

THE PROPOSED ALLIED SERVICES ACT:
SUMMARY AND ARGUMENTS, PRO AND CON

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THE PROPOSED ALLIED SERVICES ACT:
SUMMARY AND ARGUMENTS PRO AND CON

The Administration recently sent to Congress a draft "Allied Services Act of 1975." This bill was introduced in the House by Mr. Quie (Mr. Perkins, Mr. Brademas, and Mr. Bell) on October 2, 1975, as H.R. 9981.* It has been referred to the Committee on Education and Labor and in turn to that Committee's subcommittees on Elementary, Secondary and Vocational Education; Equal Opportunities; Manpower, Compensation, and Health and Safety; and Select Education. It was also introduced in the Senate by Mr. Javits (and Mr. Curtis) on October 7, 1975, as S. 2489. In the Senate it has been jointly referred to the Committees on Finance and Labor and Public Welfare.

The purpose of this bill as stated in its preamble would be, "To encourage and assist States and localities to develop, demonstrate, and evaluate means of improving the utilization and effectiveness of human services through integrated planning, management, and delivery of those services in order to achieve the objectives of personal independence and individual and family economic self-sufficiency."

Legislative History

The idea for legislation along the lines of the Allied Services Act is said to have originated with Elliot Richardson when he was Lieutenant Governor of Massachusetts and had responsibility for coordinating the State's health, education and welfare programs. During that time he drafted the "Community Services Act of 1966," which several Members of the 89th Congress introduced. This bill contained few of the features of later proposals, and no action was taken on it.

The next major action was a President's Message on social services delivery on May 18, 1972. In this Message to Congress, the President proposed the Allied Services Act of 1972. This proposal, which was aimed at encouraging State and

* An identical bill, H.R. 10248, was later introduced by Mr. Quie and 20 additional co-sponsors.

local planning and coordination of programs to better serve individuals and to eliminate waste of administrative dollars, contained many features similar to those in the current proposal. This bill was introduced, but no action was taken by Congress.

In the 93rd Congress, the Allied Services Act of 1974 was drafted by the Administration and was introduced in both houses. The full committee of the Committee on Education and Labor held hearings on H.R. 12285 as introduced by Mr. Quie and others, but no further action was taken in either house. The currently pending proposal contains a number of changes made partly as a result of testimony at those hearings.

Major Provisions of the Bill

A complete summary of the proposed Allied Services Act, prepared by the Department of Health, Education and Welfare, is attached. The following is a brief description of some of the major provisions of the bill.

Grants - The Secretary of HEW would be authorized to make grants to states and localities:

- (1) for a maximum of two years to develop plans to coordinate service delivery; and
- (2) for a maximum of three years for the initial costs of consolidating administrative support services and management functions necessary to facilitate coordinated service delivery.

The bill contains an authorization of \$20 million per year for five years.

Optional for States and Localities - The bill would not be implemented in any State or locality unless both the state and local governments concerned desired its implementation.

Service Programs Included - Under each local plan, services for low income families and individuals, child welfare services, and services to work incentive (WIN) program recipients under the public assistance titles of the Social Security Act would have to be coordinated with services under at least three other human services programs, receiving funds from any source.

Consolidated Planning - Planning funds granted by the Department of HEW could be consolidated at the State or local level. Planning funds for any program included in an allied services plan could be used for planning in connection with any other program included in the allied services plan.

Fund Transfer - A State or local agency with an approved allied services plan would be able to transfer up to 25 percent of the Federal funds available for use under a HEW assisted program included in the plan to be expended in carrying out any other programs under the plan, if such funds would serve substantially the same target population or were for shared administrative support. An additional 5 percent could be transferred to any programs under the plan without restriction. However, funds could not be transferred from the Medicaid, cash welfare (AFDC) or Elementary and Secondary Education Act Title I programs.

Waivers - The Secretary of HEW would be authorized to waive, for programs administered by HEW, requirements of statewide applicability, administration by a single or specified State or local agency, and technical or administrative requirements imposed by Federal law or regulation.

