accordingly, we are unable to present accurate financial data showing how the counties spend block grant funds. Presently, programmatic data is collected by the Bureaus of Social Services and Mental Health while financial data is primarily collected by the Bureau of Support Services. The lack of coordination among the three bureaus has resulted in unreliable summary information on the state's social services. We hope that the further development of the CSIS information system will significantly improve the quality of statewide data. Further discussion of CSIS is found in the next chapter.

III. STATE ROLE IN BLOCK GRANTS

Because block grants are so different from one another, there is not a well-established notion of the proper role of grantor and recipient. Each of Minnesota's block grants differs in its division of authority and responsibilities between the state and local governments. In addition, each program differs in its methods of holding local governments accountable and in the oversight role that is defined for each supervising state agency.

Paralleling the federal experience, disagreements have developed between Minnesota's state agencies and the counties concerning the division of responsibility for implementing the block grants. The Minnesota block grants have been described as "state-supervised and county-administered" but the interpretation of this phrase varies from agency to agency and among local governments and special interest groups.

In this chapter, we discuss how the three state agencies responsible for supervising Minnesota's block grants have interpreted and carried out their responsibilities. We assess whether the agencies are supervising the grants in compliance with applicable statutes and whether current laws and agency practices provide for adequate local accountability. Because there is most concern over the division of intergovernmental responsibility for planning, reporting, technical assistance, and evaluation, we focus primarily on these program functions.

A. ROLE EXPECTATIONS

There are sometimes few objective standards by which to measure block grant success. One reason for this is the lack of an intergovernmental consensus about roles: how should various program functions be allocated between state and local governments?

In order to discover to what degree a consensus on block grant roles exists in Minnesota, we conducted detailed interviews with several individuals in key positions at the state and local levels. We interviewed many staff members of the state Corrections, Health, and Public Welfare departments, local administrators of the three block grant programs, several county commissioners, and selected representatives of special interest groups whose clients include recipients of services funded by the block grants. In addition, since their numbers were too great for us to personally contact them all, we sent formal questionnaires to all county commissioners, all of the local administrators of corrections, health, and social services programs,

and many of the special interest groups that have an interest in the block grant programs.[1]

In general, we found that:

- Block grants are not universally accepted, especially for the delivery of social services.

Because block grants give discretion to local officials, they work contrary to the conviction that some services should be equally available to all citizens. Because CSSA combined categorical grant programs and effectively removed most state mandates, it cancelled the guaranteed status that services for selected groups enjoyed. As a result, those advocating statewide services for the mentally ill, mentally retarded, families in need of daycare, and many others opposed CSSA when it was proposed and they remain skeptical about it today.

Local officials view the flexibility afforded them as a positive feature of block grants that enables local needs to be met; special interest advocates often believe that flexibility means that certain needy groups may go without services. These feelings are particularly strong among smaller advocacy groups and those representing the interests of low incidence groups in the population. For these, a decentralized lobbying effort is far more burdensome than an effort aimed at the state Legislature.

There is more controversy over CSSA than the other block grants because: a) social service target groups are more cohesive and often better organized than the groups served by the CCA and CHS, and b) CSSA removed pre-existing state programmatic guarantees and appeared to some to represent a relinquishment by the state of traditional commitments to groups with special needs. Many special interest groups advocate a return to state categorical programs or enactment of state mandates or minimum standards for specified target groups.

Among state agency staff we interviewed we found attitudes about the block grants that ranged from supportive and sympathetic to skeptical and distrustful. In general, those staff members directly responsible for supervising the block grants appeared most supportive while those less involved sometimes expressed doubts that local discretion was preferable to state control. These less supportive attitudes have not gone unrecognized by some local officials who sometimes must call upon these same staff members for advice or technical assistance.

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[1]Response rates were as follows: 144 out of 435 county commissioners (33 percent), 32 out of 82 special interest groups (39 percent), 77 out of 85 community social service administrators (91 percent), 42out of 47 community health administrators (89 percent), and 12 out of 12 community corrections administrators (100 percent). Complete survey results are available in our staff paper, "Attitudes About Minnesota's Block Grants Among County Commissioners, Block Grant Administrators, and Interest Group Representatives."

From our interviews we found agreement among state agency personnel in all three departments that block grants imply a smaller and less intrusive role for the state in human service programs than categorical programs. However, the precise nature of that role is not always clearly understood. Most often there is uncertainty about how much authority and responsibility the state has to set procedural and programmatic standards for local service delivery.

Among local officials we surveyed, we asked whether it was primarily a state, local, or shared responsibility to plan, provide funding, decide how to allocate funds, develop an information system, report information, evaluate, and deliver technical assistance for human service block grants.

As suggested by Figure 3.1, there is a clear sense among most of those surveyed that some tasks should be shared equally between state and local government while others should be primarily the responsibility of either state or local government. Most local officials see the biggest local block grant role in planning for and allocating funds. Reporting on program activities and evaluating programs are seen as shared or local responsibilities, while funding is uniformly viewed as properly shared between the state and local governments. Local officials see the main role of the state in providing technical assistance and, among community corrections administrators, in developing information reporting systems.

The special interest organizations we surveyed responded quite differently than local officials, consistently envisioning a greater role for the state in all important program functions. This pattern of responses again demonstrates the general preference of most interest group representatives for state control over human services.

B. IMPLEMENTING THE BLOCK GRANTS

As each new block grant was created by the Legislature, attention shifted to the state agency assigned to implement and supervise it. Because the early steps taken by each agency to define roles and establish a state/local relationship were important in determining the ultimate character of each block grant program, we identify those early steps in this section and show the direction in which they led.

The Community Corrections Act's implementation phase lasted from mid-1973 to mid-1976, during which the first counties joined the program and the state corrections department tried to establish an effective state/local relationship. The first three CCA agencies were created in Dodge/Olmsted/Fillmore Counties, Ramsey County, and Crow Wing/Morrison Counties. In this pilot period, the corrections department set up a "subsidy unit" which, with the assistance of the department's eight regional supervisors, encouraged local participation and offered technical assistance to counties. Participation meant that state probation and parole officers would become county employees and the department sought to ease the transition.

FIGURE 3.1

BLOCK GRANT PARTICIPANTS' ATTITUDES ABOUT DESIRABLE DIVISION OF STATE AND LOCAL RESPONSIBILITIES FOR VARIOUS PROGRAM FUNCTIONS*

	Planning	Funding	Allocating	Developing Information Systems	Reporting Information	Evaluating	Delivering Technical Assistance
County Commissioners	Local or Shared	Shared	Local	Shared	Shared or Local	Shared or Local	State or Shared
CCA Administrators	Shared	Shared	Shared	State or Shared	Shared or Local	Shared or Local	State or Shared
CHS Administrators	Local	Shared	Local	Shared	Shared or Local	Shared or Local	State or Shared
CSSA Administrators	Local or Shared	Shared	Local	Shared	Shared or Local	Shared or Local	State
Special Interest Organizations	Shared or State	Shared or State	Shared or State	State or Shared	Shared or State	Shared or State	State or Shared

*(Based on responses to our survey of block grant participants.) Each group was asked whether each task "should be primarily a state responsibility, a local responsibility, or a shared responsibility between state and local governments." Where more than one response is given in this figure, a significant minority mentioned the second response.

The department also drafted a set of administrative rules for county participation, setting performance standards and establishing a process for approving county plans. But such efforts were resisted by counties and the proposed rules were rejected by the state Attorney General because they were not "specific and comprehensive". The department tried two more rule drafts before a final version was found acceptable in February 1977.

In the meantime, the pilot counties had begun receiving subsidies and operating under the terms of the act. According to the state official in charge of setting state standards, "the counties were working in the dark . . .." In essence, we ended up letting them do as they wanted."[2]

During this phase the department had an incentive to limit controversy and avoid alienating the counties. The program's success depended on local willingness to participate and this, in turn, depended on the state playing a facilitative role rather than a strongly regulative role. The new money that participation would bring to the counties represented an incentive for them to "go along", but basic probation and parole services were already being paid for by the state and too many strings attached to subsidy money would discourage counties from participating. As a result, the department moved slowly to establish standards and was not eager to impose onerous local requirements. In addition, some department staff members attribute the slow progress in implementing the CCA to a reluctance on the part of some regional supervisors to relinquish direct authority over probation and parole operations. Since regional supervisors play a dual role in overseeing state run corrections programs while ostensibly encouraging counties to take over some of those programs, some see a conflict of responsibilities.

In many respects the CHS implementation phase paralleled the CCA experience. Like CCA, the community health program was voluntary and the first concern of the state health department was attracting county participants and offering technical assistance on program start-up, administration, and evaluation. Establishing clear lines of accountability and standards for county participation were somewhat lower priorities.

MDH's Office of Community Health Services was created in the fall of 1975 in anticipation of legislative action to create the CHS program. The office initially incorporated existing federal and state categorical health grant programs (emergency medical services, maternal and child health, 314D, etc.), the state's nursing services, hearing and vision consultants, and other similar functions. After the passage of CHS, the office also had responsibility for supervising the subsidy program.

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[2]Quoted in John Blackmore, The Minnesota Community Corrections Act: A Policy Analysis. (Prepared for the National Institute of Corrections, 1982), p. 34.

Although the impetus for the CHS was largely derived from the CCA example, there was no systematic effort at the health department to learn from the corrections department about the problems of establishing effective state/local relations in a block grant program. Nor was there any exploration of the potential for establishing parallel fiscal or programmatic relationships or for coordinating block grant administration. In addition, the federal experience was not carefully considered.

As the state's community health programs were replaced by county CHS programs, many health department jobs, especially those in the emergency medical services and hearing and vision programs, were eliminated. Although many individuals were hired by local health agencies, many staff members were apprehensive and the atmosphere within the department has been described as "tense." In the fall of 1979, the commissioner of health reduced the responsibilities of the Office of Community Health Services and reassigned some of its personnel.

At the same time, there was a legislative effort to merge the fledgling CHS program with a new community social services program. A bill to accomplish such a merger passed the House of Representatives. A separate effort which would have merged the state health and welfare departments later failed.

These events led to a sense of uncertainty about the future of the CHS and the direction it should take. Accordingly the Office of Community Health Services, valuing the counties' support for the program, was not predisposed to move quickly to establish detailed reporting requirements or strict standards of accountability. Administrative rules, promulgated in January 1978, clarified plan submission, reporting, and evaluative requirements set in statute, but did not immediately yield an effective state system for local block grant accountability.

The political atmosphere from which the CSSA emerged was volatile and uncertain. Many interest group representatives, legislators, and state agency personnel opposed the block grant approach to funding social services. Some staff members of DPW reacted to CSSA as if the Legislature had given the agency a vote of "no confidence" and that the state's role in community social services had been reduced by the act to a minimal technical level.

In fact, this was the view of some individual legislators, but any analysis of "legislative intent" must come to grips with the very different versions of the block grant legislation that were introduced and passed by the two houses. The Senate version envisioned a relatively robust role for DPW while the House version mainly shifted decision-making powers to the counties, leaving DPW with few real responsibilities. The compromise that was finally enacted left many at DPW uncertain about the role the Legislature had given them. According to some DPW staff members, the death of the chief Senate sponsor prior to final passage may have enhanced the House interpretation of DPW's role.

In June 1979, DPW set up a twenty-six member steering committee to advise the department on implementing CSSA since there was no permanent advisory committee established by the act. The steering committee addressed a variety of fiscal, programmatic, and administrative issues and served to establish an initial understanding among participants about the implications of the block grant. The committee brought together the important actors whose support was needed to make CSSA successful (county welfare directors, DPW staff, interest group representatives, et al.) but it only met seven times and was disbanded at the end of the year when its limited charge was completed.

In addition to its work with the steering committee, DPW provided technical assistance to the counties in the implementation phase, including sponsoring several regional information meetings and temporarily assigning seven DPW staff to act as "field coordinators". However, DPW did not succeed in establishing specific guidelines for county planning, reporting, and evaluation. Similar to the CCA experience, counties resisted state guidance in these areas. Since the CSSA did not expressly grant rule-making power to DPW, the department did not proceed to develop explicit rules or guidelines for county participation. At the end of 1979, the department's progress report on CSSA expressed the hope that "such [rules] will not be necessary."

Despite these uncertainties, DPW established no formal liaison with the other state departments which had faced similar problems in implementing their own block grants. Although each block grant statute defines the role of the state agency somewhat differently, the practical experiences of the corrections and health departments might have proved useful to DPW in this period.

Although each of Minnesota's block grants was implemented in a unique environment, two important similarities emerge from this review:

- Each agency was unwilling or unable to define for itself a strong leadership role. The highest priority at the corrections and health departments was "selling" the block grant program to local agencies. The attitude at the public welfare department was that the Legislature had precluded a strong leadership role.

- Each agency's implementation efforts took place in relative isolation. In no agency was there a formal effort to learn from the federal government's experience in implementing block grants. The health and public welfare departments did not establish task forces or liaisons to learn from preceding Minnesota experiences.

The results of these implementation efforts are discussed in the sections below.

C. PLANNING

Planning is an important function in any public program. It involves setting goals, selecting methods, defining services, and otherwise setting forth the intentions of program managers. Planning is an important aspect of control over a program. In a block grant the grantor's planning guidelines or requirements help to define the limits of the grantee's discretion and provide a means by which the grantor can hold the recipient accountable. As we noted earlier, such guidelines for planning and other program functions may provide the only practical method of establishing accountability, especially when the grantor has not specified goals for the block grant program.

In this section we describe each block grant's planning requirements and evaluate how each state agency has interpreted and implemented those requirements. In addition, we discuss whether each agency's definition of its role in planning is appropriate, given the assumptions of the block grant approach to providing human services. Figure 3.2 briefly outlines the statutory and administrative planning requirements for Minnesota's block grants. It demonstrates that the planning function is not defined in a uniform way in all three block grants.

1. COMMUNITY CORRECTIONS ACT

According to the Community Corrections Act, a local agency must submit a comprehensive plan in order to be eligible for a subsidy. Local advisory boards must participate actively in formulating such plans and they must make recommendations to county boards concerning their implementation.

However, the statute does not specify the content of local plans. Instead, it identifies items which the Commissioner of Corrections may require by administrative rules. The rules promulgated so far, however, do not set forth any content requirements or other standards for comprehensive community corrections plans. As a result:

- The state has not yet established standard planning guidelines for local community corrections programs.

The Corrections Department has cited several reasons for choosing not to promulgate rules establishing standards for local planning. First, the department believes that promulgating rules destroys agency flexibility to change the standards and requirements as needed. Second, the procedures for promulgating rules are expensive and time consuming. Finally, the department views rulemaking as a heavy-handed way of establishing standards, preferring to set informal standards that have the voluntary support of CCA participants.

FIGURE 3.2

STATUTORY AND ADMINISTRATIVE PLANNING REQUIREMENTS FOR MINNESOTA'S BLOCK GRANTS

	COMMUNITY CORRECTIONS ACT	COMMUNITY HEALTH SERVICES ACT	COMMUNITY SOCIAL SERVICES ACT
PREPARE AND SUBMIT A STATE PLAN	NOT REQUIREO	NOT REQUIREO	Commissioner must prepare and present an updated biennial plan to the Governor and Legislature.
PREPARE AND SUBMIT LOCAL COMPREHENSIVE PLANS	No county or group of counties shall be eligible for CCA subsidy unless and until its comprehensive plan shall have been approved by the commissioner.	Plans must be approved by county boards and must be submitted to appropriate regional development commissions or to the Metropolitan Council and to the Commissioner of Health. The commissioner must review and approve plans in order for a local board of health to be eligible for a subsidy.	The commissioner must approve county community social services plans by certifying whether the plan meets statutory requirements. If a plan is not approved and not amended as required by the commissioner, the next quarterly payment may be reduced by one-third of one percent of the county's annual entitlement for each 30 day period the plan is overdue.
LOCAL PLAN REQUIREMENTS	NONE	Plans must include: 1) methods of citizen participation; 2) explanations of health service coordination; 3) needs assessment and inventory of services; 4) description of services funded; 5) funding for each service; and 6) report and evaluation of previous two years' programs.	Plans must include: 1) a goal statement; 2) methods of citizen participation; 3) methods for needs assessment; 4) information on services funded and clients served; 5) funding for each service; 6) resources inventory; 7) consideration of purchases of services; and 8) methods for local monitoring and evaluation.
AOVISORY BOAROS OR COMMITTEES	Corrections advisory boards shall participate in formulation of comprehensive plans and shall make a formal recommendation to county board or joint board at least annually, concerning the comprehensive plan and its implementation during the ensuing year.	CHS Advisory Committee established to advise, consult with, and make recommendations to the commissioner about development, maintenance, funding, and evaluation of community health services. Local advisory committees established by county boards or city councils advise boards of health.	NO AOVISORY BOARD ESTABLISHEO
APPROVAL OF PLAN REVISIONS	Plan revisions must be approved when: 1) services are added or eliminated, subject to approval of the county board and commissioner; 2) funds in excess of $5,000 and 10 percent of the total budget are reallocated; and 3) funds less than $5,000 and 10 percent of the total budget are transferred, subject to advance approval of the community corrections administrator and reported quarterly to the commissioner.	Revision of CHS plans must be approved by the commissioner when: 1) the objectives of the CHS program are changed; 2) "key administrative personnel" are to be added and were not approved previously in the plan; 3) the cumulative amount of funds transferred is expected to exceed $2,500 or 10 percent of the total CHS budget, whichever is greatest.	NOT REQUIREO
COMMISSIONER SHALL PROMULGATE RULES	To implement CCA; establish eligibility standards for counties to receive funds; prescribe those items to be included in comprehensive plans.	To establish standards for: 1) training, credentialing, and experience requirements; 2) a uniform reporting system; and 3) a planning process.	NO AUTHORIZATION

This absence of state standards has drawbacks. Without formal standards the department cannot effectively and consistently monitor local activities nor can it effectively exercise its statutory authority to withhold funds in those cases where planning is done poorly or is non-existent. As a result, the relationship operates on the basis of consensus among state and local actors as to how local planning should proceed. Unfortunately, effective oversight is not achieved simply through consensus.

Nevertheless, a strong collaborative relationship between the state and counties has developed. The department works closely with the Minnesota Association of Community Corrections Act Counties (MACCAC). MACCAC is composed of CCA administrators and members of community corrections advisory boards and county boards. Representatives from the department and MACCAC meet monthly and their meetings have been an important forum for addressing and resolving block grant issues and problems.

