



REPORT OF

THE

STATE AUDITOR

**Alcohol and Drug Abuse Division
Prevention and Treatment Programming
for Juveniles**

**Performance Audit
February 2001**

**LEGISLATIVE AUDIT COMMITTEE
2001 MEMBERS**

Representative Fran Coleman
Chairman

Senator Jack Taylor
Vice-Chairman

Senator Norma Anderson
Representative Glenn Scott
Senator Stephanie Takis
Senator Ron Tupa
Representative Val Vigil
Representative Tambor Williams

Office of the State Auditor Staff

J. David Barba
State Auditor

Larry T. Gupton
Deputy State Auditor

Becky Richardson
Legislative Auditor



STATE OF COLORADO

OFFICE OF THE STATE AUDITOR
(303) 866-2051
FAX (303) 866-2060

J. DAVID BARBA, CPA
State Auditor

Legislative Services Building
200 East 14th Avenue
Denver, Colorado 80203-2211

February 16, 2000

Members of the Legislative Audit Committee:

This report contains the results of a performance audit of the Alcohol and Drug Abuse Division's Prevention and Treatment Programming for Juveniles. The audit was conducted pursuant to Section 2-3-103, C.R.S., which authorizes the State Auditor to conduct audits of all departments, institutions, and agencies of state government. The report presents our findings, conclusions, and recommendations, and the responses of the Alcohol and Drug Abuse Division and the Division of Prevention and Intervention Services for Children and Youth.

TABLE OF CONTENTS

	PAGE
REPORT SUMMARY	1
Recommendation Locator	5
BACKGROUND AND DESCRIPTION	7
Agency Purpose and Authority	7
Services and Populations Served	7
Service Delivery	9
Budget	9
Services to Juveniles	11
Purpose and Scope of Audit	12
FINDINGS AND RECOMMENDATIONS	15
Juveniles Are Underserved and Underfunded	16
Treatment Plans Are Inadequate	27
Improvements Are Needed in Data and Data Systems	28



J. DAVID BARBA, CPA
State Auditor

**Alcohol and Drug Abuse Division
Prevention and Treatment Programming for Juveniles
February 2001**

Authority, Purpose, and Scope

This performance audit was conducted under the authority of Section 2-3-103, C.R.S., which authorizes the Office of the State Auditor to conduct performance audits of all departments, institutions, and agencies of state government. In addition, prior to being amended during the 2000 Legislative Session, Section 2-3-113, C.R.S., required the State Auditor to conduct regular reviews and evaluations of state or federally funded prevention and intervention programs for juveniles.

The purposes of the audit were to evaluate whether substance abuse prevention and treatment programs for juveniles are effectively and efficiently meeting stated goals and to determine whether duplication between programs results in the provision of services to the same population or person. During the 2000 legislative session, the General Assembly repealed the section of the statutes that required the Office of the State Auditor to conduct audits of prevention and intervention programs. However, the previous statutory requirements served as the objectives of this audit. The audit was conducted in accordance with generally accepted auditing standards. As part of the audit, we reviewed documentation, conducted interviews and site-visits, and analyzed data. Audit work was conducted from May to November 2000.

We gratefully acknowledge the assistance and cooperation of the staff from the Alcohol and Drug Abuse Division and the Division of Prevention and Intervention Services for Children and Youth. The following summary provides highlights of the comments, recommendations, and agency responses contained in the report.

**Juvenile Programming Represents a Small Portion of Substance Abuse
Prevention and Treatment Dollars**

Juvenile substance abuse prevention and treatment represents a small portion of the Alcohol and Drug Abuse Division's overall programming. This is demonstrated both in terms of funding and in the number of juveniles served. In Fiscal Year 2000 only about 18 percent, or \$1.2 million, of the Division's total \$6.7 million in prevention funding was targeted toward juveniles. An even smaller percentage, only about 1 percent, or \$237,703, of the Division's total \$22.1 million treatment budget was directed toward juveniles. On a per person basis, ADAD spent almost four times as much on adults as it did on juveniles for prevention and three times as much for adults on treatment. Also in Fiscal Year 2000 only 1,546, or 3 percent, of the more than 50,000 individuals who received ADAD-funded treatment services were juveniles. For prevention services, adults represented 63 percent of the total 141,078 individuals served. This means that only about one-third (52,292) of those participating in prevention services were juveniles.