Arguments Made in Favor of the Allied Services Act

There are almost 300 separate grant programs administered by HEW. Many additional related grant programs are administered by other agencies, including the Department of Labor, HUD, the Community Services Administration and ACTION. In recent testimony before the House Committee on Education and Labor, HEW Secretary

Casper Weinberger stated that, in FY 1974, 200 programs in HEW impacted directly or indirectly on the health, education, welfare of children. Various State, local, public and private agencies are responsible for the implementation of these programs.

For those receiving services, these programs sometimes duplicate one another, yet leave gaps in other areas. For example, one State reportedly has 440 agencies which provide information and referral services. However, most of these operate only 9-5 on weekdays and 26 of the State's 83 counties have no information and referral service at all. Surveys have shown that a high proportion of the clients of HEW's social service programs need more than one service. However, the categorical nature of grant programs often results in fragmentation of services along the lines of legislative authorization and service provider organization. Individuals may not, as a consequence, receive maximum benefit from those services.

Proponents of the Allied Services Act say that the administrative overlap results in wasted time and money while causing delay, inadequate services and confusion for persons in need of services.

These individuals also cite the problems caused by the failure of Federal legislation and regulations to recognize unique situations at the State and local level. Thus they support provisions in the Allied Services Act which would allow fund transfer among programs and waivers by the Secretary of HEW of certain requirements which impede their efforts at coordinating services.

The following organizations generally supported the version of the Allied Services Act as introduced in the 93rd Congress. Many of these organizations were, however, critical of some features of the bill and/or had recommendations for specific changes in the bill.

Advisory Commission on Intergovernmental Relations
National Association of Counties

National Association of Regional Councils
National Association of Social Workers
National Association of State Mental Health Directors
National Governors' Conference
National League of Cities and U.S. Conference of Mayors
National Legislative Conference
United Way

Arguments Made in Opposition to the Allied Services Act

A major argument against the Allied Services Act by those working on behalf of specific vulnerable groups (e.g. the disabled, aged and mentally retarded) is that programs for these groups could lose funding and visibility under the provisions for transfer of funds and joint planning. (Note that the Allied Services Act of 1975 proposal contains new limitations on fund transfers.)

Opponents of this legislation maintain that the legislation has been promoted without a good evaluation of its potential effects. The Department of HEW has funded a number of Services Integration demonstration projects to test the concepts of the Allied Services Act. The assessments to date of services integration processes in these projects (there are no evaluations of the impact on persons' lives) show very mixed results in terms of success and failure in establishing specific types of coordination among various service providers.* Other Federal efforts at coordinated services and planning such as model cities, comprehensive health planning and the HEW consolidated funding system (for Federal level discretionary grants) have not been particularly successful.

* Major examples of service integration processes are central information and referral, case management for persons with multiple needs by a generalist or team, co-location of service providers in one physical location for ease of access, and shared management information systems.

Some also believe that this legislation attempts to sidestep major problems in program coordination because it leaves virtually untouched the uncoordinated Federal structure created by laws and organization thus leaving the problem of coordination to states and localities.

There is also concern that the waiver provisions could circumvent the intent of Congress for a program.

The following organizations generally opposed the Allied Services Act as it was introduced in the 93rd Congress. Many of these organizations, however, believe that there are problems in service delivery, and support the goals of the Allied Services Act relating to coordination of services:

American Federation of Labor/Congress of Industrial Organizations
American Foundation for the Blind (also American Association of
Workers for Blind and the Blinded Veterans Association)
American Rehabilitation Association
Maryland Conference of Social Concerns
National Association for Retarded Citizens
National Education Association

SUMMARY OF THE PROPOSED "ALLIED SERVICES ACT OF 1975"

The proposed "Allied Services Act of 1975" is intended to develop, demonstrate, and evaluate various mechanisms by which States and localities could coordinate the provision of human services to individuals and families in ways that will assist them in attaining the greatest feasible degree of personal independence and economic self-sufficiency, or will prevent individuals and families from becoming increasingly dependent upon public and private programs for both financial support and personal care.