As the state's first block grant, the CCA's state/county partnership to provide corrections services was viewed with distrust by many counties. In order to attract local participants, the Department of Corrections had to overcome local fears that the state would dictate county correctional programs. Since the monetary incentive for participating in CCA was not considered substantial by most counties, especially because counties had to assume responsibility for parole and probation services that the state had traditionally provided, the department was hardly in a position to impose its views or methods.

Despite the current lack of state planning guidelines or standards, we found that the Corrections Department reviews local plans and exercises judgment concerning the quality of those plans. Our survey of local community corrections administrators reveals that:

- Seventeen percent of local administrators said that initial state approval of their comprehensive plans had been withheld. Seventy-five percent claimed that their plans had been readily approved, and eight percent were uncertain whether initial approval had ever been withheld.

- For those cases where approval was withheld, the most common reason cited (17 percent) was a need for more program description. Other reasons cited included the failure to meet standards, non-compliance with state laws or department rules, the need for more needs assessment information, inadequate goals and objectives, and the need to revise or supplement budget estimates.

Our survey, however, revealed some misgivings about DOC plan review. One-third of the administrators surveyed indicated a "mixed" response to the statement that Corrections Department "review of agency plans is thorough and comprehensive". While none disagreed outright with the statement, this high mixed response seems to indicate uncertainty about the quality of Corrections Department review of local plans. Given the lack of explicit rules, standards, or guidelines, we share this uncertainty.

To explore further the quality of local planning and the Corrections Department's role in overseeing that planning, we examined a selection of local community corrections plans from 1981 and 1984. We found that:

- All plans included elements considered essential to an adequate planning document, including mission statements, descriptions of the local community corrections system, needs assessment methods and results, goals and measurable objectives for each program, program staffing, staff training activities, program evaluation activities, and budget documents.

- All plans made use of demographic and Corrections Department statewide offender data in assessing community corrections needs.

- In all plans, goals and objectives were linked to needs assessment results and the services chosen for funding. Most plans included statements of methods for accomplishing objectives and measuring outcomes.

- Plan format and content were essentially unchanged between 1981 and 1984. Some plans showed small improvements in organization and conciseness.

- Plan organization and format, however, were not uniform. There were substantial differences among the plans in all areas except the budget documents.

What accounts for the generally high quality of local community corrections plans, given the absence of the state agency guidelines and standards? At least two factors may explain the situation. First, the local/state partnership under CCA and the Corrections Department's collaboration with MACCAC works successfully. Only 27 counties organized in 12 administrative units participate in the community corrections block grant. This small number of participants enhances the opportunity for face-to-face encounters and interpersonal understanding. Second, the CCA has a long track record. Participating counties have submitted ten comprehensive plans since the program was enacted in 1973. During this time, counties' abilities to conduct effective planning have been enhanced and the state's planning expectations have been clarified.

Despite these successes, and despite the availability of alternative means of holding local agencies accountable for spending block grant money, we believe there is room for improvement in the state's oversight of local corrections planning. Most serious, as we have seen, is the lack of explicit criteria by which the state Corrections Department reviews local corrections plans.

- We recommend that the state Corrections Department, in collaboration with MACCAC, should develop a set of formal guidelines for the preparation of local community corrections plans. In addition, the state Corrections Department should establish explicit criteria for reviewing and accepting local plans.

2. COMMUNITY HEALTH SERVICES ACT

The Community Health Services Act requires each local board of health to submit a community health service plan in order to be eligible for a state subsidy. According to the act, the plan is to set forth the development, implementation, coordination, and operation of community health services that meet the priority needs of the community. The statute requires the following items:

- A description of the process used to encourage full community participation in the development of the plan.
- An explanation showing how the planning and service delivery systems have been integrated with personal health services, institutional health services, environmental programs, and with related human services in the community.
- A statement of the priority needs of the community and an inventory of existing health services in the community.
- A description of each service program.
- The projected amount and sources of funding for carrying out the plan.
- A report and evaluation of the two preceding year's community health service programs.

Depending on the composition of the local health board, plans must be approved by city councils and/or county boards. The Commissioner of Health must review and act on the community health plans within sixty days after receiving them. The Commissioner may approve the plans as written or refer them for further consideration with comments and instructions. Failure to act within the specified time constitutes approval of the plan.

The Community Health Services Act specifically authorizes the state Department of Health to promulgate rules for the purposes of establishing standards for a local planning process. Approximately nine months after it was enacted, the Commissioner of Health promulgated such rules relating to the awarding of grants and subsidies for community health services and establishing standards under the statute. These rules were drafted by a committee composed of MDH staff and local board of health administrators. In general, the standards established in rule are comprehensive and sufficient to establish local planning accountability. The standards require that local plans identify goals for each proposed activity, outline the methods for achieving those goals, and most importantly, how the activity will affect the health service needs of the community.

The standards also established general plan review criteria. Besides the minimum statutory requirements, the Commissioner considers the probable effectiveness of proposed activities, community support for the activities, the distribution of funds throughout the state, comments from regional review agencies, and the clarity, specificity, and completeness of the plan.

To help local agencies prepare their plans, the Health Department has published guidelines (instructions and forms) that communicate what is expected of local boards and establish a standard format for all plans. During the first five planning cycles, the guidelines remained fairly constant. Paraphrasing the minimum requirements found in statute and rule, the guidelines identified major plan components: the community participation process, consideration of special populations, assessment of community health needs, program descriptions, and budget information.

In 1982, the Health Department substantially revised these guidelines. Most significant was the addition of plan review criteria for use by MDH staff. Two criteria were set forth: the first for use by MDH district representatives for monitoring the plan's compliance with applicable laws, rules, and standards; the second for use by MDH program staff for assessing the programs and activities described in the plans. The compliance criteria were uniform for all local health boards; the assessment criteria for programs and activities differed for each of the six CHS program services.

In our survey of local community health administrators we asked whether the Health Department should issue more specific guidelines or standards for the provision of community health services. We found that:

- Only six percent of the respondents thought that more specific guidelines were needed. Forty-six percent of the respondents disagreed and an equal proportion answered "maybe".

Additional comments made by CHS administrators about the planning process indicated that some standards need refinement. Some thought, for example, that needs assessment requirements should be clarified. Others thought that plan review criteria should be made consistent for all program services and compatible with the review criteria applicable for special state grants. However, most comments referred to the need for standards regarding the quality of local program services rather than the quality of local planning. We conclude that CHS administrators are satisfied with the standards and guidelines that are in place. We also conclude that the Health Department has adequately met the statutory requirement to establish standards for a local planning process.

To evaluate how well the Health Department reviews CHS plans and applies standards, we surveyed community health service administrators and interviewed MDH staff responsible for coordinating and conducting the review. We asked several questions regarding state review of local plans. We found that:

- Ninety-four percent of local administrators said that their plans had been readily approved by MDH. Only 6 percent (two cases) said initial approval had been withheld.

In those cases where MDH withheld initial approval, the program did not comply with state law or MDH rules or the plan's format needed reorganization.

Administrators were uncertain, however, that state review of local plans was thorough and comprehensive. Thirty-seven percent agreed that state review was thorough, 6 percent disagreed, 43 percent gave a "mixed" answer, and 14 percent did not know.

To interpret these survey results we interviewed MDH staff responsible for reviewing and recommending approval of CHS plans. We learned that MDH has not followed the same process in each subsequent review of CHS plans. We identified three separate methods that the department has used in successive reviews since 1977.

(1) In the years immediately following the enactment of CHS, MDH central office staff met with each administrator to review local plans. Reviews were designed to ensure local compliance with statutes and rules. Suggestions for changes were generally incorporated into the local plans.

(2) In 1980, department rules called for a change over from annual planning to biennial planning. At this time the review process became more formal, although it continued to be confined to statutory and rule requirement compliance. Review of plans was chiefly done outstate by MDH district office staff. Their recommendations were incorporated in a letter to administrators concerning the Commissioner's action on the plan.

(3) For CHS plans covering 1984-85, the review process has been shared between district offices and the MDH central office. District office staff review the plans for compliance with statutory and rule requirements while the state department's central staff assess the local agency's compliance with various program guidelines. This latter review is conducted by various state health program specialists. So far, this process has resulted in only one local plan being rejected.

We think that the CHS administrators' uncertainty about the quality of MDH reviews may be due in large part to the fact that the department has frequently changed its method of review. According to MDH staff, the overall quality of CHS plans is adequate. However, quality varies considerably among community health boards and some could benefit from technical assistance in planning.

As a result of this review, we recommend that:

- MDH should stabilize its method of reviewing local CHS plans. In addition, the department should refine and make consistent the program service standards which it applies during its review of CHS plans.

3. COMMUNITY SOCIAL SERVICES ACT

The Community Social Services Act (CSSA) requires each board of county commissioners to publish a proposed biennial community social services plan. Each plan must include the following:

- A statement of the goals of community social services programs.
- The methods used to encourage citizen participation in the development of the plan and the allocation of money.
- The methods used to identify persons in need of service.
- A statement describing how the county will administer, plan, and fund community social services to each of seven target populations, a description of each community social service proposed, and identification of the agency proposed to provide the service.
- The amount of money allocated for each service.
- An inventory of public and private resources, including associations of volunteers.
- Evidence of consideration given to the purchase of services from private and public agencies.
- The methods whereby community social service programs will be monitored and evaluated by the county.

In addition, CSSA requires the Department of Public Welfare to prepare a biennial state plan. In this plan the department is required to show how it will coordinate state and local planning and delivery of social services, show the relationship of the state social services plan to other federal, state, or locally financed human service programs, and summarize all county biennial social service plans. The law requires this plan to be updated biennially and submitted to the Governor and Legislature prior to the beginning of each biennium.

From the beginning, DPW staff have felt uncertain about the department's authority to intervene in the counties' planning process. CSSA does not explicitly grant DPW rule-making authority. As a result, DPW has been reluctant to set standards for planning or other programmatic functions.

Soon after the enactment of CSSA however, DPW established a task force composed of county government staff, representatives from client advocacy groups, and voluntary social service organizations and DPW staff to issue recommendations to the Commissioner of Public Welfare concerning plan approval criteria, plan format, and plan time cycles. The task force met from July to September 1979.

Two important controversies quickly emerged. One related to the inclusion of explicity objectives in county plans. The department viewed objectives as integral to effective local planning while

county task force members considered them merely desirable. A second issue related to the submission dates for the proposed and final county biennial social services plan. The department proposed to set the exact submission dates while counties sought discretion to link plan submission to either the county budgeting cycle or the federal Title XX planning process.

In late January 1980, DPW issued guidelines for the preparation of biennial community social service plans for the period January 1, 1981 to December 31, 1982. The guidelines had a dual purpose: to guide counties in their local planning process and to establish the standards by which counties would be held accountable by DPW.

The guidelines for the first county planning cycle required the inclusion of measurable objectives for each community social services program goal. Also, DPW set a proposed plan submission date that coincided with the Title XX planning cycle and a final plan submission date that was linked with the county budgeting process. Later, in 1982, the Legislature amended the law to provide for the coordination of all plan submissions with the county budgeting process. Currently, DPW issues guidelines for preparation of the plans by April of even numbered years. By June 1, counties give 60 days notice of the method they have chosen to ensure citizen participation in the planning process. By August 1, counties must publish a proposed biennial community social service plan approved by the county board. DPW has 45 days to review and comment on the proposed plans. By November 15, counties must publish a final community social service plan approved by the county board.

So far, counties have completed two full planning cycles. No formal plans were required by CSSA from the counties until May 1980. The first plans submitted covered the period January 1, 1981 to December 31, 1982.

Following the submission of final county plans, DPW has prepared the state biennial community social services plan. The state plan is written by the Office of Planning and Coordination in DPW's Social Services Bureau and has been published in June of odd numbered years. Two state plans have been published, the most recent covering the period July 1, 1983 to June 30, 1985.

To evaluate how well DPW has performed its supervisory role in the area of planning, we compared the two sets of guidelines sent to counties in 1980 and 1982 and we interviewed DPW staff in several program areas who had responsibility for setting planning standards. DPW's first set of guidelines were deliberately broad and liberal. According to some department staff, key legislators urged DPW not to promulgate rules regarding CSSA implementation and not to become directly involved in county planning activities. The guidelines developed in the Social Services Bureau merely established a consistent format for the content of county plans. Apparently no attempt was made to involve program specialists within DPW that would review the counties' plans.

A greater joint and cooperative effort was shown by the Social Services and Mental Health Bureaus in the development of the second set of guidelines for the second planning cycle beginning in 1983. In this instance, input from the Mental Health Bureau was sought and counties were given more direction as to what was expected of them in conducting planning. The new guidelines required counties to identify goals, conduct needs assessments, determine client eligibility for services, coordinate services, set fee policies, and identify providers of services and sources of funds for each of seven target population groups that the Legislature identified in 1981.

Although this second set of guidelines was more concise and provided a better means by which the department could ensure that local planning was adequate, we have determined that:

- The standards established for county planning varied significantly for each target group depending upon which DPW program division had responsibility for developing them.

Standards defined for families with children, state wards, vulnerable adults, and the aged were generally less specific and demanding than those for the mentally ill, mentally retarded, and chemically dependent. A key variable seems to be whether or not other laws or DPW rules mandated more stringent planning responsibilities on the part of counties. Another factor may be the reluctance of DPW staff in these mental health bureau programs to yield more discretion over community social service programs to the counties.

Our interviews suggest that DPW is reluctant to develop clearer and more consistent planning standards without explicit administrative rule-making authority from the Legislature. In the absence of such authority, standard setting is inconsistent and decentralized within DPW. Standards for some programs are set in the Social Services Bureau while those for other programs are set in the Mental Health Bureau. DPW's decisions on county planning standards, therefore, are based on what is satisfactory and what has been previously authorized in rule or statute for the services and target groups served by each division rather than on what is necessary or appropriate for proper accountability by DPW as a whole.

To evaluate how well DPW reviews county plans and applies standards, we surveyed all county social service administrators, interviewed DPW staff responsible for reviewing county plans, and examined a selection of county plans for the period 1983 to 1984. From our survey we found that:

- Nearly 56 percent of county social service administrators indicated that DPW had withheld initial approval of their plan.

The reason most frequently cited for withholding approval of county plans was that "plans did not meet standards" (42 percent). Also mentioned was the need for more program/service description (25 percent) and the inadequacy of goals and objectives (20 percent).

Among those we surveyed, there was ambivalence about how well DPW reviews their plans. Only 22 percent agreed with the statement: "DPW review of county plans was thorough and comprehensive." Thirty-one percent had a mixed reaction to the statement. Nineteen percent disagreed, while 26 percent said they did not know about the thoroughness of DPW's review.

The plan review process at DPW is coordinated by the Office of Planning and Coordination in the Social Services Bureau. We found that:

- The process followed by DPW does not promote a fair and consistent application of plan review standards.

Because the standards are set independently by different divisions within DPW and because each division reviews a different part of a county's plan, inconsistencies have resulted.

During the first plan review cycle (1981-82), the Mental Health and Social Services Bureaus independently reviewed their respective parts of county plans and wrote separate letters to the counties informing them of whether the plan met requirements. It was possible for counties to receive from DPW a letter of acceptance for one part of the plan and a letter of rejection for another part of the plan. During the second review cycle (1983-84), the two bureaus and their divisions again independently established review criteria and critiqued county plans. However, as a next step, staff from the two bureaus met to reconcile differences. A single form was developed to transmit a description of any deficiencies and comments to counties on what had to be done to bring the plan into compliance.

According to DPW staff, resolving differences in review conclusions between the Mental Health and Social Services Bureaus has sometimes been difficult. For example, we found that one bureau recommended rejecting plans for not containing measurable objectives, while the other considered a simple statement labeled an "objective" sufficient to meet its requirements. Some staff urged rejecting plans that did not show any logical links between statements of need, goals and objectives, and services offered. The standard ultimately adopted called for at least one measurable objective for each target population for each year covered by the plan.

We reviewed a random selection of 12 county CSSA plans for 1983-84 and found that:

- The program divisions of the Mental Health Bureau cited deficiencies in county plans five times more frequently than did Social Service Bureau program reviewers. In one case, the Mental Health Bureau cited a deficiency which the Social Service Bureau should have cited but did not.

Clearly there is a need for greater coordination between the Mental Health Bureau and the Social Services Bureau in setting planning standards and in determining criteria by which local plans are reviewed. Inconsistencies in standards and review criteria may account for county CSSA administrators' ambivalence about how well DPW reviews plans.

There are at least two strategies for achieving better coordination. One is to merge the bureaus of Mental Health and Social Services. In terms of the kinds of programs that each bureau oversees, there is a significant overlap in the bureaus' responsibilities. The Mental Health Bureau, of course, administers the state's categorical programs for the mentally ill, mentally retarded, and chemically dependent. The Social Services Bureau oversees similar categorical programs for the aged, blind, and deaf, in addition to supervising CSSA (which funds all of these mental health and social service programs at the local level). As suggested by our survey of social service administrators, the varying standards of these two bureaus and the mixed signals on procedures and review criteria received by local administrators are unnecessarily confusing and complex. A merger of bureaus might reduce these problems.

An alternative strategy for better coordination might involve establishing a "CSSA standards task force" made up of staff from both bureaus. Such a task force would be responsible for recommending to the commissioner uniform standards and guidelines and agreeing on common review criteria. In this way, DPW's policy might be standardized and it might speak with a single voice in its dealings with counties.

- We recommend that DPW study the problem of inter-bureau coordination and determine whether it should merge the Bureaus of Mental Health and Social Services (or perhaps reorganize with the Support Services and Income Maintenance Divisions) or form a joint task force to recommend to the DPW commissioner ways to bring unity to DPW's standard setting and review criteria for CSSA planning.

Another issue that needs to be addressed is whether DPW's informal planning guidelines are sufficient to give direction to local social service agencies and to hold them accountable for block grant decision making. Unlike formal administrative rules, departmental guidelines do not have the force and effect of law. Because CSSA does not explicitly grant DPW new rule-making authority, the department has not promulgated additional rules. DPW now seeks formal rule-making authority from the Legislature. Although it is unclear whether such formal rule-making authority is required for planning, formal rules will accomplish little without first settling the problem of inter-bureau coordination.

4. BLOCK GRANT PLANNING CYCLES

An additional problem receiving attention recently is the lack of syncronization in the planning cycles for Minnesota's three block grants. Community corrections plans have been submitted annually, but in the future they will be required every four years with annual revisions if needed. The statutes governing both the community health and social services programs require biennial plans but in alternating years. Many have identified this lack of synchronization as an obstacle to integrating human services at the local level.