There is also an overall lack of coordination and cohesion among the various state agencies that administer funds and provide substance abuse prevention, intervention, and treatment services to children and adolescents. Consequently, it is not clear whether multiple agencies are providing the same services, whether the same juveniles are receiving duplicate services, whether juveniles remain unserved, and whether services are more or less effective depending upon the agency providing them or the type of service provided. At the time of our audit at least eight state agencies were providing substance abuse prevention and/or treatment services for juveniles, either directly or through referrals to or contracts with other entities. In addition to ADAD, these agencies were the Divisions of Youth Corrections and Child Welfare within the Department of Human Services, Criminal Justice (Department of Public Safety), Traffic Safety (Department of Transportation), Prevention and Intervention Services for Children and Youth (Colorado Department of Public Health and Environment), Juvenile Probation Services within the Judicial Department, and the Department of Education.

Streamlined and Coordinated Programming Was the Intent of Recent Legislation

During the 2000 Legislative Session, the General Assembly passed House Bill 00-1342 which created a new Division of Prevention and Intervention Services for Children and Youth within the Colorado Department of Public Health and Environment (CDPHE). According to House Bill 00-1342, the best interests of children, youth, and families will be served by a single division with responsibility for operating and overseeing prevention, intervention, and treatment programming. The creation of the new Division is intended to address issues related to fragmentation, duplication, service availability and accessibility, coordination, and comprehensiveness.

Correspondingly, the Alcohol and Drug Abuse Division is statutorily charged with oversight and coordination related to statewide alcohol and substance abuse prevention and treatment, including programs for juveniles. Both agencies are responsible for producing state plans and for coordinating service delivery among communities across the state. This apparent duplication or overlap of responsibilities is one area we believe needs clarification in order that substance abuse prevention and treatment for juveniles will achieve the effectiveness and efficiency intended by legislation. The creation of the new Division also provides opportunities for improving service delivery, cost-effectiveness, and outcomes in the following areas:

- A determination of the appropriate placement of juvenile prevention and treatment services that are currently administered by the Alcohol and Drug Abuse Division. This could mean transferring all functions related to juvenile prevention and treatment to the new Division of Prevention and Intervention Services. Given the two agencies' respective missions and the requirements of the federal substance abuse block grant, however, other options also should be evaluated.

- No comprehensive data exist on the numbers of youth served, the costs for services, the gaps or duplication in service delivery, or the outcomes of substance abuse prevention and treatment services. These kinds of data are critical for any efforts to streamline and coordinate service delivery and to ensure the overall efficiency and effectiveness of services.

An Increased Emphasis on Juvenile Programming Is Needed

Juvenile substance abuse is a recurring issue among Colorado lawmakers and human service, health, juvenile justice, and correctional agencies. The costs and the lasting effects from early substance use and abuse are well-documented. Questions about the numbers of youth in need, the effectiveness of programs, and the most appropriate delivery system, have been repeatedly asked in numerous forums. The answers, however, have not been thorough and forthcoming. Despite the Alcohol and Drug Abuse Division's various efforts and accomplishments in the area of juvenile substance abuse prevention and treatment programming, we still do not know on a statewide level what is working and what is not working, what services are available or needed, or the numbers of juveniles whose needs are not being met. These are all questions the Division could facilitate answering, particularly given its statutory mandates to coordinate the efforts of all public and private agencies, to specify uniform methods of keeping statistical information by public and private agencies, and to make available relevant statistical information, including the number of persons treated, frequency of admission and readmission, and frequency and duration of treatment. These data could then be used in the Division's planning efforts including its comprehensive statewide plans for treatment and prevention which currently do not include juvenile programming components.

It is also possible that internal restructuring of the Division is needed to ensure that programming for children and youth receive the appropriate emphasis. Another option is that the Division work with the Division of Prevention and Intervention Services to determine the feasibility, including costs, savings, staffing, infrastructure, etc., involved in transferring any or all of ADAD's juvenile programming to the new Division. Therefore, we are recommending that **the Alcohol and Drug Abuse Division make funding and services for juveniles a higher priority by coordinating a statewide effort to collect and compile comprehensive cost, outcome, and demographic information from all of the state agencies involved in the direct or indirect provision of juvenile substance abuse prevention and treatment services. These data should be used as the basis for service provision for juveniles and incorporated into the Division's state plans for treatment and prevention.** In addition, we are recommending that **the two Divisions work together to streamline and make more effective, substance abuse prevention and treatment programming for juveniles by determining the appropriate role for each agency in regard to substance abuse prevention and treatment for juveniles; evaluating the costs and benefits of transferring any or all of ADAD's current functions to the Division of Prevention and Intervention Services; entering into a Memorandum of Understanding no later than July 2001; and by reporting to the General Assembly and making recommendations for legislative change, as needed.**

SUMMARY

4

Alcohol and Drug Abuse Division

Prevention and Treatment Programming for Juveniles Performance Audit - February 2001

The Drug and Alcohol Abuse Division agrees or partially agrees to implement all of our recommendations. The Division of Prevention and Intervention Services for Children and Youth agrees with our recommendation. The complete text of the Divisions' responses to the audit recommendations can be found throughout the audit report.

RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	Agency Addressed	Agency Response	Implementation Date
1	25	Make funding and services for juveniles a higher priority by coordinating a statewide effort to collect and analyze comprehensive cost, outcome, and demographic information from all state agencies involved in providing juvenile substance abuse prevention and treatment services. These data should then serve as the basis for service provision and be incorporated into the Division's state plans.	Alcohol and Drug Abuse Division	Partially Agree	July 2002
2	25	Fulfill legislative intent for improved oversight and coordination of juvenile substance abuse prevention and treatment services by determining the proper roles for the Alcohol and Drug Abuse Division and the Division of Prevention and Intervention Services for Children and Youth, evaluating the costs and benefits of transferring any or all of ADAD's functions to the Division of Prevention and Intervention Services, entering into appropriate MOUs, and reporting to the General Assembly.	Alcohol and Drug Abuse Division Division of Prevention and Intervention Services for Children and Youth	Agree Agree	July 2002 March 31, 2002
3	28	Develop a training module for treatment plan development and require the MSOs to train their providers on the complete and proper use of treatment plans.	Alcohol and Drug Abuse Division	Agree	October 2002
4	29	Improve its treatment information system by establishing cost accounting policies and requiring all treatment providers to submit DACODS data.	Alcohol and Drug Abuse Division	Agree	Begin Implementation July 2001

Background and Description

Agency Purpose and Authority

In 1971 the Colorado General Assembly passed legislation to develop a locally oriented approach to alcohol and drug abuse treatment and specified a continuum of services related to both substance abuse prevention and treatment. By statute, the Alcohol and Drug Abuse Division (ADAD or the Division), which is organizationally located in the Office of Health and Rehabilitation within the Department of Human Services, is responsible for providing prevention and treatment services in Colorado. In addition to state statutes, federal regulations direct the Division's substance abuse programming. For example, to be eligible for a primary source of funding—the Federal Substance Abuse Prevention and Treatment Block Grant—the State must comply with federal requirements, such as establishing minimum expenditures for various service components.

Services and Populations Served

According to Division data, about 195,000 people received ADAD-funded treatment or prevention services in Fiscal Year 2000. As described below, almost three-quarters of these individuals participated in some sort of prevention education or programming while about one-quarter received detoxification or other treatment services.

- **Prevention Services**—In Fiscal Year 2000 approximately 141,000 individuals participated in prevention programs. The Division's prevention programs are intended to prevent substance use and to keep substance abuse and related problems from occurring. Therefore, prevention programs address not only substance use and abuse but also school dropout, teen pregnancy, teen suicide, and violence/gang issues. Prevention programs are categorized into six strategies. In Fiscal Year 2000 approximately 75 percent of the Division's prevention expenditures were for three of the strategies. These were community-based processes, which enable community groups to plan and implement local programs; information dissemination which is intended to promote awareness and knowledge; and "alternatives," which provide opportunities to participate in substance-free activities.

- **Treatment Services**—In contrast with prevention services, which focus on reducing or eliminating substance abuse, the mission of the Division's substance abuse treatment program is "to interrupt addiction and help youth, adults, and their families regain healthy, positive, and productive roles in society." Treatment services include non-hospital detoxification, residential services, opiate maintenance therapy, and outpatient services such as individual, group, and family counseling. Approximately 54,000 Coloradans received treatment services through Division-funded providers in Fiscal Year 2000.

For the most part, what are known as priority populations drive the Division's allocation of funds and services. Federal requirements mandate that for states to receive federal block grant funding for treatment services, particular segments of the population, or "priority populations," must be designated and served. Therefore, funding and programming is first directed toward these groups. The federally designated priority populations for treatment services are:

- Pregnant women.
- Injecting drug users.
- Women with dependent children.
- Drug-dependent persons at risk for the human immunodeficiency virus (HIV) or tuberculosis (TB).

In addition to these federally designated populations, the Division has identified seven other groups as priority populations for its treatment services. Among these additional populations are persons involuntarily committed to treatment, adult offenders, families and children referred from child welfare agencies, and minors aged 17 or younger.

In contrast with treatment services, federal regulations do not specify priority populations for prevention services. However, the Division has designated several priority treatment populations. These are:

- Adolescents, elementary age children, and preschool age children in the under- served and nonserved ethnic populations.
- Women of childbearing age, especially pregnant women.
- Health care workers (through employee assistance programs).
- Service providers in health care, social services, education, and law enforcement systems.

