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Viewpoints: Leadership, incentives needed to realign state-local roles

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Government hates to give up control. It isn't good at it. But sometimes it is necessary. This is one of those times.

Gov. Jerry Brown's budget proposal makes the case for realignment, the restructuring of state-local relationships that, in this case, redirects responsibility and resources for government programs from the state to the counties.

It is a case that has been made before by politicians, think tanks and commissions, including the Little Hoover Commission. It is the right thing to do, but it has to be done right.

In the late 1990s, the commission took up a series of studies of state programs – foster care, alcohol and drug treatment, children's mental health, violence prevention and parole policies – and saw similar themes emerge. At the state level, the commission found that departments acted independently of each other even as they served the same families. Decisions on programs often were dictated by how programs got their money, rather than by data-driven strategies that could measurably improve public safety, or reduce addiction, or protect children from abuse. Data useful to guide decisions often didn't exist.

But in study after study, the commission found examples of counties that could deliver public services more efficiently and produce better outcomes than the state in helping vulnerable families and children with complex problems, whether the issue was treatment for mental illness or substance abuse, or programs for violence prevention or foster care. Pushing programs closer to the people they served increased integration of different services. It also generated greater efficiency and more innovation and faster adjustments when required. Having services delivered at the local level – at the same level as the county officials elected to oversee them – also improved accountability. Strong leadership was an important ingredient in every success story.

These studies led the commission to completely rethink how the state delivered health and social services. In a 2004 study, "Real Lives, Real Reforms," based on the testimony of experts, dozens of conversations around the state and its previous experience, the commission laid out a blueprint for reform. It proposed a radical restructuring, shifting state-delivered health care and social services to the county level and, at the state level, re-engineering the Health and Human Services Agency to help counties succeed in delivering evidence-based, cost-effective programs to Californians.

Subsequent studies only reinforced the commission's belief that well-prepared counties, with leadership and vision, could deliver high quality services more efficiently than the state, whether health care for the poor in San Mateo County, substance abuse and public safety in

Santa Clara County, juvenile justice in Orange County or long-term care in San Diego County.

It is heartening to see some of the commission's ideas reflected in the governor's budget proposal and to see the Legislature engage in this discussion anew.

Key ingredients are necessary to make realignment work. Leadership is essential. So is flexibility and incentives that encourage and reward innovation. Reliable funding is crucial. The state has to create the simplest structure possible, one that recognizes that no one size fits all 58 of California's spectacularly diverse counties. Counties should be rewarded if their actions can save the state money, for example such as providing addiction treatment or mental health care to parolees to lower their likelihood of re-offending, or helping seniors monitor chronic health conditions to keep them out of nursing homes.

It is the state's responsibility to create the conditions for the counties' success. And then it has to let go. Counties must have a freedom to design their programs to fit their specific mix of needs, whether it is treatment for meth addiction or foster care or care for frail elderly.

After realignment, the role of state government is equally important, but fundamentally different. Realignment will mean redefining the state's responsibilities.

The state's tasks then become:

- Developing performance measures – with input from locals – that are rooted in evidence-based practices.
- Monitoring quality.
- Collecting data on program populations and outcomes and using that data to drive policy.
- Developing incentives to improve performance.
- Cataloging best practices and incentivizing counties to adopt them.
- Holding counties accountable for results.
- Working with the federal government to increase flexibility for counties.
- Reducing state bureaucratic barriers that make it difficult for counties to integrate program delivery.

At the state level, realignment should result in leaner, more nimble departments. Ultimately, the state will have fewer employees working in fewer departments. They should be working more closely than ever with their partners at the local level. The focus for both should be on improving outcomes for Californians who need public services and demonstrating value to the taxpayers who fund those services.

The current structure is decades in the making. It cannot be changed overnight.

Realignment on the scale California needs will not be easy. It will require planning, hard work and especially perseverance. It is unlikely we will get it right the first time.

The important thing is to start.

In the words of legendary basketball coach John Wooden, "Be quick, but don't hurry."

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