In our survey of local block grant administrators we asked whether there was "need for better coordination or planning in your county" among the three block grant programs. Among corrections administrators, 63 percent saw no need for improved coordination with the other block grant programs. However, somewhat more than half of all local health and social service administrators thought that coordination among the block grant programs could be improved. In a separate January 1984 State Planning Agency survey about 50 percent of the respondents to a field study identified a need to coordinate CHS and CSSA planning and administrative requirements.

Among those we surveyed many thought that economies might be achieved by each county if there was a unified needs assessment process. Public hearings, surveys and other research on the needs for various human services could be conducted jointly among human service programs. In addition, some thought that a common planning cycle would prompt more cooperation among county staff and lead to more coordination of services. One area of conflict noted by some CSSA administrators was that welfare agencies pay for Corrections Department placement of youth and residential group homes, yet they have no control over placement and costs. Other respondents in our survey thought that conflicting goals and objectives among programs could be avoided if county agencies worked together in planning. According to some county administrators, synchronizing the planning cycles would be a step toward ultimately having a completely unified planning process in a single plan instead of three.

Our survey also revealed some doubts about the potential for synchronizing block grant planning cycles. Some administrators, especially those from counties with limited planning abilities and resources worried that a synchronized planning cycle might be overly burdensome. Others pointed to the very different requirements and expectations of the state departments which oversee and supervise the block grant funds.

Nevertheless, because of the support that a synchronization of block grant planning cycles seems to have among local administrators, we believe the proposal should be taken seriously and considered by the Legislature.

- We recommend a joint MDH and DPW task force to recommend to the Legislature how to synchronize the block grant planning cycles for the community health and community social service programs. The task force should include administrators of local health and social services agencies.

D. REPORTING

The reporting relationship between grantor and grantee is a key element in establishing block grant accountability. Local reporting of basic financial and programmatic information may be used to ensure that: (a) the grantor's goals are being met, or (b) the grantor's procedural standards and conditions are being met. A

"goal-oriented" block grant requires a level of local reporting which permits the grantor to determine periodically whether the block grant is having the results intended. The "general" block grant, on the other hand, requires a system of reporting that permits the grantor merely to "view" local decision-making and expenditures and to ensure that statutory requirements are being met. Whether or not block grant goals are specified, reporting is the means by which the grantor--and the public--learns about the disposal of block grant funds.

In this section we describe the statutory reporting requirements for each of Minnesota's block grants and evaluate how each state agency has interpreted and implemented those requirements. Figure 3.3 compares the statutory and administrative reporting requirements for the three block grants. Financial reporting refers to the collection of information on how state and local funds were spent and on whether the required match between local and state funds was made. Programmatic reporting refers to the collection of information on services delivered or clients served. Reporting requirements for "general" block grants may include either type of information; those for "goal-oriented" block grants must require both types of information.

From our review, we have found that:

- There are serious deficiencies in the block grant data reporting relationships that have been established between state and local agencies.

Although in some cases a great deal of information is required of local agencies, it has not always been provided in a way to facilitate a statewide analysis of local block grant spending. As a result, the Legislature does not have the overall information it needs to assess the impact and success of block grants.

There are at least three different approaches to collecting information from local human service agencies:

- The first approach would leave the responsibility for gathering information almost totally with the local agency. The state agency might inform local agencies of the type of information required but the local information system itself would be developed and managed with little or no input from the state.

- In the second approach, the state would play a guiding role. The information system would be developed at the local level but with substantial guidance, support, and coordination from the state.

- Finally, in the third approach, the state would not only determine what specific information it requires but also take a leading role in developing an information system which it would encourage or require local agencies to use.

FIGURE 3.3

STATUTORY AND ADMINISTRATIVE REPORTING REQUIREMENTS FOR MINNESOTA'S BLOCK GRANTS

	COMMUNITY CORRECTIONS ACT	COMMUNITY HEALTH SERVICES ACT	COMMUNITY SOCIAL SERVICES ACT
FINANCIAL REPORTING	Certified statements "detailing the amounts expended and costs incurred in furnishing the correctional services "must be provided to the commissioner each calendar quarter.	An estimate of the amount and source of funds and the cost of administration are required to be included in annual plan. Detailed report of expenditures must be submitted to the commissioner quarterly.	Quarterly financial statements of the county social service fund must be submitted to the commissioner. Reports must include: a) detailed statement of income and expenses attributable to the fund; and b) statement of the source and application of all funds used for social services, including the number of clients served and expenditures for each service provided.
PROGRAMMATIC REPORTING	Each community corrections agency is required to "develop and implement" an information system which complies with "applicable security and privacy regulations" and provides data annually as requested by the commissioner.	Program report must be submitted to district offices and MDH on an annual basis. These reports are to be the only "routine source" of activity data required for CHS programs.	Annual report must be submitted to the commissioner "on the effectiveness of community social service programs in the county." The report is to include the number and type of recipient of each service and an evaluation based on "measurable program objectives and performance criteria."
AUTHORITY TO PROMULGATE RULES	The commissioner is required to promulgate rules for implementing provisions of the Act.	The commissioner is authorized to promulgate regulations to establish standards for a "uniform reporting system that will permit an assessment of the efficiency and effectiveness of service delivery programs."	NONE
REVIEW OF GRANT APPLICATIONS	Procedures for review of grant applications by the corrections advisory board must be made available to the public upon request.	Requirements for CHS plans and grant applications must be submitted to division directors and the commissioner for approval.	Plan must include statement of the methods used to "identify persons in need of service and the social problems to be addressed by community social services." Evidence must be provided that "serious consideration" was given to the purchase of existing public and private services.
NON-ROUTINE REPORTING	Written assurance must be provided on request of the commissioner that programs are in compliance with the following requirements: 1) referral sources are to be provided with written eligibility criteria for all progrmas. Courts and sentencing judges are "regularly" advised as to "the extent and availability" of services; 2) case records must be maintained and updated quarterly for each individual and are to contain "clear, concise, and accurate" information. Each client must have access to his file, unless the information is legally classified as confidential; 3) the rights of offenders receiving services are protected; and 4) programs in the plan are in compliance with "applicable provisions" of department rules and local, state, and federal laws.	Information is obtained from evaluations which are not conducted on a routine basis, such as policy or system reviews and special studies.	NONE

In general, the first approach exemplifies the strategy pursued by the Corrections Department, the second by the Health Department, and the third by the Public Welfare Department in implementing the information systems for their respective block grants.

In our survey of local block grant administrators we asked about the proper role for the state regarding information systems. All three groups of block grant administrators believed that developing a local data system was a shared responsibility between state and local governments. CCA and CHS administrators strongly believed that counties should be permitted to develop their own information systems, although there was some uncertainty that such a strategy would yield the most accurate information. CSSA administrators also preferred a county-developed system, but a sizeable minority felt that a state-developed system was preferable. In addition, almost half of CSSA administrators agreed that a state-developed system would produce the most accurate data.

The introduction of computers over the past decade has increased the ability of local governments to gather and manage data. The first use for the computer in counties was as a financial management tool--to keep the county's books. Further development of computer systems by local jurisdictions has made it possible to use them for keeping track of the quantity and quality of services delivered in areas such as health, corrections, and welfare. Although most counties have purchased computers or computer services, some still do not find it cost effective. Some small rural counties continue to use manual systems for collecting and reporting data.

In the area of human services, state agencies have only recently encouraged counties to use computer-based information systems. In the past, state agencies requested data from counties and other local agencies but left the collection and management of data to the local agency. The result was often varying data quality and inconsistencies in data format across the state. As the federal government, the Legislature, and special interest gorups demanded greater accountability, state departments started to examine data quality and develop more sophisticated means of collecting information from local agencies.

In the sections below we explore the information reporting systems that have been established for each block grant. In addition, we evaluate the quality of these systems and determine their success in producing the kind of statewide information required for adequate accountability.

1. COMMUNITY CORRECTIONS ACT

Several provisions of the Community Corrections Act require the collection of information from local community corrections agencies by the state. First, the subsidy distribution formula requires counties to supply information on their per capita expenditures for correctional programs. Second, counties must be able to produce evidence to show that their own level of corrections spending has remained constant and has not been reduced as a result of the receipt of state

community corrections subsidies. Third, counties must submit "certified statements detailing the amounts expended and costs incurred in furnishing" correctional services. The state uses this information to compare with spending plans and reduces the county's next quarterly subsidy payment if spending does not keep pace with plans.

In addition, rules promulgated by the Corrections Department require each local agency to "develop and implement an information system," including an offender-based tracking system. Local agencies are required to provide quarterly "such data as may reasonably be requested by the Department of Corrections." These requirements have not been further refined and, as a result, each local agency has developed its own independent data system. DOC reports that it is in the process of developing an information system.

In our survey of local corrections administrators we asked for comments about the state's reporting requirements. Over 80 percent of the administrators believed that the reporting was not overly burdensome but the same number thought that DOC did a mixed or poor job of defining the need for the data that was reported. Most administrators acknowledged a need for the financial data that was collected, given the present structure of the CCA formula, but since DOC staff did not use the annual reports for any obvious purpose, the local officials challenged their usefulness and questioned the time they spent in preparing them.

However, local officials did believe that DOC had done a good job in providing definitions and guidance for required reporting. Sixty-seven percent thought that DOC did a good job of providing instructions for their reporting requirements; the rest considered DOC's efforts adequate. Only one administrator thought DOC did a poor job in defining the terms used in required forms. Providing readable and simple forms, however, was an area where local administrators thought DOC could improve its performance.

As we have suggested elsewhere, DOC and local corrections agencies have developed a strong, if informal, relationship. DOC has not yet issued specific guidelines for local reporting nor an instructional manual for use by local administrators. The close relationship between local administrators and DOC may have made this unnecessary. However, if the number of local participating counties grows in the future, this informal relationship may be insufficient, and more systematic and formal reporting guidelines and instructional materials may be required.

Programmatic data on local corrections activities is collected in two different ways: certain information is collected statewide (from CCA and non-CCA counties) on the number of offenders and number of commitments; in addition, CCA agencies are required to submit semi-annual progress reports. We did not examine DOC's statewide systems since they were not directly related to CCA.

In examining the CCA progress reports we did find some problems: First, DOC staff acknowledged that they only briefly reviewed such progress reports before filing them away. Second, the time schedule set by DOC was not regularly followed by the local

agencies so the reports tended to trickle in at various times of the year. Third, these reports have been seldom used at the local level. Finally, there have been no uniform guidelines set forth by DOC so there is no standard format and often very little comparable information among individual counties' progress reports.

DOC plans to improve this situation by strengthening the role of the progress report. DOC staff indicated that they plan to set uniform guidelines and make greater use of the reports for continuous monitoring of local services. We agree that this is necessary and make these further recommendations:

- DOC should first determine if a semi-annual report is required of local corrections agencies. We believe that an annual report may be sufficient.

- DOC should establish broad uniform guidelines which require local agencies to demonstrate progress toward the objectives identified in their annual plans.

- DOC should publish a biennial CCA report, showing how subsidies have been allocated, how funds have been spent by local agencies, and providing other programmatic information required for periodic statewide evaluations of the success of local agenices in meeting statewide corrections goals.

2. COMMUNITY HEALTH SERVICES ACT

a. Statewide Reporting by MDH

Currently the Health Department requires local agencies to submit a budget and quarterly reports for each county that detail the source of funds (local, state, other, and supplemental) for seven types of health service (community nursing services, home health services, disease prevention and control services, emergency medical services, health education, environmental health, and CHS administration). In addition, at the end of each year more detail on the source of funds for each county is requested (see Appendix F). These reports are used to certify the local match and to estimate the per capita expenditure factor in the CHS distribution formula. The requirement for quarterly reports may be unnecessary since only the year-end reports are regularly used.

We have found that the Health Department has collected these data regularly but they have not been distributed to counties, widely disseminated within the department, or made available to the Legislature. All MDH staff involved in collecting the data were not aware that these data had been put in computerized form. More importantly, these data have not been used for analyzing the provision of health services across the state.

A new programmatic data system has been developed by MDH and information for 1983 will soon be collected and summarized. Prior to the implementation of this new system, programmatic data

were collected for specific purposes by individual MDH program offices. For example, the public health nursing program had an extensive system which collected data primarily on local public nursing activities. Other program offices and the community development office depended on local annual narrative reports which were required under departmental rules. Unfortunately, we have found that these reports did not have a uniform format and the extraction of useful and consistent data from these reports for analysis was difficult. Consequently, these reports were of little use to the department or to others seeking statewide information on community health activities. The implementation of MDH's new reporting system should increase the ability of the department and the Legislature to determine how effectively community health services are delivered statewide.

Beyond the information required by the new system, additional information is required by the department for special federal and state programs. This includes grants to CHS agencies for family planning and hypertension, the Maternal and Child Health Block Grant, and the Woman, Infant and Child (WIC) Program. In addition, information is required by the Center for Disease Control in Atlanta on vaccines supplied by the federal government.

According to our survey of local community health administrators, local officials believe that MDH demands for information may be burdensome. Over 30 percent of those who responded to our survey agreed that reporting requirements were burdensome while another 40 percent had mixed feelings. Only 23 percent disagreed. In addition, 60 percent of the CHS administrators said that MDH had not done a good job of convincing them of the need for required data. Local officials have generally applauded MDH's efforts to design simple forms that have ample and clear instructions. Over 90 percent of those administrators who answered our survey believed that the quality of the present forms is at least adequate, while an equal number believed that MDH guidance for filling out forms was adequate.

Our analysis leads us to the following recommendations:

- The Department of Health should determine the need for quarterly local financial reports. Based on the department's current supervisory approach, annual reporting may be sufficient. A year-end expenditure report coupled with the budget for the next year would be a less onerous requirement for local agencies and would enable MDH to collect all of the financial information it now uses.

- Since the department has kept up-to-date computer records of annual expenditures for each year of the CHS block grants and for several years prior to CHS, we think the department should summarize these data on a biennial basis and distribute them to local agencies and to the Legislature as it deems appropriate.

- Finally, we think that the department should consolidate its reporting requirements for federal and state programs in the department's new programmatic reporting system. This would simplify and rationalize data collection from local agencies and eliminate possible duplications.

The Minnesota Department of Health has encouraged local agencies to develop their own information systems for reporting on community health services. MDH issued its information requirements and left to counties the responsibility of supplying the data. The result was a number of individual and multi-county information systems generating what MDH hoped would be uniform data.

The 1976 CHS act required a uniform reporting system which was to be used for assessing the efficiency and effectiveness of the local health services.

- However, we have found that MDH has moved slowly to implement this statutory requirement. As noted earlier, it was not until 1983 that MDH issued the current set of guidelines for a uniform reporting system.

Prior to that specific program offices, such as the public health nursing office, collected data to meet their needs or they relied on a narrative report submitted annually. The result was uncoordinated and sometimes inaccurate data collection.

Three years ago MDH initiated a process to meet the requirements set out in statute. The Community Development Office organized two task forces, the first made up of MDH staff and the second of county staff. The first step was to have MDH staff determine their information needs and to articulate the rationale for collecting such information. This list of needs was then taken to the county task force which reviewed the state's needs and responded. Regional meetings were held and further comment was solicited. Following a dialogue between the task forces, recommendations from each were made to the Commissioner of Health in Sepember 1982.

The Commissioner decided to require local agencies to produce an annual 13-part report. The information required includes:

- CHS staffing;
- interaction with community organizations;
- client visits by primary reason and service providers;
- clients by age served by CHS staff;
- clinic visits supported with CHS funds;
- client and clinic visits by source of payment;
- school health services;
- emergency medical services activity;
- health education programs and activities;
- disease outbreaks and investigations;
- environmental health activities;

- food establishment inspection scores; and

- private water well quality.

Guidelines and definitions have been presented in a manual which we found well organized and simple to understand. Community health administrators appeared to agree with this assessment since in our survey a large majority found the instructions and definitions clear and the forms simple.

The process used to develop these reporting requirements was open and involved considerable county input. There was ample opportunity for local officials to offer suggestions and to make recommendations to the Commissioner. However, among those local administrators we contacted, there was still concern about the uses to which these data are put. Some administrators believed that MDH is less interested in "outcome" information than it is in management data.

Because MDH intends to review its reporting requirements in the near future, we recommend attention to the following points:

- MDH should continue its open process of cooperation with local health agencies in reviewing and modifying its current reporting requirements.

- Care should be taken to consider the means by which local expenditure information can be linked with programmatic information.

- MDH should periodically review its needs for local financial and programmatic information and limit its reporting requirements to those areas necessary to fulfill state or federal statutory requirements and to provide the Legislature a biennial summary of local block grant activities.

b. Development of Local Community Health Information Systems

As we have suggested, MDH has relied on local development of information systems. Department staff believe that this followed the concept set out in the CHS statute. The MDH leadership role derives from its activities in setting reporting guidelines rather than in developing the actual information systems used at the local level. MDH has attempted to maximize local control by merely monitoring local efforts and offering technical assistance to counties.

However, to ensure that uniform information is received by MDH, the staff of the Office of Community Development has closely observed each local system's development and offered help and guidance. They first supplied each local agency with a model format for an information system--a model that the local agency was not required to follow. Second, the staff informed each local agency of resources and technical assistance that were available. MDH district representatives, for example, were instructed to offer technical assistance. Unfortunately, this aspect of the MDH approach was less successful than anticipated because:

- The district representatives had little or no expertise in the development of information systems and some local officials considered their monitoring efforts were of questionable quality.

- There was a lack of communication between district representatives, the other staff of the district offices, and the community development staff in Minneapolis.

Regardless of these problems, MDH staff believed that the information received from local agencies has been uniform and consistent. To ensure this, community development staff made extra efforts to communicate with local agencies themselves. In addition, during the development stage of each local information system, documentation was closely monitored by community development staff.

The result of this "locally-developed, state-monitored" approach was the creation of numerous information systems. Counties that had earlier participated in the development of a community services information system (CSIS), such as Olmsted, Stearns, and Blue Earth, have decided to use CSIS and a few other counties chose a modification of CSIS. Other counties have collaborated or bought into systems independent of CSIS. A system developed in large part by Morrison County is now used in 18 counties, while another system based on CPT hardware is used in five other counties. Six counties have found that a package for an IBM-PC first tried in Hubbard County met their limited requirements. Several of the larger counties, such as St. Louis, Hennepin, Ramsey, and Washington, have adapted their existing systems to meet the MDH requirements. Finally, 28 counties have found that the state's reporting requirements do not merit a computerized system at this time and they continue to collect and process their community health information manually.