The Act would define various key terms. For instance, the term "human services" includes any services provided to achieve or maintain personal and economic independence. The "allied delivery of services" means the provision of human services needed by individuals and families, in such a coordinated way as to (1) facilitate access to and use of the services, (2) improve the effectiveness of the services, and (3) use service resources more efficiently and with minimal duplication. These definitions help to restate the goals of the Act in clear terms--to develop the means by which dependency may be lessened through more effective service delivery.

Title I of the bill provides authority for the Secretary to make grants which may be needed by States and localities to develop plans for the allied delivery of services. These grants may not be made to any grantee for more than two years and no initial grant may be made after three years following enactment.

This title also describes the State and local allied services programs contemplated under this Act. Section 102(a) describes the steps which must be taken by the Governor as conditions precedent to the submission of a State allied delivery of services plan. First, after taking into consideration factors such as the distribution throughout the State of service needs and service resources, and in cooperation with affected units of general purpose local government, he must designate areas within the State ("service areas") for the purpose of administering local allied delivery of services plans. In the process of delineating service areas, he must cooperate with units of general purpose local government. The Governor must also designate a State agency which is under his direction and which will have responsibility for developing a State allied delivery of services plan which incorporates local plans and for reviewing its administration.

Section 102(b) provides for the designation of a public or nonprofit private office or agency to be the lead agency in carrying out the local allied delivery of services plan. Such agency is to be designated by the chief elected official or officials of the unit or units of general local government in the service area. Such office or agency must provide an assurance, satisfactory to the Governor, that it has the necessary ability to develop and carry out the local plan.

The local allied delivery of services plan must be approved by the State agency and incorporated into the State plan before any of the forms of Federal assistance described below can accrue. The plan must be designed to serve as a demonstration or evaluation of means to substantially improve the allying and consolidation of human services planning and delivery.

Prior to submission of its local plan to the State agency, the local agency must afford a reasonable opportunity to interested agencies, organizations, or individuals to present their views and comments on the proposed plan. The local plan must specify the agencies and organizations which have agreed to participate in the coordination effort, describe the service needs and resources within the service area, enumerate the programs to be included under the plan, and provide reasonable assurance that progress will be made in allying the delivery of services. This assurance is to be provided by describing the specific functions and services to be allied, the benefits to individuals, and the administrative efficiencies to be achieved by the allied delivery of services.

The local plan must also specify procedures which assure that interested agencies, organizations, and individuals will have their views taken into consideration with respect to the carrying out of the plan. It is the intent of this bill to have the active and continuous involvement of voluntary organizations, client groups, service consumers, and local social service providers in the planning and administrative processes of the program. Also, the local plan must specify procedures which will ensure that there will be no unauthorized disclosure of personal information obtained in carrying out the plan.

Section 103, subsection (a) prescribes the requirements applicable to a State allied delivery of services plan. An approvable plan must (1) be designed to serve as a demonstration and evaluation of means to substantially improve the allying and consolidating of human services delivery, (2) through a brief summary of the incorporated local plans, describe the current status of the allied delivery of services, and the steps which will be taken to achieve a greater degree of human services coordination, (3) provide assurance that under each local plan services under the assistance titles of the Social Security Act will be allied with services under at least three other human services programs (regardless of whether those programs are receiving Federal support), (4) provide for the use of such methods of administration as are necessary for the proper and efficient administration of the plan, (5) establish objectives, consistent with the purposes of the Act, toward which activities under the plan will be directed, identify obstacles to the attainment of those objectives, and indicate how it proposes to overcome those obstacles, (6) provide that the State agency will conduct periodic evaluations of activities carried out under the State plan, (7) specify the steps the State intends to take to better coordinate State and local human services programs, (8) provide that the head of each State agency affected

established under the Act and to provide technical assistance for planning or implementing a specific allied delivery of services program. In addition to any salary and expense money he may wish to devote to these activities, the Secretary may also use for this purpose amounts not in excess of 5% of the amounts appropriated to carry out the Act.

Finally, Title III would require the Secretary to report to the Congress five years after passage of the Act on the activities carried out under the Act, his evaluation of those activities, and recommendations with respect to appropriate legislation in the area of allied service delivery.

The bill would authorize the appropriation of \$20,000,000 for fiscal years 1975 and 1976 and such sums as may be necessary for each of the three succeeding fiscal years.