We have found that the MDH approach to developing a uniform reporting system has met most of the needs of both the state and local agencies. We suggest that at the end of the first two-year cycle MDH, in collaboration with local agencies, review these data collection systems. Special consideration should be given to whether the current decentralized arrangement is producing uniform statewide information. Ultimately, MDH should have the capability to compare the services delivered in one county with those delivered in other counties. The uniformity and consistency of data (in addition to accuracy) should remain a paramount goal.

3. COMMUNITY SOCIAL SERVICES ACT

a. Statewide Reporting by DPW

While short on details, the Community Social Services Act is explicit in requiring DPW to monitor counties' social service activity. For example, DPW is required to "design and implement a method of monitoring and evaluating the social services delivered within the state and assure compliance with applicable standards, guidelines, and . . . plans." In addition, DPW is supposed to receive quarterly

financial statements from counties which show the status of the county's community social services fund, including income and expenses, the source and application of all money used for social service programs, the number of clients served, and expenditures for each service provided "as required by the Commissioner of Public Welfare." However, DPW is not explicitly granted rule-making authority to implement the terms of CSSA and, as a result, the department has been reluctant (some believe powerless) to develop a detailed and coordinated system for data collection from counties.

Despite the absence of formal administrative rules regarding the reporting relationship between the state and counties, DPW has placed a fairly heavy reporting burden on the counties. In many instances it is difficult to distinguish between data which is collected for the CSSA block grant and that which is collected for other purposes like Title XX (the federal social services block grant). In some cases the same information is used for more than one purpose.

County officials sometimes appear bewildered by DPW's efforts to collect information. Over 90 percent of the social services directors we contacted agreed or had mixed feelings about whether DPW's reporting requirements were overly burdensome. Many directors commented on the lack of coordination in collecting data by DPW. Some thought there was a proliferation of forms they were asked by DPW to fill out, some to meet federal requirements, others to meet state requirements (some designed by DPW's Social Service Bureau and some by the Mental Health Bureau). Although most of those we surveyed thought the instructions for the forms required by DPW were at least adequate, most thought there were simply too many forms.

Ironically, despite these reporting requirements, DPW is the agency least able among those we examined to produce accurate, complete, and consistent summaries of financial data. The financial data needs of DPW associated with social services can be divided into four groups: (1) information directly tied to the statutory requirements of CSSA such as assuring that the local funding match has been met; (2) information used to determine what is the state's share of costs of a particular federal program (e.g., the Title IV-E foster care program); (3) information required by a particular federal program (e.g., the federal mental health block grant); and (4) information required for separate social service programs (e.g., the day care sliding fee program) which may be used to augment CSSA funds. We found that while some of this information is extracted from forms used for a variety of needs, many DPW forms are used to provide data for only one program.

To complicate matters further, there is not an up-to-date manual which includes instructions for all these forms. One DPW staffer told us that a manual once did exist but that it had not been updated to reflect both the changes made to existing forms and the addition of new forms. Despite our survey finding that most social services administrators felt confidence in knowing how to fill out the forms, the DPW staffer said he received phone calls from many county personnel for instructions or clarification.

- We recommend a major effort within DPW to review its needs for financial information from counties in the broad area of social services including the needs of the Social Service Bureau, the Mental Health Bureau, the Support Services Bureau, and various federal agencies. To the greatest extent possible, DPW should seek to simplify and combine forms, coordinating its data collection efforts and reducing county paperwork.

At least one required form, the Quarterly Status of Social Service Fund report, is not used at all by DPW except for the final quarter. This form is long, complex, and possibly time-consuming for counties to fill out. DPW should review its need to require this form. As part of this general review of state reporting requirements and forms:

- DPW should develop an up-to-date manual which provides a rationale and justification for all financial data required by DPW and includes instructions for filling out forms.

Another problem we found with the financial reporting associated with CSSA is the time lag in the processing of these forms. For example, the elapsed time between the certification of the local match required by CSSA and when that information was received by DPW was several months. The processing of other data might be even longer. Part of the problem may stem from an understaffing of the financial section responsible for social service reporting. But we also found that the financial section was not fully utilizing the computer capabilities available. Making better use of computer capabilities could reduce the staff time required to process this information and also provide opportunities for further data analysis.

Traditionally, programmatic data collected by DPW was collected by the various program offices in the Bureaus of Mental Health and Social Services or their predecessors. With the enactment of CSSA and the elimination of the categorical grants these program offices administered, the requirements and the means of collecting data from counties should have changed. Unfortunately this was not the case and many of the same mechanisms for data collection remained in place. With regard to the collection of programmatic data related to social services (including mental health), we have made the following observations:

- Until recently, DPW has made little progress in determining the overall need for information from counties. Only in the past few months has there been an effort to systematically review the information needs of each program office. This process has been developed in the Bureau of Social Services, but is only in the early stages in the Bureau of Mental Health. County input into this process has yet to formally begin.

Another problem we found regarding programmatic information collection was what appeared to be a level of competition between the two bureaus. Many counties have acknowledged the need for a coordinated statewide information system for social services but many

social service administrators and county commissioners we contacted expressed concern that the lack of coordination within DPW would result in a proliferation of overlapping information systems for generating county data. County officials told us that they will accept one information system related to social services but they oppose further specialized systems that needlessly increase paperwork. DPW has made progress in eliminating this problem by agreeing to use the existing CSIS and MMIS (the Medical Assistance Information System) systems to meet the federal requirements for the Mental Retardation Waiver Program. Agreements within DPW and with counties have been made to ensure that any implementation of further waiver programs will rely on these two information systems for their reporting needs.

A serious problem we identified involved the linking of financial and programmatic data in the annual mandated Effectiveness Report.

- DPW cannot currently provide accurate and consistent summaries showing how much counties have spent for each social service nor for each statutory target group.

Some counties provided summary data showing the distribution of social service dollars by type of service, while others reported how much money was spent in providing various kinds of services to each target group. This lack of uniformity is a serious problem: it prevents DPW and the Legislature from obtaining a statewide perspective on local social services expenditures and obscures the disposition of state CSSA funds.

DPW claims that it has made an effort to improve this linkage between programmatic and financial data. It is hoped that, as more counties are able to fully utilize CSIS, accurate data can be generated. Problems regarding accurate accounting for time spent with clients by county employees, duplication of the number of clients when distributing them between target groups and services, and better coordination with non-CSIS counties are problems that DPW must address. DPW staff may be making progress in overcoming these problems but they admit that it may take years for all these problems to be resolved. The reliance on CSIS to solve the majority of the reporting problems raises questions about the accuracy of the data from those counties that do not use CSIS. This problem is discussed further in the next section.

In the area of programmatic data we recommend the following:

- DPW should continue to assess the information needs of each program office that relates to the provision of social services at the county level in both the Social Service and Mental Health Bureaus. The newly created task force, which includes both state and local staff, should consider the need for each data element, ensure coordination to avoid duplication, and suggest ways that county information systems should be adjusted to meet the statewide data collection needs.

- DPW should coordinate its data collection efforts, particularly between the Social Service and Mental Health Bureaus, and continue to ensure that only existing information systems are required of counties.

- In consultation with counties, DPW should establish uniform reporting guidelines to ensure that all counties are reporting the same kinds of information to DPW and to enable DPW to summarize statewide activities in a consistent fashion in its biennial effectiveness report. In order to accomplish this, the Legislature should require DPW to establish a joint state/county advisory committee and give DPW rule-making authority in CSSA. Particular attention should be given to those counties that do not use CSIS.

- Stronger linkages between programmatic and financial data must be established. At the minimum, the expenditure information for target groups and services which currently makes up DPW's Effectiveness Report must be accurate for all counties--both those who use CSIS and those that do not. Further examination of stronger linkages between COFARS and CSIS should also be considered.

b. Development of Local Community Social Services Information Systems

In order to ensure the collection of accurate and complete information from counties on their social services activities, DPW has encouraged the development of a comprehensive local information system, the Community Services Information System (CSIS). DPW and many counties have invested time and effort in CSIS, confident that it meets state and local needs for information relating to the level and scope of social services delivered in each county. Because it is a client-based system, it permits the collection of case information at the county level as well as providing detailed information on social services delivered statewide.

CSIS was initially developed as a local management system in Olmsted County. It provided the county with a means to better manage the ever increasingly complicated social services field. In 1981 DPW, in response to the requirements of the Foster Care and Adoption Assistance Act (Federal Title IVE), judged that CSIS best met the needs for the development of a statewide system. This federal law required that the recipients of Title IVE funds, children in substitute care, must be tracked.

At the same time, some DPW staff saw CSIS as the vehicle for improvement of the statewide reporting that was required under CSSA. Prior to this, DPW had relied on existing reporting as required under the federal Title XX program. Unfortunately the data collected was of suspect quality. Therefore, DPW's Bureau of Social Services strongly encouraged counties to use the system, selling it not only as a means of collecting data required by the state but as a local management tool to increase the efficiency of local agencies. They pointed out that CSIS allowed counties to define local option

codes and choose between different optional worker and management reports. Subsystems were added to further encourage increased county based management. The CSIS subsystems which make up the base of CSIS are outlined in Figure 3-4.

We have not attempted to judge whether CSIS is structured properly or whether the most efficient programming techniques were used in its development. However, we have discussed with DPW staff and communicated with county staff, both in conversations and through our survey, about the effectiveness of CSIS. We have asked four questions about CSIS:

- Has the state encouraged county participation in the development of CSIS?
- Does CSIS meet the local management needs of counties as well as the state and federal reporting requirements?
- Why have some counties decided not to participate in CSIS?
- Should counties be required to participate in CSIS?

(1) County Participation in the Development of CSIS

DPW has made an effort to provide a number of opportunities for county input. The department has organized three separate forums for counties to give advice and help formulate a useful information system:

- CSIS Advisory Task Force made up of 15 members which meet bi-monthly to discuss further changes in CSIS.
- County Utilization Team which meets monthly. It is made up of 24 members, regionally represented, including directors, supervisors, and social workers. DPW asks for volunteers but makes an effort to encourage those with specific problems to participate.
- Statewide User Group which meets monthly, alternately on a statewide and regional basis. It is open to those who want to interact regarding the operation of CSIS.

While there is an open process for the discussion of problems found at the county level, there is evidence from our survey that DPW and the CSIS project team does not respond to all of the problems presented. Much of the problem can be attributed to the variety of requests that DPW must respond to. The demands placed upon CSIS by counties vary significantly and what may be a solution to one county may prove to cause a problem in some other county. These requests add to the workload of an already overworked CSIS staff. The difference between counties in population, administrative structure, and caseload size only demonstrate the different demands counties place upon CSIS. There is a need for a flexible system which can meet the varied demands of the counties. In addition, it is important to continue the open process that DPW has utilized. We recommend that:

FIGURE 3.4

CSIS SUBSYSTEMS*

CLIENT INFORMATION SUBSYSTEM:

Stores descriptive information about each client, including demographic data (name, address, birthdate, race, disability, marital status), agency information (name of intake worker, intake date, assigned worker), and other information such as service requested, service planned.

STAFF TIME REPORTING SUBSYSTEM:

Stores information about how the worker's time is spent, including worker number, service provided, client served, activity performed.

PLACEMENT/ADOPTION SUBSYSTEM:

Stores information about where a client is placed, including client name, date first placed, reason removed from home, placement plan, client fee. This information tracks the client from one placement to the next.

VENDOR PAYMENTS SUBSYSTEM:

Stores information about payments for services purchased by the county, including client served, vendor providing service, service received, cost of service received. This subsystem is an accounts payable process.

PROTECTION SUBSYSTEM:

Stores information about protection cases, including client and perpetrator descriptions, date of initial report, source of report, services arranged and provided. Additional information will be needed in order to assess outcome.

RESOURCE SUBSYSTEM: (Not Operational Yet)

Stores information about resources the county may use, including name, address, services available, intake procedures, acceptance factors, licensing information. It is useful for placements, information and referral, and licensing.

BILLING SUBSYSTEM: (Not Operational Yet)

Stores information necessary for fee collection, including service provided, client name, third party liability, fee assessed, amount due, amount collected. This subsystem is an accounts receivable process.

*This figure was taken from "Community Services Information Systems--CSIS--A Brief Overview," published by the Minnesota Department of Public Welfare, March 1983.

- DPW continue the present mechanisms which are now in effect. Every effort should be made to respond to requests for assistance.

- Because of the vast differences between Minnesota's counties, CSIS must remain a flexible information system. Consideration must be given to improving this flexibility. (This is discussed in more detail below.)

(2) Participation in CSIS? Choice or Mandate?

Currently, 72 counties are using or are in the process of implementing CSIS. While the majority of counties use CSIS, those counties not participating in CSIS account for slightly over one-half of the state's population. Table 3.1 lists the counties that do not currently participate in CSIS, including large counties like Hennepin, Ramsey, and St. Louis. Two reasons are generally cited by counties for not using CSIS. First, some counties have client caseloads small enough to render a computer-based information system too expensive. These include counties like Lake of the Woods and Cook. At the other extreme are the larger counties that have invested substantial time and money in developing their own systems. They claim their systems meet state and federal requirements and go farther in meeting local management needs than CSIS does.

TABLE 3.1

COUNTIES NOT PARTICIPATING IN CSIS

County	1982 Population
Anoka	204,324
Clearwater	9,115
Cook	4,206
Hennepin	946,401
Kanabec	12,460
Lac Qui Parle	10,452
Lake	13,172
Lake of the Woods	3,874
Le Sueur	23,448
Mahnomen	5,655
Ramsey	458,368
Red Lake	5,459
St. Louis	218,964
Scott	47,069
Washington	117,206
CSIS Counties	2,053,161
STATE TOTAL	4,133,334

Source: Minnesota Department of Public Welfare.

Some DPW staff favor mandating CSIS for every county in the state. They believe that this is the only means of ensuring uniform and accurate statewide data on the provision of social services. These staff members also believe that only CSIS can be flexible enough to meet changing information needs and yet provide this new information accurately statewide. Opponents of a mandatory statewide CSIS system claim that if they were required to implement CSIS, their local management would suffer. They also state that the millions of dollars already invested in their own systems would be wasted, a situation that would be considered unacceptable by their county boards and taxpayers.

It is difficult to sort out the arguments for and against the mandatory implementation of CSIS. However, we agree with current DPW policy and conclude that mandatory implementation of CSIS is not advisable for the following reasons:

- Mandating an information system, especially one as extensive as CSIS, would tend to contradict the block grant concept. Moreover, at this stage it is unclear that CSIS does provide more accurate statewide information than would otherwise be available.

- A number of counties have invested substantial amounts of tax-generated funds to develop their own information systems.

- Claims that CSIS does not always meet local management needs appear convincing. Efficient and effective provision of social services could suffer in the short-run, if counties had to adapt to a new information system.

- Finally, the success of any information system is based on acceptance by the parties involved. If CSIS does not meet the local management needs of counties, they may put little stock in the system so the data these counties collect could be inaccurate.

(3) Has CSIS Met the Objectives It Set Out to Achieve?

CSIS was developed to play two roles: a source of uniform data and a local management tool. It was to reduce paperwork, assist in planning and administration, and serve as a basis for local and state evaluation efforts. DPW's selling point for CSIS was not that it would meet most state and federal reporting requirements but that it would improve the administration and provision of social services at the county level. Whether it meets either of these objectives is not clear.

More than a few local officials informed us, either through our survey or in conversations, that they were uncertain whether CSIS will improve the collection of local information to meet DPW's expectations. They believe that many of the problems that existed prior to CSIS are still present. Local officials cite the following concerns regarding CSIS:

- The quality of statewide data is only as good as what the counties supply the system. Local officials believe that CSIS will improve the processing of statewide data, but unless the counties commit themselves to supplying the system with accurate information, quality will suffer.

- Since some counties continue to rely on their own information systems, local officials (along with state officials) wonder whether uniform statewide data on social services is possible. This concern is magnified since the counties not participating in CSIS account for over one-half of the state's population.

- DPW has not systematically decided what information it requires. Each program office and bureau needs to specifically assess what its information needs are.

- Many counties have little experience using an information system and, without proper training, quality of any statewide system is jeopardized.

- DPW continues to develop new subsystems before the bugs are out of earlier subsystems. One local official thought that CSIS was based on "shifting sand" because of constant system changes.

Local officials appear even more concerned about the local management ability of CSIS. Even though DPW stresses the local management components of CSIS, many officials we contacted thought that the system is insufficiently flexible, takes too much effort to input information, produces tables that are no longer used by counties, and is more sophisticated than necessary for many counties.

A lack of local flexibility is the most often cited complaint among local officials we contacted. Given the diversity of Minnesota's counties, it is difficult for many officials to accept that one system can be used in all the counties. They point out that the differences among counties are not limited to the size and composition of the population, but also include the sophistication of county staff, political acceptance of change by the county board, and the methods of financial accounting. To account for these and other differences is thought by many to be an impossible task for any social service information system.

Nevertheless, DPW strongly supports CSIS. The staff associated with the development of CSIS believe that the system is flexible enough and that they have programmed the system so as to meet the management needs of the counties. They stress that it was a county-developed system in the first place and that local input into CSIS development is encouraged. CSIS has improved data quality in many counties and DPW staff believe that local management problems can be overcome when counties fully understand the system and its concept.

From the comments we received from local officials, we must conclude that there are potentially significant problems with CSIS. Apparently, local needs have not been fully met and without this we believe that the reliability of the system's data is suspect. At the same time we believe that if counties are allowed to adapt CSIS or create their own system, data reliability will again be a problem without DPW assistance and observation. To meet the conflicting goals of local flexibility and uniform information needs, we recommend:

- A total assessment of CSIS be undertaken by an independent information systems specialist. This has not been done by anyone uninvolved with the development of CSIS on either the state or county level. This assessment should be done in conjunction with a DPW study of the department's social service and mental health information needs. The assessment should pay particular attention to: (a) balancing local flexibility with the need for uniform statewide data, (b) ensuring that data can be sent to DPW on disk or tape, (c) determining whether the counties are utilizing the local management components that CSIS presently includes, (d) determining whether smaller counties actually need computer information systems, (e) determining whether the information systems used by non-CSIS counties provide accurate data compatible with the information gathered from CSIS counties, and (f) assessing the ability of the system to combine fiscal and programmatic data.

E. TECHNICAL ASSISTANCE

The aspect of Minnesota's block grants that is perhaps least well defined is technical assistance. Almost by definition, technical assistance is a role played by the grantor in a block grant. It involves providing information and help on how to do planning, monitoring, evaluating, and delivering services. In general, technical assistance may take two forms: a) providing help on procedural matters such as conducting needs assessments, developing an information system, or personnel training, or b) giving advice and sharing information on programmatic issues such as finding effective methods of service delivery or enhancing program outcomes.

Technical assistance is not an essential part of a block grant program. However, it is one block grant function in which local administrators are likely to welcome grantor participation. Moreover, the enabling legislation for each of Minnesota's block grants requires state agencies to provide certain technical assistance. In this section we discuss the types of technical assistance each agency provides and identify areas where improvements are needed in delivering technical assistance.

1. COMMUNITY CORRECTIONS ACT

The Community Corrections Act is nearly devoid of formal requirements regarding state technical assistance for local community corrections agencies. The act merely directs the Department of Corrections to provide consultation and technical assistance to counties in the development of their comprehensive plans. To accomplish this, DOC district supervisors conduct a preliminary review of local plans. District supervisors also provide technical assistance to county boards, advising them on new programming and budget matters. Occasionally, DOC conducts training sessions for corrections professionals where correctional standards for jail programs and probation and parole activities are discussed and reviewed.

As a result of our survey of community corrections administrators, we found that:

- Most community corrections administrators are reasonably satisfied with the quality of technical assistance provided by DOC but they believe that DOC should be offering more help.

One-half of all administrators thought that the quality of technical assistance was adequate. Thirty-three percent had mixed feelings and 17 percent thought it was inadequate. One administrator said that DOC was "understaffed to really provide the kind of technical assistance they were once able to." Another administrator thought that more research and training by DOC would result in more current information on trends, techniques, and procedural changes in correctional services. It was also pointed out that if the Community Corrections Act is expanded to include more counties than the 27 presently participating, DOC would have to add to its present staff to provide the necessary technical assistance to help new counties learn how to plan for and provide correctional services. Eighty-three percent of all administrators thought that DOC could improve its technical assistance by conducting training programs. Fifty-eight percent thought DOC could do more to disseminate research findings on service delivery methods and outcomes. Programmatic technical assistance was generally found lacking.

We recommend that:

- The department, in consultation with local community corrections administrators, should determine local needs for technical assistance and consider ways of providing needed help, including the dissemination of relevant research findings, and information about community corrections programs around the state.

2. COMMUNITY HEALTH SERVICES ACT

According to statute, the Department of Health has more general responsibilities to deliver technical assistance to local agencies than does the Department of Corrections. The law requires the Commissioner of Health to provide consultation and technical training

to communities to assist them in the development and provision of community health services.

In general, we found a lack of coordination among the several units responsible for technical assistance within the Department of Health. Technical assistance for planning, reporting and evaluation, for example, is provided by the Office of Community Development in the department's Bureau of Community Services. Technical assistance for financial accounting and reporting is provided by the District Services Section in the Bureau of Administration. Technical assistance for specific programs is provided by six separate program sections in the Bureau of Health Services and in the Health Systems Division. In some of these program areas, staff located in district field offices as well as those in MDH's central office may provide technical assistance.

- There is no overall supervision or coordination of these technical assistance activities or of staff specialists at either district field offices or MDH's central office.

Unfortunately, the district field office structure is not uniform in all program areas. As a result, a local administrator seeking help might have to call upon MDH staff in one city for emergency medical services, for example, and in another city for environmental health questions. Many local administrators find this situation confusing and frustrating.

Technical assistance is usually offered in response to a specific local health agency request. The Department of Health also tries to identify areas of local need by reviewing biennial community health services plans. However, the provision of technical assistance is often incidental to MDH regulatory and/or service activities in some program areas and often assistance amounts only to responding to questions of narrow technical concern or addressing specific problems in the community's health service delivery system. Occasionally, MDH program sections develop and conduct workshops to review new guidelines and requirements and to disseminate information.

There is a certain sense of dissatisfaction among local community health administrators in the quality and quantity of technical assistance offered by the Department of Health. Only 20 percent of those administrators who responded to our survey agreed that the quality of MDH's technical assistance was adequate. Forty-three percent had a mixed feeling about the adequacy of technical assistance and 31 percent thought it was inadequate. Of those we surveyed, 69 percent thought that MDH could improve its technical assistance by disseminating programmatic research findings and conducting training programs. Several administrators commented that communication with the agency was sometimes difficult. There is apparently confusion about whether to contact staff in district offices or in the central office when help is needed. There is also concern among administrators about coordination of program specialists within MDH and about the role of district representatives as generalists. Noting that the Office of Community Development earlier played a stronger role within MDH and acted as a liaison between the state and local agencies, some respondents thought it should be a focal point for access to technical assistance.

In providing help to local agencies in interpreting state reporting requirements, MDH has done a better job. The Office of Community Development, responsible for providing technical assistance in the area of reporting, has established with the District Services Section of MDH a mechanism for responding to local questions about reporting requirements. The Office of Community Development coordinates these efforts and distributes bulletins that describe the procedure for handling questions about reporting requirements. It also identifies MDH staff who may be contacted for help. The office reprints all inquiries received and distributes them with appropriate responses so that all CHS agencies throughout the state have the same information. That these efforts have been successful is reflected in our survey finding that 85 percent of local administrators think that MDH's performance in responding to questions about reporting requirements is adequate or good. Only 9 percent found it poor.

As a result of these findings, we recommend that:

- The Department of Health should improve the coordination of technical assistance for local health agencies, paying particular attention to coordinating the Office of Community Development with specific program sections of MDH, reconciling the provision of services through central and field offices, making field office boundaries consistent, and providing a more up-to-date technical assistance directory for local health administrators.

3. COMMUNITY SOCIAL SERVICES ACT

Like CHS, the Community Social Services Act defines the state's role in providing technical service to counties rather broadly. The Commissioner of Public Welfare must provide training and other support services to county boards to assist in needs assessment, planning, implementing, and monitoring social service programs in the counties. Like the state Health Department, DPW has expended much of its technical assistance efforts in the planning and reporting areas and some in more substantive matters relating to the actual delivery of services to target groups.

As a result of our review of DPW's technical assistance activities, we have found that:

- There is a lack of coordination between the procedural assistance given to counties in areas such as planning and reporting by the Social Services Bureau and the programmatic assistance given to counties by the various program divisions within the Mental Health Bureau.

Much of the support provided by DPW to counties has occurred as part of the plan review process conducted every two years. The plan review is the primary method DPW uses to identify what counties may need in the way of technical assistance. But just as the plan review process is fragmented, so is the identification of technical assistance needs. Most DPW staffers we contacted believed that the

department as a whole is not acutely attuned to the technical assistance needs of counties--especially the programmatic needs--and is not making the effort required to identify or satisfy those needs. One problem may be the sense at DPW that the state's mental health programs (i.e., mental illness, mental retardation, and chemical dependency programs) are administratively, financially, and perhaps philosophically separate from the counties' mental health programs. This differentiation does not contribute to a strong working relationship between the state and counties.

We have also found the following:

- Each division within the Mental Health Bureau at DPW has assigned responsibility for providing technical assistance to one individual. Each staffer we contacted told us there were considerable unmet needs in the counties and too few staff resources at DPW to meet those technical assistance needs.

- In the Social Services Bureau, much of the technical assistance provided to counties has related to the county planning process or to the county's implementation of CSIS. But several program units also provide extensive programmatic technical assistance, consultation, and training to county social service agencies.

In our survey of community social service administrators, we sought information about the counties' view of DPW's technical assistance efforts. In general, local social service administrators are dissatisfied with DPW's technical assistance efforts. Only 18 percent of those responding to our survey thought that the quality of DPW's technical assistance is adequate. Fifty-one percent had a mixed reaction and 28 percent thought it was inadequate. The clear majority (63 percent) thought that DPW could improve its technical assistance by conducting training programs and almost one-half (49 percent) thought that DPW could improve its services to the county by disseminating programmatic research findings.

In contrast to these general findings, most county administrators considered DPW's help for counties in the area of reporting requirements at least adequate. Twenty-five percent of those responding to our survey said that DPW's performance in response to questions about reporting was good; 54 percent considered DPW's performance adequate. Only 17 percent rated DPW poorly. It is ironic that these apparently strong efforts by DPW, applauded by local social service administrators, have not yielded more satisfactory results in the form of accurate, complete, and consistent information about social service programs statewide.

DPW staff reported that several initiatives are planned to improve the department's technical assistance capabilities. Specifically, the Social Services Bureau is coordinating for the whole department a needs assessment workshop to be presented to the counties in the future. The Mental Retardation Division in the Mental Health Bureau is creating a unit of Regional Services Specialists to provide

technical assistance to counties. Likewise, the Social Services Division in the Social Services Bureau is creating Regional Generalist positions to provide frontline technical assistance to counties and to serve as the primary point of contact between the division and the counties.

We support these initiatives and we recommend the following:

- DPW should take steps to both coordinate the delivery of technical assistance, particularly between the Social Services Bureau and the Mental Health Bureau. Such improvements should be considered along with the potential for reorganizing or merging the Bureaus of Social Services and Mental Health.

- DPW should expand its capabilities of offering technical assistance to counties on substantive programmatic topics, including methods of implementing and delivering social services.

F. EVALUATION

Evaluation is the process of determining to what degree a program is being managed efficiently and is reaching its goals. Evaluation requires information about a program, some or all of which may be obtained from established statewide reporting systems. But evaluation involves assessing performance relative to established standards, rather than simply reporting information about program activities.

In a block grant, evaluation can be a most powerful tool for holding the recipient of funds accountable to the grantor. If the grantor has specified what is to be achieved with block grant funds--that is, if the block grant is a "goal-oriented" block grant--the ultimate measure of a program's success is whether or not goals, in fact, have been achieved. As we have noted, in a "goal-oriented" block grant, other methods of holding grantees accountable, such as ensuring that certain planning or reporting procedures are followed, may be redundant and unnecessary.

By definition "goal-oriented" block grants specify the grantor's criteria for assessing performance. Evaluation simply involves comparing program results with specified objectives. Because "general" block grants do not set forth measurable statewide goals, the role of the grantor in evaluation is quite different. In a "general" block grant, the grantor must a) simply ensure accurate, complete, and consistent reporting about block grant activities, b) address issues relating to the efficiency of service delivery by block grant recipients, or c) assess local program performance based on locally determined goals and objectives. The appropriate roles and responsibilities with regard to evaluation of the three state agencies overseeing Minnesota's block grants are determined, therefore, by the nature of each block grant.

We found that evaluation efforts vary a great deal among state agencies. Although the Community Corrections Act comes closest to the "goal-oriented" block grant model, ironically, it contains no specific requirements for evaluation of local programs by the state Corrections Department. In contrast, routine evaluation of services provided under the Community Health and Community Social Service Acts is required. A summary of evaluation requirements for each block grant is provided in Figure 3.5. The following sections examine further the efforts made to evaluate programs funded under each of Minnesota's block grants.

1. COMMUNITY CORRECTIONS ACT

Among other things, the Community Corrections Act was passed by the Legislature in order to reduce local reliance on state correctional institutions and to encourage the development of community corrections programs. The performance of local community corrections agencies and ultimately the success of the CCA itself can be judged with reference to the attainment of these overriding goals. Have commitments to state institutions been reduced? Have local agencies developed a range of alternative programs, expanding sentencing alternatives and promoting equity in correctional policies? Since these were important goals of the CCA, local corrections agencies can be held accountable by the state for their success or failure in reaching these goals.

Yet, a close examination of the Community Corrections Act itself yields only a vague reference to evaluation. Under the CCA, the Commissioner of Corrections is required to review "the facilities and programs operated under the plan" on an annual basis. The depth and scope of such an annual review is determined by the Commissioner and the findings do not have to be reported. State Corrections Department rules require local boards to "develop and implement evaluation/research designs." Again, no provision is made for reporting research results or conducting evaluations on a routine basis.

The first set of rules issued by the department with regard to CCA included the mandate that counties' research and evaluation designs "be approved by the Commissioner prior to implementation." In addition, "a sum of no less than the equivalent of five percent of the total subsidy amount" was required to be used "to develop and implement the information systems and evaluation/research." These requirements were eliminated in 1979 because the department believed that counties already had adequate evaluation systems in place and wanted to encourage further county participation in CCA. However, eliminating these requirements has not led to increased participation so far and has apparently inhibited DOC from further assessing the performance of existing programs. In sum:

- The CCA contains no specific requirements for evaluation to be conducted at either the state or local levels. Thus there is no provision for determining on a regular basis whether the goals of deinstitutionalization and local program development are being reached.

FIGURE 3.5

STATUTORY AND ADMINISTRATIVE REQUIREMENTS FOR EVALUATION OF MINNESOTA'S BLOCK GRANTS

	COMMUNITY CORRECTIONS ACT	COMMUNITY HEALTH SERVICES ACT	COMMUNITY SOCIAL SERVICES ACT
STATEWIDE EVALUATION	NONE	A specific process must be followed if the department decides to conduct an evaluation.	At the end of the second year of the planning cycle, the commissioner is required to conduct "an evaluation of the effectiveness of the prior year's performance of each program in relation to identified public social problems." This evaluation must include "measurable goals, objectives, methods, and outcome" and a comparison of the number of people eligible to receive services with the actual recipient population. Direct costs and administrative costs per unit of social service also must be included in the evaluation.
ROUTINE EVALUATION BY LOCAL UNITS	NONE	County biennial plans are required to include a report and evaluation of the "effectiveness and efficiency" of CHS programs. The report must include: 1) an analysis of each activity on the basis of specified evaluation criteria in the plan; 2) description of efforts made to coordinate health with similar services; 3) expenditure report with local matching funds; and 4) statistical data to comply with federal requirements.	Annual reports are to be submitted to the commissioner regarding "the effectivenss of the community social service programs in the county." These reports must include: 1) the number and type of recipient of each service; and 2) an evaluation based on "measurable program objectives and performance criteria."
NON-ROUTINE EVALUATION BY LOCAL UNITS	Local community corrections agencies are required to "develop and implement evaluation/research designs."	Policy or system reviews and special studies conducted at the request of decision-makers. These types of evaluation focus on policy issues, program outcomes, and community needs which "challenge the basic goals and objectives of the program or service."	NONE
AUTHORITY TO PROMULGATE RULES	The commissioner is authorized to promulgate rules to implement the provisions of the Act.	The commissioner may promulgate regulations to establish standards for a "uniform reporting system that will permit an assessment of the efficiency and effectiveness of service delivery programs."	NONE

Nevertheless, major statewide evaluation of the Community Corrections Act was conducted in 1979 by the Department of Corrections and the Crime Control Planning Board. The study examined the implementation and impact of CCA within the state's criminal justice system and also tried to relate CCA to certain broad goals such as "social justice." The full effect of CCA could not be assessed because implementation was not yet complete. However, based on available information, the results indicated that "the CCA generally has not promoted the goals and outcomes evaluated." Although more offenders were found to have been retained in the community, this number was too small to significantly affect the size of the institutional population. Sentencing disparities--not a target of CCA--were not found to have been reduced significantly by developing community-based alternatives to traditional sanctions.

Because of the opportunities for evaluation presented by the CCA and in view of these earlier research findings, we think there is a need to establish an ongoing state evaluation process for the Community Corrections Act. Currently, subsidies are awarded by the state without regard for the performance of local agencies in planning, implementing, or delivering services. In our contacts with the state Corrections Department staff, we have learned that DOC does not consider that it has statutory authority or responsibility to conduct evaluations of community corrections programs. Therefore, we recommend that:

- The Legislature should require the state Corrections Department to evaluate at four to eight year intervals the success of local corrections programs in reaching the state's community corrections goals. In order to provide a clear standard for such evaluations, we think the Legislature should clarify in statute the goals and objectives of the community corrections program.

2. COMMUNITY HEALTH SERVICES ACT

In contrast to CCA, the Community Health Services block grant is intended to promote no specific statewide goals aside from fostering a variety of locally determined community health programs. For this reason, the role of the state Health Department as evaluator of local programs must necessarily be limited.

In the department's view, evaluation is conducted on three different levels: monitoring, state evaluation, and local evaluation. Monitoring is considered to be an "evaluation tool" to highlight the need for further investigation rather than assess performance. We have discussed monitoring and reporting in an earlier section. State evaluation so far has been somewhat limited because there is no statutory or administrative requirement for such evaluations. According to those we contacted in the department, such evaluations may be initiated when local evaluations or reporting indicates there is a problem or when the department sees a need for a statewide perspective on a problem. One such study currently being completed deals with the effectiveness of early and periodic screening and preschool

screening programs. Only with statewide goals or standards, however, can such "evaluations" be more than description activity reports.

The Department of Health's main approach to evaluation has been to provide help to local health agencies in setting up evaluations of their own programs. Local boards of health are mandated by statute to conduct an evaluation each biennium of "the effectiveness and efficiency of community health services." MDH has decided to link this evaluation requirement with the biennial planning requirement. In its rules, MDH has required local agencies to include the following information in their CHS plans:

1) Analysis of each activity included in the plan based on evaluation criteria specified by the local agency.

2) Description of "efforts made to coordinate" community health with "similar services."

3) An expenditure report including local matching funds.

4) Statistical data necessary to comply with federal mandates.

In addition, MDH requires "local key administrative personnel" to have skills in assessing program efficiency and effectiveness.

Local CHS agencies conduct both routine and non-routine evaluations. Routine evaluation consists of personnel evaluations, standards review, and monitoring. Non-routine evaluations involve policy or system reviews and special studies. System reviews focus on service delivery, whereas a special study concentrates on a particular program or service. The special study is designed to provide an assessment of performance by challenging "the basic goals and objectives of the program or service." The other types of evaluation involve reporting various levels of information about program activities and information. For the most part, local performance is assessed only on a non-routine basis at the discretion of local decision-makers.

An evaluation task force was created in 1979 by the CHS Advisory Committee. It was composed of representatives from local boards, CHS administrators, and planning and evaluation staff. State Health Department staff were appointed by the Commissioner to provide technical assistance to the task force. A process was developed to provide a "common understanding and approach to evaluation" and to allow local agencies to determine "what program to evaluate, what standards to measure it by, and what methods to use." Five local boards were designated to conduct project evaluations to test implementation of guidelines established by the task force. The results of the test projects were reported in 1981 and the board's recommendations were included in the revised Special Study Evaluation Manual for CHS issued by the department in January 1983. However, the guidelines in the manual are merely advisory. None are required to be implemented by local agencies.

The primary function of the state Health Department with regard to evaluation has been to provide technical assistance to local agencies rather than to conduct statewide evaluations. We believe this is an appropriate role for the state Health Department, given the nature of the community health services block grant. However, we recommend that:

- The state Department of Health should summarize for the Legislature every two to four years the results of local evaluations of community health services. Such summaries should critically examine the clarity of local goals and objectives in addition to reporting on local assessments of program performance.

- The state Health Department should consider establishing a small evaluation team which could, at the request of local health agencies, conduct "arms-length" evaluations of specific local health programs. While such evaluations would not be comprehensive or statewide, they would offer an independent view of local program performance, offer technical assistance in local evaluation efforts, and help establish statewide evaluation standards for local health agencies.

3. COMMUNITY SOCIAL SERVICES ACT

Like CHS, the Community Social Services Act was not created to achieve any specific statewide programmatic goals. Therefore, like MDH, the Department of Public Welfare is limited in its capabilities to evaluate local social services programs. CSSA requires counties to submit a biennial report to DPW addressing the "effectiveness" of community social services. The report is to include "the number and type of recipients of each service and an evaluation based on measurable program objectives and performance criteria." However, we have found that:

- DPW has not yet developed an effective system for overseeing local evaluation efforts. Counties have submitted three biennial "effectiveness" reports but these have not in fact provided evaluations of local program performance. Instead, they have merely indicated the numbers of clients served and the types of services delivered by each county.

DPW received a federal grant in 1982 to develop a CSSA evaluation system in collaboration with the consulting firm of Walker and Associates, Inc. The system is not yet in place because testing of evaluation guidelines in a sample 25 counties was not completed until December 1983. The results of the project have been analyzed and a final report is completed.

This project has involved developing a program taxonomy, data bases, documentation of evaluation procedures, and a training plan for utilizating the material. DPW has sponsored a series of workshops involving local decision-makers, direct service providers, and technical personnel as well as DPW staff. Task forces were organized to establish specific goals and performance measures for each program or service area. Measures were devised to provide the following information: number and types of clients served, the rate at which programs are utilized, program outcomes, and information about program efficiency. Demographic data will be collected to indicate the type of client receiving services.

It is difficult to assess these efforts until the evaluation system is adopted and implemented by DPW. We believe, however, that special care needs to be taken to ensure that counties are held accountable for establishing specific and measurable program goals against which program performance can be compared. In addition, DPW has developed certain indicators to estimate the severity of clients' problems or needs. This has an influence in program performance. But these will apparently be only an optional component of the evaluation system. Other optional information gathered at each county's discretion includes the reasons for clients not completing a program. DPW should assess these optional components and determine whether meaningful evaluations may be conducted without them.

IV. CONCLUSIONS

In creating block grants for the provision of human services, the state of Minnesota has ventured into ill-charted areas of intergovernmental relations. With little guidance from past experience, the state has transformed traditional methods of funding and delivering community corrections, health, and social services. As we have seen, block grants represent a shift of decision-making power to local units of government but they do not leave the state powerless and without responsibilities. The legislation creating each of Minnesota's three block grants assigns somewhat different roles to the three agencies which are to supervise the block grants. This report has focused on the successes and failures of the three agencies in interpreting and defining their leadership roles.

The forces behind the creation of Minnesota's three block grants were a mixture of dissatisfaction with the traditional methods of providing human services and a proactive sense of the potential role of local government in meeting human needs. There are still questions today about the advisability and success of the block grant approach to funding human services. Some of these questions stem from bureaucratic "turf protection" and others derive from the political advantages that may be gained by having decisions over human services made in one decision-making arena rather than in another.

But even more fundamental questions may be raised about block grants, going far beyond the scope of this study. A debate about intergovernmental relations needs to take place in Minnesota. The basic questions in such a debate should include the following:

- What specific services should be financed by state government and which by local government?

- What specific services should be administered by the state and which by local government?

In brief, how should the powers and responsibilities of state and local government be distributed? By what rationale or set of general principles should we allocate funding responsibilities and service delivery responsibilities in Minnesota?

Technically, Minnesota's counties--unlike states in a federal union--are wholly dependent on the state for their authority. The counties' considerable powers to levy taxes, zone, license certain activities, are principally derived from state law. But counties are not simply creatures of state government. Strong regional identification, the political independence of local elected officials, and customary working relationships have afforded practical day-to-day flexibility for the counties and have contributed a powerful counterbalance to state government.

But increasingly, counties in Minnesota are being viewed as partners not as competitors with state government. After all, counties bring some unique features to a state/local partnership: a decision-making structure that is open and accessible, an independent revenue source, and a sensitivity to local issues that cannot always be matched by state government.

One problem is that the state/local partnership has developed unevenly without careful attention to consistency in roles from one program area to another. The role inconsistency we have seen in Minnesota's block grants is but one example.

Compared with other states, state/local relations in Minnesota are highly complex. In addition to the block grants, local government aids, school aids, property tax relief programs, and many separate intergovernmental transfer programs make intergovernmental relations in Minnesota complicated and multi-faceted.

What is needed is a comprehensive review of state/local relations as they have developed over the past two decades with special attention directed to sorting out the criteria for deciding how financing and administrative responsibilities should be divided up. As a starting point, criteria such as equity and efficiency might be considered. Much of our thinking about intergovernmental roles, for example, is based on judgements about what services or protections should be equally available to all citizens. Balancing this are considerations of cost effectiveness and responsiveness.

Using similar criteria to establish the proper roles of state and local government in different types of programs might permit the Legislature to deduce some general principles of intergovernmental relations. The Legislature could decide, for example, that the state should finance services that:

- Afford no local flexibility or mandate local costs.
- Protect civil liberties or guarantee services deemed to be entitlements.
- Require interdependence with other state programs.
- Involve spill-over of benefits or costs across counties.
- Would require duplication in equipment or specialize techniques if financed separately by each local unit.

At the same time, the Legislature might determine that counties should finance services that:

- Respond to local needs.
- Require interdependency with other county-financed programs.
- Provide initial assessment information and referral services.

- Offer immediate protective or emergency care.

By the same token, guidance might be provided to determine when various services should be administered by state or local governments. The Legislature could decide, for example, that the state should administer services when:

- Economies of scale offer significant cost savings.
- Equal access for equitable service delivery is paramount.
- State control is the only effective way to maintain statewide program standards, control costs, or avoid duplication.

And the Legislature could decide that counties should administer services when:

- Service needs vary significantly across the state.
- Appropriate service delivery methods vary.
- Considerable professional judgement is needed to determine eligibility and the type of service to be provided.

By establishing such principles, the Legislature could better decide what kinds of programs should be state-financed and administered and which should be local responsibilities. Ultimately, this would help make state/local roles more uniform across programs and more "rational". In addition, it would help to define and stabilize state and local revenue needs.

- We recommend that the Legislature consider establishing an Advisory Commission on Intergovernmental Relations to undertake a comprehensive review of intergovernmental relations in Minnesota and to recommend a framework for deciding what kinds of services should be financed and administered by state government, and what kinds of services should be financed and administered by local governments.

Currently, 21 states have some form of intergovernmental advisory group. According to the national Advisory Commission on Intergovernmental Relations, another 15 states are considering such groups.[1] In California, the Assembly Office of Research has studied the problems of intergovernmental relations in the area of human services and the courts and recommended a set of criteria for dividing up state and local responsibilities.[2] Minnesota may need to make efforts similar to these other states.

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[1]Roberts, Jane F., "States and Localities in 1983: Recession, Reform, and Renewal," Intergovernmental Perspective, Winter 1984, vol. 10, no. 1, pp. 10-23.

[2]Assembly Office of Research (California), Realizing State and County Responsibilities (March 24, 1983).

Because they are state-financed and locally-administered, block grants represent one important method of dividing up state and local responsibilities. As we have shown in this study, merely selecting the method does not resolve all issues relating to state and local relations. In fact, it can raise new issues and without a clear rationale for each block grant, it can exacerbate the problems that it was designed to resolve.

APPENDIX A

MINNESOTA'S BLOCK GRANTS: A SUMMARY

1. COMMUNITY CORRECTIONS ACT (1973)

a. Eligibility

Local participation in the CCA is completely voluntary. Any county or group of contiguous counties with an aggregate population of 30,000 or more can participate. Counties choosing not to participate remain eligible for the four direct state categorical subsidy programs for probation services, group homes, community corrections centers, and regional jails. As of 1984, 27 counties--representing some 60 percent of the state's population--have chosen to participate in the CCA program.

b. Services

The types of services which have been funded under the CCA include preventive or diversionary programs such as crisis intervention, individual and family counseling, and recreational programs designed to deter juveniles and first offenders from reentering the criminal justice system. In addition, CCA funds support local probation and parole services and help finance facilities for the detention or treatment of offenders. These facilities may provide counseling, chemical dependency treatment, education, vocational training, and/or work release.

c. Administrative Structure

To receive a subsidy, participating counties must establish a local Corrections Advisory Board, appointed by the county board and composed of at least nine members "representative of law enforcement, prosecution, the judiciary, education, corrections, ethnic minorities, the social services, and the lay citizen." If two or more counties participate jointly in the CCA, members of the advisory board are drawn from each county. The main responsibility of the advisory board is to assess local correctional needs and to prepare an annual comprehensive plan, showing how community corrections funds will be used to meet local correctional needs. Aside from establishing the advisory board, county boards are free to determine all other administrative and structural details.

d. Funding Formula

The amount of funding counties are eligible to receive is determined by an "equalization formula" based on four factors:

- the county's per capita income;
- the county's per capita taxable value;

- the county's per capita expenditure per 1,000 population for corrections; and

- the county's population aged 6 through 30.

The state Department of Corrections is supposed to review and recalculate counties' rankings biennially. While there is no local matching requirement, counties must maintain "their current level of spending for correctional expenses" with an "inflationary adjustment."

Initially under the act, the use of state facilities was discouraged by reducing the county's subsidy by a given amount for each juvenile or adult offender committed to a state institution and by reducing the cost to counties for providing their own services. However, the charge-back feature for adult offenders was eliminated in January 1981 because Minnesota sentencing guidelines effectively removed local sentencing discretion for acults. This has somewhat diluted the program's original goal and reduced its reason for being.

Total statewide funding the program has grown from $1.5 million in the 1974-75 biennium to more than $25 million in the 1984-85 biennium.

e. Accountability

County compliance with the aims of the program are ensured in two ways: 1) through the submission of annual county comprehensive plans, which the Department of Corrections must review and accept, and 2) through the financial and programmatic reporting requirements established in statute and agency rules. Noncompliance with state laws or agency guidelines may result in a suspension of "all or a portion of any subsidy until the required standard or operation has been met."

f. Subsequent Changes

The current law differs from the original act in several respects. Since 1975 the statute includes a provision to allow the state Department of Corrections to give financial assistance to some counties to help them administer their corrections advisory boards. This provision enables more counties to participate in the program.

The current law also authorizes the county board to establish procedural requirements for the review of grant applications made to the corrections advisory board. Prior to 1975, there was no requirement for counties to review the types of services proposed to be funded under CCA.

The law was further amended in 1980 to require counties to consult with judges having jurisdiction in the area to "establish, organize, and reorganize an administrative structure" for corrections services, since altering these services may affect the disposition and processing of cases in the courts. Members of the judiciary are thus included in administrative decision-making.

Finally, a 1982 amendment relaxed requirements for representation on the corrections advisory board to allow county commissioners greater discretion in appointing board members. The current statute also provides for a minimum of nine advisory board members in place of the original maximum of seventeen.

2. COMMUNITY HEALTH ACT (1976)

a. Eligibility

State subsidy for community health services may be awarded to the following local units of government:

- a county or group of contiguous counties with a population of at least 30,000;
- a city located in a county with a population of at least 300,000;
- a city with a population of at least 40,000 and which is located in three or more counties; or
- a group of cities with an aggregate population of at least 65,000 and which are located in a county with a population of at least 300,000.

The CHS program is voluntary and 86 counties have chosen to participate as of 1984.

b. Services

No specific services are mandated under the act, but the need and provision for the following service areas must be addressed: community nursing, home health, disease prevention and control, emergency medical care, health education, and environmental health.

c. Administrative Structure

A condition for receipt of subsidy is establishment of a local board of health to administer community health services. The board is to be composed of five members appointed by the county board or city council. At least two members are to be health care providers and the remainder to represent the community. The board is to assume the responsibilities formerly assigned to local boards of health, home health, and public nursing agencies.

The county board or city council is mandated to create a community health services advisory committee which consults with the local board of health regarding development of an annual comprehensive plan and implementation, funding, and evaluation of services. The committee is to consist of 9 to 21 members, with at least one-third representing health care providers and one-third representing consumers. For county boards of health serving a population of at least 300,000, 51 percent of the committee is to be composed of local

government officials and the remainder to represent health care providers and consumers equally. Members are appointed for two-year terms by the county board or city council.

The act also authorizes the establishment of a state advisory committee to make recommendations to the commissioner of health "on matters relating to the development, maintenance, funding, and evaluation of community health services."

d. Funding Formula

The amount of subsidy provided to local government is determined by a formula based on:

- per capita income,
- per capita taxable value, and
- per capita local expenditure per 1,000 population for community health.

The subsidy is contingent upon localities providing an equal amount of funding for community health services. Matching funds may include local tax levies, gifts, fees for services, and revenue from contracts. If the required amount of local matching funds is not provided, the subsidy will be reduced proportionately.

e. Accountability

Local boards of health are required to submit annual comprehensive plans for approval by the commissioner of health. These plans must include:

- an assessment of the "priority needs of the community;"
- an inventory of existing services;
- procedures used to encourage public participation in developing the plan;
- an explanation of the manner in which planning and delivery of services has been coordinated;
- a description of each program included in the plan and of the six service areas;
- the estimated amount and source of funding; and
- report and evaluation of community health programs over the previous biennium.

The plan must be approved by the county board or city council and the commissioner of health before the subsidy can be awarded.

A "uniform reporting system" must also be established to examine local compliance with statutory and departmental requirements and to enable assessment of service delivery.

f. Subsequent Changes

No significant amendments have been made to CHS since it was enacted.

3. COMMUNITY SOCIAL SERVICES ACT (CSSA)

a. Eligibility

All counties are required to participate under CSSA.

b. Services

Services must be provided to address the needs of the following groups:

- families with children under age 18 experiencing child dependency, neglect or abuse, and also pregnant adolescents, adolescent parents under the age of 18, and their children;
- dependent and neglected wards under the guardianship of the Commissioner of Public Welfare;
- adults who are patients or residents of a hospital, nursing home, day care or residential facility, and also those adults "unable or unlikely to report abuse or neglect without assistance because of impairment of mental or physical function or emotional status;"
- adults aged 60 and over experiencing "difficulty" living independently and unable to provide for their own needs;
- emotionally disturbed children and adolscents, chronically and acutely mentally ill, and also mentally retarded persons unable to provide for their own needs or to independently engage in "ordinary community activities;"
- drug dependent and intoxicated persons and persons at risk of harm to self or others due to the ingestion of alcohol or other drugs; and
- other groups of persons who, in the judgment of the county board, are in need of social services.

Community social services do not include public assistance programs such as Aid to Families with Dependent Children, Minnesota Supplemental Aid, Medical Assistance, General Assistance Medical Care, or Community Health Services authorized under CHS.

c. Administrative Structure

The county board is responsible for "administering, planning and funding" of community social services.

d. Funding Formula

The amount of subsidy is determined by an equal weighting of the following factors:

- the total number of county residents;
- the number of residents aged 65 and over; and
- the average unduplicated number of residents who have received AFDC, general, and medical assistance in the last two years. Counties may not receive more than 130 percent of the subsidy provided for the previous year. Matching funds are required to be provided from county tax revenue to equal the amount of subsidy for community social services.

Local funding for the following services cannot be reduced from the 1982 level: cost of care for mentally retarded, epileptic, or emotionally handicapped children.

e. Accountability

County boards must prepare and submit a biennial social services plan to the Commissioner of Public Welfare for approval. If the plan is not amended to fulfill the specified requirements within 30 days, the commissioner may withhold one-third of one percent of the county's annual subsidy. County plans must include:

- a statement of the goals of community social service plans;
- methods used to encourage participation of citizens and providers in developing the plan and allocating funds;
- methods used to identify persons in need of service and the social problems to be addressed by community social service programs, including "efforts the county proposes to make in providing for early intervention, prevention and education aimed at minimizing or eliminating the need for services;"
- manner in which needs assessment, protection of health and safety, and access of physically handicapped to appropriate services is to be achieved for the population under this act;
- an inventory of public and private resources available for social services and evidence that "serious consideration" was given to the purchase of these services;
- methods used to monitor and evaluate community social service programs; and

- the amount of funds to be allocated to each program.

The county board also must submit an evaluation of the effectiveness of community social services to the Commissioner of Public Welfare each biennium. The evaluation is required to include "measurable program objectives and performance criteria" and the number and type of recipient of each service.

The Commissioner of Public Welfare is responsible for preparing a state social service plan to include a statement regarding methods used to coordinate state and local planning and delivery of services and the relationship of the plan to other human services.

Each program's performance in meeting identified social problems is to be evaluated by the Commissioner of Public Welfare each biennium. Performance is required to be assessed on the basis of "measurable goals, objectives, methods and outcome" with a comparison of the eligible population with actual recipients, the direct cost, and the administrative cost per unit of social services for each category.

f. Subsequent Changes

The original bill enacted by the Legislature has been amended significantly since 1979. Initially, the law stated that "services included in the comprehensive annual services plan published by the commissioner of public welfare" were eligible for state subsidy. A 1981 amendment specified the population to be served under CSSA to assure that the needs of certain groups are addressed at the local level.

Prior to 1981, an evaluation of community social service programs was required to be included in the state plan and thereby presented to the Governor and the Legislature. The Commissioner of Public Welfare still is required to conduct an evaluation, but not to include it in the plan. The evaluation simply is to be "made available to interested parties."

The state plan initially had to provide a statement regarding its relationship to "comprehensive social, economic, physical and environmental plans adopted by the regional development commissions and the metropolitan council, including the rationale for any differences." Standards for coordinated and centralized planning were relaxed with the removal of this provision in 1981.

Current law mandates the Commissioner of Public Welfare to provide "adequate notice" of changes in departmental rules requiring counties to provide specific social services. The notice must state that comments may be submitted for a 30 day period after notification. No action may be taken until the close of this period. The 1981 provision for notification and comment on proposed rule changes may allow the public, and county board members in particular, the opportunity to influence department policy.

A similar 1981 amendment added the requirement that the Commissioner of Public Welfare provide "timely advance notice" and written summary of the fiscal impact of proposed rule changes which would increase local social service costs.

The county board originally was mandated to "prepare a social services plan for development and coordination of community social service programs." In 1981, the law was amended to require county boards to provide a needs assessment "which estimates the nature and extent of the problem to be addressed and identifies the means available to meet the person's needs." The amendment also added the requirement that counties provide safety and health protection by implementing services to enhance an individual's ability to function independently, and to facilitate access of the physically handicapped to necessary services. These requirements specified state priorities in the use of community social service funds. The law was amended again in 1981 to require counties to state in their social service plans the effort proposed to be made for "early intervention, prevention and education aimed at minimizing or eliminating the need for services" among the specified population.

Finally, a 1983 amendment eliminated the minimum funding level for the subsidy to counties. Current law only specifies a maximum level of funding of 130 percent of the amount received by the county in the preceding year.

APPENDIX B

AVAILABILITY OF COMMUNITY CORRECTIONS SERVICES*

Services	Number of Agencies That: Never Had	Had Continuously	Dropped Since CCA	Initiated Since CCA
Probation	0	12	0	0
Parole	0	7	0	5
Interstate supervision	0	5	2	5
Diversion	1	2	0	9
Work release	1	5	0	6
Unsupervised probation	1	6	0	5
Restitution	1	8	0	3
Community work service	0	2	0	10
Bail evaluation/Pretrial release	2	1	1	8
Chemical assessment	1	2	1	8
DWI clinics	4	2	0	6
Chemical dependency education	4	2	0	6
Volunteer services	1	5	1	5
Youth service bureaus	7	1	0	4
Guardian ad Litum	7	1	1	3
Shoplifter programs	4	2	0	6
Intensive supervision programs	3	2	0	7
House arrest	8	2	0	2
Victim crisis centers	9	1	0	2
Domestic abuse programs/mediation	6	0	0	6
Sexual abuse programs/mediation	6	0	0	6
Child abuse programs/mediation	7	0	0	5
Premarital counseling programs	10	1	0	1
Institutions:				
• Workhouse operation	8	3	0	1
• Jail operation	7	4	0	1
• Juvenile detention center operation	3	5	0	4
• Municipal jail and lockup operation	12	0	0	0
• Programming	1	3	0	8
• Residential treatment centers	3	6	0	3
• Group homes	1	8	0	3
• Day care centers	10	0	0	2
• Residential chemical dependency treatment centers	4	3	0	6
Service Programs:				
• Educational programs	3	6	0	3
• Job placement programs	7	1	0	4
• Career planning	7	3	0	2
• Crafts programs	9	1	0	2
• Alcohol education programs	3	2	0	7
• Alcoholics Anonymous	3	5	1	3
• Financial counseling	6	1	0	5
• Family education/treatment programs	3	3	0	6

*This list was developed from our survey of CCA administrators. Response rate was 12 out of 12 CCA agencies.

APPENDIX C

AVAILABILITY OF COMMUNITY HEALTH SERVICES*

Services	Number of Agencies That: Never Had	Had Continuously	Dropped Since CHS	Initiated Since CHS
Community Nursing Services				
Parent/Child Health Promotion:				
• New baby visits	0	32	1	9
• High risk rererrals	1	34	1	6
• Parenting program	10	20	1	11
• Growth/development programs	9	23	1	9
• SIDS follow-up	4	22	0	16
• Services for children with handicaps	14	22	1	5
• Family violence	4	16	0	12
Child Health Screening:				
• Well child	19	17	1	5
• EPS	8	20	3	11
• Preschool screening	4	16	2	20
School Health:				
• Hearing and vision screening	6	27	3	6
• Scoliosis screening	8	27	3	4
Support to Other Community Programs:				
• Mental health	10	23	1	8
• Correctional services	17	13	0	12
• Development disabilities	15	20	0	7
Nutrition:				
• General nutrition for adults	10	19	0	13
• Nutrition and hypertension	7	15	0	20
• Adolescent nutrition	17	13	1	11
• Maternal nutrition	8	20	0	14
• Infant, toddler and child nutrition	10	19	0	13
• Nutrition education of the parent of a high risk infant	15	14	1	12
• Special diets	4	19	0	9
• Woman, Infant and Child (WIC)	10	7	0	25
• Senior nutrition services	22	10	0	10
• Food safety	26	9	0	7
• Nutrition training for health or school professionals	32	3	0	7
Other:				
• Adult health promotion	0	34	0	8
• Child and/or adolescent primary care and preventive health	14	23	0	5
• Family planning/reproductive health	9	20	2	11
• Consultation to day care services	14	12	0	16

Services	Number of Agencies That: Never Had	Had Continuously	Dropped Since CHS	Initiated Since CHS
Home Health Services				
Therapy Services:				
• Physical therapy	10	24	1	7
• Occupational therapy	22	7	1	12
• Speech therapy	22	10	0	10
Other:				
• Skilled home nursing visits to ill or disabled persons	1	38	0	3
• Medical social work	32	3	1	5
• Home health aide/home-maker services	2	36	0	4
• Discharge planning	5	27	0	10
Health Education				
Consumer Education:				
• Organized classes	8	15	2	17
• Self-help programs/ support groups	14	14	1	13
• Consumer advocacy/community organization	27	5	0	10
• Health risk appraisal	21	7	0	14
• CPR and other first aid	15	5	0	22
• Health activation programs	28	4	0	10
• Medical emergency prevention programs	30	6	0	6
• Presentations	4	24	2	12
Patient Education:				
• Individual consultation	8	30	0	4
• Organized classes	13	19	0	10
• Patient advocacy	27	9	0	6
Public Information:				
• Information and referral	3	37	0	2
• Information materials	2	32	0	8
• Information on CHS programs/services	3	14	0	25
• Media resources	15	14	0	13
• Public access information for emergency medical services	26	4	0	12
Disease Prevention and Control				
Acute Disease Prevention/Control:				
• Acute disease epidemiology	12	17	0	13
• Immunization services	1	31	0	10
• Tuberculosis	3	35	0	4
• Venereal disease	20	14	0	8
• Refugee health	10	7	0	25
• Other diseases	19	11	0	12
Chronic Disease Prevention/Control:				
• Risk factor control	17	12	0	13
• Hypertension	6	21	0	15
• Diabetes	13	17	0	12
• Cancer	22	12	0	8
• Other chronic disease	23	12	0	7

Services	Number of Agencies That: Never Had	Had Continuously	Dropped Since CHS	Initiated Since CHS
Dental Health Program:				
• Community water flouridation	35	5	1	1
• Dietary flouride supplements	38	1	0	3
• Flouride mouth rinse programs	25	5	2	10
• Occlusal pit and fissure sealants	38	1	0	3
• Referral programs	27	8	0	7
• Dental Health Education	23	7	1	11
Emergency Medical Services[1]				
Cardiac	31	6	0	5
General trauma	30	6	0	6
Behavioral emergencies	33	5	0	4
Perinatal care	34	4	0	4
Accidental poisoning	32	5	0	5
Spinal cord injuries	31	6	0	5
Burns	32	5	0	5
General emergencies	25	6	0	11
Environmental Health Services				
Food and beverage protection	25	8	1	8
Water supply sanitation	5	16	0	21
Solid waste regulation	20	15	0	7
Hazardous substance and produce safety	28	6	1	7
Septic tank and soil absorbtion	14	16	0	8
Type sewage disposal	28	7	0	7
General nuisance control	11	14	0	17
Surface water pollution control	29	3	0	10
Air pollution control	34	2	3	3
Noise pollution control	33	6	0	3
Radiation control	40	0	0	2
Regulations of public accommodations	27	7	0	8
Recreational sanitation	29	6	0	7
Vector control	22	10	0	10
Animal control	28	7	0	7
Housing code enforcement for health and safety purposes	30	7	0	5
Other	31	3	0	8

*This list was developed from our survey of CHS administrators. Response rate was 42 out of 47 CHS agencies.

[1]This list of clinical categories was provided by MDH for the purposes of our survey. Subsequently, MDH has suggested that emergency medical services should be described in terms of seven service elements: Trained personnel, transportation, communications, access to critical care units, public involvement, coordination of public safety services, and system management.

APPENDIX D

AVAILABILITY OF COMMUNITY SOCIAL SERVICES*

Services	Number of Agencies That: Never Had	Had Continuously	Dropped Since CSSA	Initiated Since CSSA
Adoption	2	75	0	0
Aftercare	8	64	0	5
Assessment	1	73	0	3
Chemotherapy	23	50	0	4
Counseling/therapy	3	74	0	0
Day treatment - MI	17	35	1	24
Development achievement services	2	73	1	1
Day care	5	64	7	1
Education assistance	32	36	6	3
Emergency placement	0	69	0	8
Employability:	26	41	6	4
• Employability	19	42	8	8
• Work activity	10	55	1	11
• Sheltered employment	2	62	3	10
Family planning	15	53	6	3
Foster care	1	75	0	1
Home management	5	65	2	5
Information and referral	1	75	0	1
Legal	51	19	5	2
Nutrition:	60	14	1	2
• Congregate meals	54	17	1	5
• Home delivered meals	44	26	4	3
Outpatient primary treatment - CD	12	47	2	16
Protection	2	74	0	1
Residential:	26	50	0	1
• State hospital-based residential	4	69	1	3
• Community-based residential	28	47	1	1
- CD primary/MI intensive treatment	13	59	2	3
- Semi-independent living/ board and lodging (MR-MI-CD)	3	50	1	23
- Facilities for emotionally handicapped children	2	71	1	3
- Halfway house (CD/MI)	15	56	5	1
- Extended care (CD/MI)	27	40	2	8
- Correctional facilities for children	10	62	2	3
- Institutions and group homes - MR	3	69	3	2
Social and recreational	24	36	14	3
Transportation	4	67	2	4
Community education	14	58	0	5
Consultation	13	59	1	4
Planning and resource development	14	57	1	5
Other	61	6	1	9

*This list was developed from our survey of CSSA administrators. Response rate was 77 out of 85 social service agencies.

APPENDIX E

SOURCE OF FUNDING FOR COMMUNITY CORRECTIONAL SERVICES

	CCA Subsidy	County Revenue	Other Revenue	Total
Anoka	$ 1,144,077 (38%)	$ 1,477,120 (50%)	$ 358,639 (12%)	$ 2,979,836
Arrowhead	2,028,703 (42)	2,799,603 (57)	26,680 (1)	4,854,986
Blue Earth	271,765 (52)	212,503 (40)	43,115 (8)	527,383
Crow Wing/Morrison	371,339 (88)	47,840 (11)	4,832 (1)	424,011
Dodge/Fillmore/ Olmsted	585,741 (67)	222,306 (26)	60,234 (7)	868,281
Hennepin	5,513,029 (19)	19,119,426 (66)	4,298,158 (15)	28,930,613
Ramsey	3,007,410 (19)	12,433,525 (80)	47,351 (1)	15,488,286
Red Lake/Polk/ Norman	283,365 (37)	323,240 (42)	158,872 (21)	765,477
Region 6 West	232,753 (70)	70,593 (21)	29,827 (9)	333,173
Rock/Nobles	129,416 (79)	34,950 (21)	-0-	164,366
Todd/Wadena[a]	N/A	N/A	N/A	372,051
Washington[b]	851,706 (38)	1,370,556 (62)	6,000 (0)	2,228,260
TOTAL[c]	$14,419,304 (25)	$38,138,342 (66)	$5,007,028 (9)	$57,936,723

Source: Minnesota Association of Community Corrections Act Counties, Summary Report: A Profile of County Participation in the Minnesota Community Corrections Act, September 1983.

[a]The breakdown into funding sources was not available.

[b]Washington County data is for 1983.

[c]The figures for CCA subsidy, county revenue, and other revenue do not include any amount for Todd/Wadena while the total does.

APPENDIX F

SOURCE OF COMMUNITY HEALTH SERVICE FUNDS
1981

County	Local	State CHS Subsidy	Other State	Federal	TOTAL
AITKIN	$ 34,021	$ 47,874	$ 18,822	$ 170,848	$ 271,565
ANOKA	693,530	442,160	-0-	145,408	1,281,098
BECKER	101,838	92,624	17,153	167,443	379,058
BELTRAMI	117,239	109,111	7,646	167,814	401,810
BENTON	114,062	-0-	-0-	-0-	114,062
BIG STONE	24,935	30,964	-0-	26,068	81,967
BLUE EARTH	147,404	116,759	81,240	36,166	381,569
BROWN	206,085	85,816	6,667	13,324	311,892
CARLTON	254,365	107,495	5,146	31,501	398,507
CARVER	250,819	74,292	1,026	68,124	394,261
CASS	65,986	59,342	1,132	95,821	222,281
CHIPPEWA	42,747	53,081	-0-	45,153	140,981
CHISAGO	143,331	57,408	300	61,704	262,743
CLAY	237,997	132,168	3,841	172,717	546,723
CLEARWATER	14,756	27,111	3,914	243,755	289,536
COOK	87,802	16,640	4,785	8,016	117,243
COTTONWOOD	61,807	38,562	-0-	20,231	120,600
CROW WING	128,598	119,224	56,709	307,852	612,383
DAKOTA	692,269	437,460	1,185	273,022	1,403,936
DODGE	81,650	33,834	695	35,341	151,520
DOUGLAS	37,453	92,748	18,382	78,470	227,053
FARIBAULT	79,836	53,572	-0-	10,889	144,297
FILLMORE	133,232	57,638	850	61,290	253,010
FREEBORN	243,701	76,264	3,675	59,606	383,246
GOODHUE	261,147	93,424	21,603	119,645	495,819
GRANT	10,998	28,576	5,396	23,044	68,014
HENNEPIN	23,167,738	2,741,247	524,551	6,498,564	32,932,100
HOUSTON	69,961	42,653	-0-	17,514	130,128
HUBBARD	36,445	50,034	7,408	109,306	203,193
ISANTI	200,508	62,068	2,243	39,456	304,275
ITASCA	338,155	127,213	21,804	57,023	544,195
JACKSON	61,877	38,804	-0-	20,234	120,915
KANABEC	84,340	40,089	2,106	-0-	126,534
KANDIYOHI	160,234	90,353	2,023	71,851	324,462
KITTSON	33,007	26,649	3,849	23,043	86,548
KOOCHICHING	89,133	64,879	10,787	34,820	199,619
LAC QUI PARLE	32,060	39,811	-0-	33,759	105,630
LAKE	40,293	53,751	3,664	6,666	104,374
LAKE OF THE WOODS	58,791	16,783	21,875	14,433	111,882
LE SUEUR	100,130	61,640	6,014	35,562	203,346
LINCOLN	26,798	29,516	-0-	18,072	74,386
LYON	97,843	72,520	-0-	44,087	214,450
MCLEOD	96,961	54,557	20,746	16,064	188,328
MAHNOMEN	17,401	23,670	3,242	54,993	99,306
MARSHALL	110,531	51,817	1,661	63,554	227,563
MARTIN	111,338	61,404	-0-	5,222	177,964

County	Local	State CHS Subsidy	Other State	Federal	TOTAL
MEEKER	81,148	54,868	13,996	39,498	189,510
MILLE LACS	137,578	61,990	2,701	58,635	260,904
MORRISON	153,165	98,853	3,534	97,144	352,696
MOWER	229,933	89,998	1,049	115,807	436,787
MURRAY	41,208	30,797	-0-	15,906	87,911
NICOLLET	160,998	61,032	-0-	19,080	241,110
NOBLES	104,409	53,952	1,760	19,765	179,886
NORMAN	20,101	35,930	2,545	61,133	119,709
OLMSTED	1,202,965	252,960	23,179	340,603	1,819,707
OTTERTAIL	137,784	144,494	21,144	233,192	536,614
PENNINGTON	17,469	57,216	-0-	106,702	181,387
PINE	160,824	-0-	-0-	-0-	160,824
PIPESTONE	13,638	31,633	-0-	6,632	51,903
POLK	132,769	91,913	14,750	196,008	435,440
POPE	45,744	-0-	189	26,472	72,405
RAMSEY	5,625,951	1,408,076	123,121	2,607,861	9,765,009
RED LAKE	62,310	24,374	-0-	45,944	132,628
REDWOOD	109,386	54,252	7,250	22,524	193,412
RENVILLE	51,739	56,665	60	19,255	127,719
RICE	164,572	101,459	-0-	51,491	317,522
ROCK	47,108	27,795	907	12,981	88,791
ROSEAU	154,191	40,948	3,024	40,729	238,892
ST. LOUIS	1,842,330	766,636	59,547	609,835	3,278,348
SCOTT	248,605	83,531	-0-	64,101	396,237
SHERBURNE	109,398	56,823	13	570	166,804
SIBLEY	75,963	23,682	17,082	40,433	157,160
STEARNS	218,573	358,348	728	95,893	673,542
STEELE	141,252	65,932	1,363	45,311	253,858
STEVENS	74,978	42,574	48	55,203	172,803
SWIFT	37,403	46,446	-0-	39,570	123,419
TODD	-0-	-0-	-0-	-0-	-0-
TRAVERSE	37,998	22,314	25	27,875	88,212
WABASHA	211,931	59,822	12,574	83,858	368,185
WADENA	99,136	53,468	513	102,493	255,610
WASECA	92,189	42,190	10,517	1,633	146,529
WASHINGTON	1,012,512	194,706	61,248	123,463	1,391,929
WATONWAN	36,617	36,174	-0-	1,665	74,456
WILKIN	62,445	31,200	-0-	36,739	130,384
WINONA	255,123	118,090	9,360	76,904	459,477
WRIGHT	93,125	121,471	30,018	151,612	396,226
YELLOW MEDICINE	40,965	50,870	-0-	43,138	134,973
TOTAL	$42,746,685	$11,187,087	$1,314,385	$15,345,133	$70,593,290

APPENDIX G

SOURCES OF FUNDING FOR COMMUNITY SOCIAL SERVICES, BY COUNTY, CALENDAR YEAR 1982

COUNTY	FEDERAL	STATE	COUNTY	OTHER	TOTAL
AITKIN	$ 176,116	$ 189,415	$ 330,682	$ 29,074	$ 725,287
ANOKA	957,995	1,208,755	2,856,818	591,213	5,614,781
BECKER	399,637	401,435	660,792	73	1,461,937
BELTRAMI	451,137	920,721	520,604	83,794	1,976,256
BENTON	171,066	253,942	402,211	51,882	879,101
BIG STONE	93,820	95,697	162,978	7,950	360,445
BLUE EARTH	462,281	531,535	706,324	-0-	1,700,140
BROWN	281,309	329,254	550,204	230,138	1,390,905
CARLTON	348,104	492,948	673,917	-0-	1,514,969
CARVER	329,619	639,043	296,518	51,664	1,316,844
CASS	334,740	521,685	757,658	100,973	1,715,056
CHIPPEWA	153,502	208,675	447,337	34,353	843,867
CHISAGO	187,729	261,177	504,629	45,639	999,174
CLAY	354,442	472,433	565,990	-0-	1,392,865
CLEARWATER	175,852	176,645	48,229	14,989	415,715
COOK	39,217	7,986	70,751	380	118,334
COTTONWOOD	142,555	192,046	156,820	36,574	527,995
CROW WING	459,968	440,981	272,340	66,110	1,239,399
DAKOTA	1,040,013	2,069,625	7,290,487	-0-	10,400,125
DODGE	102,364	159,666	239,294	8,768	510,092
DOUGLAS	241,063	302,709	329,049	64,632	937,453
FILLMORE	176,920	209,592	158,742	22,101	567,355
FREEBORN	290,252	455,717	965,983	116,903	1,828,855
GOODHUE	271,429	468,582	793,164	57,489	1,590,664
GRANT	68,676	86,333	88,553	1,147	244,709
HENNEPIN	13,328,417	12,676,466	32,195,867	2,436,642	61,247,392
HOUSTON	126,766	206,499	119,722	14,356	467,343
HUBBARD	169,148	199,385	150,410	2,769	521,712
ISANTI	207,545	275,670	595,735	55,205	1,134,155
ITASCA	527,218	593,052	1,726,092	159,126	3,005,488
JACKSON	122,552	177,261	347,789	8,285	655,887
KANABEC	161,489	178,351	310,831	26,972	677,643
KANDIYOHI	353,080	621,767	661,585	2,813	1,639,245
KITTSON	67,101	82,233	121,854	4,353	275,541
KOOCHICHING	247,887	471,016	306,277	45,731	1,070,911
LAC QUI PARLE	77,454	149,469	97,442	70,698	395,063
LAKE	129,314	199,316	211,611	221,332	761,573
LAKE OF THE WOODS	40,850	43,633	40,130	28,883	153,496
LE SUEUR	196,824	284,368	286,764	101,024	868,980
MCLEOD	209,980	327,100	583,346	17,074	1,137,500
MAHNOMEN	83,378	149,807	152,762	431	386,378
MARSHALL	113,445	192,629	162,800	9,929	478,803
MEEKER	163,293	243,933	245,136	9,717	662,079
MILLE LACS	236,466	287,599	603,324	28,194	1,155,583
MORRISON	308,122	437,334	347,212	4,114	1,096,782
MOWER	385,059	625,888	1,220,243	48,810	2,280,000
NICOLLET	196,483	266,599	398,491	9,327	870,900
NOBLES	286,834	258,569	514,421	36,693	1,096,517
NORMAN	100,401	124,523	150,973	5,711	381,608
OLMSTED	1,192,194	1,603,979	2,974,728	222,087	5,992,988
OTTER TAIL	436,183	592,672	574,127	-0-	1,602,982
PENNINGTON	149,353	197,653	73,846	26,721	447,573
PINE	267,365	456,021	699,749	75,899	1,499,034
PIPESTONE	115,756	149,173	197,718	10,680	473,337
POLK	354,241	532,195	655,520	27,609	1,569,565
POPE	109,719	131,376	175,030	24,233	440,358
RAMSEY	5,801,450	13,653,606	11,348,758	-0-	30,803,814
RED LAKE	52,105	63,728	47,917	974	164,724
REDWOOD	166,879	238,572	318,013	33,602	757,066
RENVILLE	184,526	243,951	378,411	16,864	823,752
RICE	381,053	557,402	969,574	68,438	1,976,467
ROCK	75,817	122,474	186,319	30,696	415,306

COUNTY	FEDERAL	STATE	COUNTY	OTHER	TOTAL
ROSEAU	113,452	129,523	29,306	86,529	358,810
ST. LOUIS	3,448,301	3,703,698	8,896,329	-0-	16,048,328
SCOTT	482,471	382,351	1,337,142	-0-	2,201,964
SHERBURNE	234,741	374,741	739,558	48,477	1,397,517
SIBLEY	108,509	161,729	227,848	22,185	520,271
STEARNS	659,902	1,033,880	1,062,617	229,772	2,986,171
STEELE	267,154	296,754	430,905	23,680	1,018,493
STEVENS	116,510	111,607	167,211	36,591	431,919
SWIFT	163,447	168,606	215,219	31,911	579,183
TODD	274,810	559,552	113,714	70,363	1,018,439
TRAVERSE	70,016	65,289	70,507	15,649	221,461
WABASHA	146,628	197,095	259,250	76,023	678,996
WADENA	116,928	178,458	139,438	42,203	527,027
WASECA	218,890	180,623	237,969	20,135	657,617
WASHINGTON	824,370	1,071,486	4,298,021	305,048	6,498,925
WILKIN	78,533	98,829	173,293	7,793	358,448
WINONA	403,470	769,719	246,613	70,166	1,489,968
WRIGHT	366,303	578,830	1,156,161	357,060	2,458,354
YELLOW MEDICINE	131,280	183,618	340,633	18,957	674,488
FARIBAULT/MARTIN/ WATONWAN	482,842	866,308	686,488	-0-	2,035,638
REGION VIII-N	414,960	512,357	545,382	111,532	1,584,231
TOTAL	$44,619,070	$60,336,919	$101,374,215	$7,075,912	$213,406,116

SOURCE: Minnesota Department of Public Welfare.

APPENDIX H

COMMUNITY CORRECTIONS SERVICE CATEGORIES

LOCAL INCARCERATION AND DETENTION

Secure facilities operated or utilized by county for pre-trial detention or post-trial confinement. Work Release. Jail Treatment. Includes associated activities such as counseling, education, industry, and treatment.

TRADITIONAL FIELD SERVICES

Probation and parole client supervision. Pre-sentence investigations. Restitution/Community Work Service. Other activities as directed by courts.

CLIENT PROGRAMMING

Community based alternatives; either county operated or purchase of service; residential, non-residential, or day treatment; pre-trial, post-trial, diversion, or prevention. Juvenile out-of-home placements. Client/family education and counseling.

VICTIMS SERVICES

Aid and assistance to victims of crimes such as counseling, referrals, temporary protection, and shelters. Family Assistance. Restitution for victims' restoration. Public Awareness.

CHARGEBACKS FOR DEPARTMENT OF CORRECTIONS (DOC) INSTITUTIONS

Charges made by DOC for incarceration of county residents in state correctional institutions.

ADMINISTRATION

Overall Department management responsibility, supervision, and support activities. Advisory Board. System Evaluation. Staff Development. Public Information. Monitoring of client commitments to State correctional institutions.

APPENDIX I

STATEWIDE COMMUNITY CORRECTIONS EXPENDITURES BY PROGRAM AND LOCAL AGENCY
1982

	LOCAL INCAR-CERATION	TRADITIONAL FIELD SERVICES	PRO-GRAMMING	VICTIM SERVICES	INSTITUTION CHARGE-BACKS	ADMINIS-TRATION	TOTAL
ANOKA	$ 1,527,202	$ 1,013,302	$ 285,776	$ -0-	$ 42,944	$ 110,610	$ 2,979,835
ARROWHEAD	2,352,277	2,023,465	145,312	-0-	149,076	238,998	4,909,129
BLUE EARTH	21,331	217,124	131,303	-0-	50,917	106,708	527,383
CROW WING/MORRISON	47,942	221,391	51,334	-0-	51,725	55,170	427,562
DODGE/FILLMORE/OLMSTED	63,954	292,632	299,403	53,521	40,517	118,253	868,281
HENNEPIN	16,412,271	7,128,055	1,538,540	-0-	2,240,320	1,611,427	28,930,613
RAMSEY	5,404,249	3,712,894	4,792,717	-0-	549,200	854,717	15,313,776
RED LAKE/POLK/NORMAN	519,188	143,538	-0-	-0-	12,440	90,310	765,477
REGION 6W	-0-	193,986	23,632	-0-	15,772	99,784	333,173
ROCK/NOBLES	-0-	125,435	-0-	-0-	5,488	33,442	164,366
TODD/WADENA	-0-	111,570	169,050	-0-	37,849	53,582	372,051
WASHINGTON	37,015	471,093	344,776	37,015	97,235	224,673	1,238,988
TOTAL	$26,385,429	$15,654,485	$7,781,843	$117,718	$3,293,485	$3,597,675	$56,830,635

SOURCE: Minnesota Department of Corrections.

APPENDIX J

STATEWIDE COMMUNITY HEALTH SERVICES EXPENDITURES BY PROGRAM AND COUNTY
1981
(Excluding Supplemental Funds)

COUNTY	COMMUNITY NURSING	HOME HEALTH	DISEASE PREVENTION	EMERGENCY MEDICAL	HEALTH EDUCATION	ENVIRON-MENTAL HEALTH	CHS ADMIN-ISTRATION	OTHER	TOTAL
AITKIN	$ 57,992	$ 73,144	$ 1,250	$ 2,847	$ 15,879	$ 59,330	$ 10,696	$ 50,427	$ 271,565
ANOKA	213,879	514,894	52,567	-0-	32,748	145,493	321,519	-0-	1,281,100
BECKER	90,558	255,196	4,312	11,597	1,825	703	14,867	-0-	379,058
BELTRAMI	75,099	186,991	24,446	14,100	-0-	75,812	13,331	12,031	401,810
BENTON	114,062	-0-	-0-	-0-	-0-	-0-	-0-	-0-	114,062
BIG STONE	16,940	39,107	7,963	4,138	1,827	3,881	8,111	-0-	81,967
BLUE EARTH	99,539	61,302	3,755	3,000	29,352	26,129	77,252	81,240	381,569
BROWN	146,968	88,443	22,235	-0-	22,870	12,793	14,823	3,760	311,892
CARLTON	31,551	247,936	7,195	39,226	27,754	-0-	40,693	4,152	398,507
CARVER	92,688	207,312	17,486	14,000	23,931	860	38,075	-0-	394,352
CASS	48,477	123,405	15,828	7,771	1,604	2,168	23,029	-0-	222,282
CHIPPEWA	29,448	67,040	13,670	7,095	3,170	6,654	13,904	-0-	140,981
CHISAGO	67,637	143,338	12,365	19,750	4,498	-0-	15,155	-0-	262,743
CLAY	204,659	252,619	36,881	-0-	-0-	36,163	16,401	-0-	546,723
CLEARWATER	20,634	238,556	7,722	13,054	4,092	1,259	4,219	-0-	289,536
COOK	79,471	-0-	576	1,269	-0-	21,778	1,838	14,426	119,358
COTTONWOOD	25,650	38,990	4,755	6,397	3,527	10,766	28,238	-0-	118,323
CROW WING	14,558	257,965	24,951	32,340	3,607	207	131,204	147,551	612,383
DAKOTA	454,465	783,961	69,343	-0-	2,200	4,467	89,500	-0-	1,403,936
DODGE	44,773	86,111	6,124	8,000	-0-	2,540	3,973	-0-	151,521
DOUGLAS	86,074	59,978	10,460	18,000	10,645	-0-	8,812	33,084	227,053
FARIBAULT	77,653	29,538	10,472	-0-	13,552	12,622	-0-	460	144,297
FILLMORE	83,582	128,290	8,118	26,818	-0-	-0-	6,202	-0-	253,010
FREEBORN	53,240	150,528	34,294	25,300	8,064	106,218	5,602	-0-	383,246
GOODHUE	89,828	158,597	30,447	105,842	13,812	655	44,193	15,909	459,283
GRANT	25,713	18,130	3,812	5,035	2,052	375	3,813	9,714	68,644
HENNEPIN	1,772,610	2,377,829	2,283,696	11,734,479	932,770	5,075,040	1,365,166	7,390,510	32,932,100
HOUSTON	48,002	59,937	2,972	9,000	-0-	-0-	10,587	-0-	130,498
HUBBARD	27,541	106,311	12,085	12,848	9,549	24,156	5,898	4,804	203,192
ISANTI	53,969	194,867	11,494	4,135	17,776	7,038	15,095	-0-	304,374
ITASCA	209,437	213,098	1,073	2,844	14,970	33,158	29,423	40,193	544,196
JACKSON	25,651	38,989	4,756	6,396	3,527	24,185	28,237	-0-	131,741
KANABEC	21,675	60,578	9,093	13,894	15,632	-0-	12,548	-0-	133,420
KANDIYOHI	46,534	106,774	8,868	61,096	4,154	698	96,337	-0-	324,461
KITTSON	10,067	56,273	7,611	-0-	2,427	-0-	6,321	3,849	86,548
KOOCHICHING	53,697	112,106	1,072	489	9,083	944	13,957	8,272	199,620
LAC QUI PARLE	21,983	50,280	10,278	5,321	2,350	4,990	10,428	-0-	105,630
LAKE	9,338	16,477	195	3,075	19,516	23,733	21,709	10,330	104,373
LAKE OF THE WOODS	7,579	26,817	6,607	47,802	2,526	13,734	2,061	4,756	111,882
LE SUEUR	60,393	55,958	8,337	1,600	14,832	23,761	22,703	7,581	195,165
LINCOLN	17,980	30,816	4,382	4,120	4,735	5,353	6,999	-0-	74,385

COUNTY	COMMUNITY NURSING	HOME HEALTH	DISEASE PREVENTION	EMERGENCY MEDICAL	HEALTH EDUCATION	ENVIRON-MENTAL HEALTH	CHS ADMIN-ISTRATION	OTHER	TOTAL
LYON	$ 48,086	$ 89,929	$ 10,483	$ 9,380	$ 8,805	$ 15,803	$ 31,965	$ -0-	$ 214,451
McLEOD	56,811	72,268	18,529	-0-	3,141	849	12,818	23,912	188,328
MAHNOMEN	16,876	68,767	7,199	2,160	836	540	2,928	-0-	99,306
MARSHALL	36,097	89,177	7,625	80,585	1,127	-0-	11,291	1,661	227,563
MARTIN	72,600	56,409	13,617	-0-	20,256	15,082	-0-	-0-	177,964
MEEKER	27,308	96,877	11,766	1,973	18,419	1,951	12,818	18,398	189,510
MILLE LACS	47,460	151,334	9,195	16,680	12,620	3,487	20,127	-0-	260,903
MORRISON	85,336	186,987	17,302	26,176	14,309	6,105	16,480	-0-	352,695
MOWER	127,983	212,079	23,419	-0-	5,000	64,378	3,930	-0-	436,789
MURRAY	22,253	33,413	6,061	3,180	4,730	7,920	10,355	-0-	87,912
NICOLLET	71,013	105,368	33,597	-0-	3,515	12,793	14,824	-0-	241,110
NOBLES	34,764	88,653	13,418	6,047	4,855	11,226	20,923	-0-	179,886
NORMAN	34,726	68,821	2,248	7,740	1,444	-0-	4,730	-0-	119,709
OLMSTED	575,263	360,873	166,835	-0-	75,064	247,481	3,076	341,033	1,769,625
OTTER TAIL	106,247	286,680	36,951	-0-	27,925	43,464	18,495	16,852	536,614
PENNINGTON	26,418	119,743	8,074	15,304	778	-0-	11,051	-0-	181,368
PINE	116,759	-0-	-0-	31,892	-0-	14,173	-0-	-0-	162,824
PIPESTONE	13,491	8,224	3,502	4,800	4,374	7,590	9,923	-0-	51,904
POLK	47,321	221,081	59,996	83,266	-0-	-0-	9,026	14,750	435,440
POPE	28,307	42,060	2,038	-0-	-0-	-0-	-0-	-0-	72,405
RAMSEY	2,755,545	1,391,185	1,266,056	800,000	365,993	1,338,756	585,555	1,211,919	9,715,009
RED LAKE	13,429	55,563	6,328	42,978	487	-0-	3,684	12,935	135,404
REDWOOD	39,863	123,029	4,635	-0-	6,582	364	11,439	7,500	193,412
RENVILLE	38,779	43,074	4,359	11,421	6,194	215	8,345	15,332	127,719
RICE	75,491	138,986	5,742	14,766	23,440	48,255	10,842	-0-	317,522
ROCK	23,946	39,273	6,913	8,724	2,502	5,783	7,687	-0-	94,828
ROSEAU	13,344	41,088	2,057	168,677	879	-0-	9,823	3,024	238,892
ST. LOUIS	680,428	713,370	218,382	-0-	411,568	879,997	86,722	286,548	3,277,015
SCOTT	16,478	281,670	15,829	-0-	37,170	45,091	-0-	-0-	396,238
SHERBURNE	59,795	68,169	1,582	11,219	9,469	9,393	7,117	-0-	166,744
SIBLEY	43,527	54,480	4,038	3,540	4,843	4,295	12,818	29,619	157,160
STEARNS	175,422	212,484	28,265	56,424	24,092	118,145	58,710	-0-	673,542
STEELE	80,503	98,540	10,357	30,500	1,200	17,266	15,493	-0-	253,859
STEVENS	8,294	129,947	3,539	14,000	2,167	-0-	4,272	10,584	172,803
SWIFT	25,836	58,659	11,987	6,208	2,742	5,821	12,166	-0-	123,419
TODD	85,952	128,864	12,689	9,563	14,055	2,072	11,013	21,125	285,333
TRAVERSE	4,489	67,485	1,941	4,680	1,780	-0-	2,481	5,356	88,212
WABASHA	38,256	122,720	25,053	122,859	7,681	447	20,410	8,996	346,422
WADENA	72,070	128,529	21,692	2,911	15,345	-0-	15,063	-0-	255,610
WASECA	53,252	42,037	1,357	2,471	2,683	23,761	8,167	12,150	145,878
WASHINGTON	206,401	310,764	59,099	735,485	14,326	64,709	66,928	-0-	1,457,712
WATONWAN	27,962	23,467	6,159	-0-	9,540	6,577	-0-	751	74,456
WILKIN	58,179	49,303	4,146	10,320	-0-	-0-	8,438	-0-	130,386
WINONA	83,188	206,148	29,516	2,600	12,209	29,288	34,499	21,917	419,365
WRIGHT	30,638	125,202	19,551	30,639	52,853	63,463	11,269	62,611	396,226
YELLOW MEDICINE	28,019	64,246	13,205	6,799	3,002	6,377	13,325	-0-	134,973
TOTAL	$11,065,799	$14,795,506	$5,039,878	$14,658,645	$2,520,856	$8,890,580	$3,823,945	$9,970,022	$70,765,231

SOURCE: Minnesota Department of Health.