Service Delivery

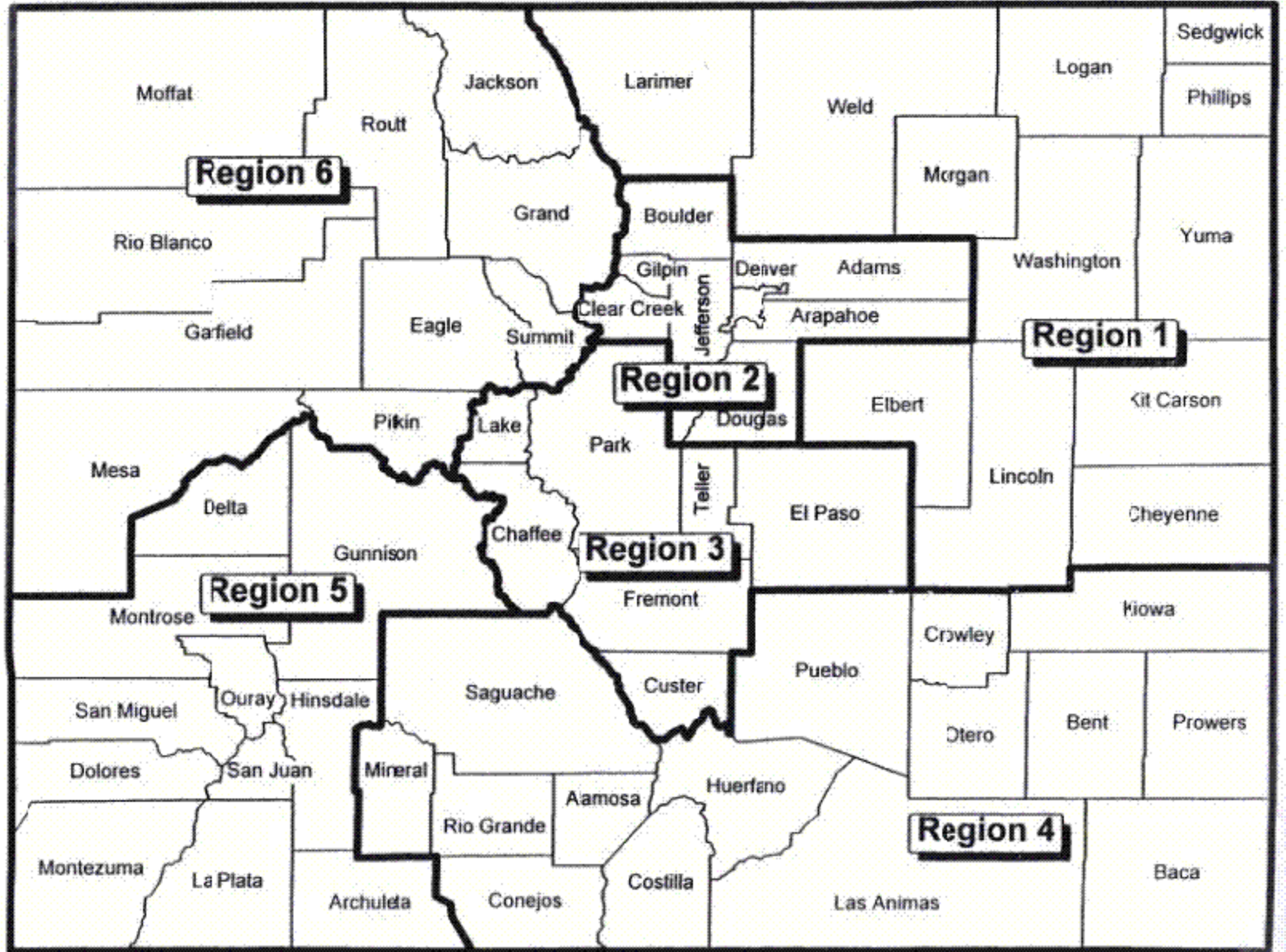
The Division does not provide prevention and treatment services directly. Instead, it contracts with various providers in six regions across the State, as shown in the map on the following page. In July 1997 the Division adopted a managed care model for the delivery of its treatment services. Treatment programs are provided through contracts with four managed service organizations (MSOs) covering the six regions of the State. Each MSO is responsible for serving persons who need but cannot afford substance abuse treatment in their region, including juveniles. At the time of our audit the four MSOs had contracts with 37 treatment provider agencies for service delivery. The Division's Treatment and Quality Improvement Section develops standards for performance and monitors both the MSOs and the direct service providers. Additionally, the Division's treatment staff is responsible for coordinating treatment services with other divisions such as Mental Health, Youth Corrections, and Child Welfare Services.

The ADAD Prevention Section issues requests for proposals (RFPs) for services and coordinates the evaluation and selection of providers. The staff also participate in efforts to coordinate with other divisions and agencies providing prevention activities. In Fiscal Year 2000 there were 48 prevention providers across the State under contract with the Division to provide 70 programs. Prevention services occur as single or recurring events and are categorized as direct or indirect. Direct services are community-based programs serving at-risk youth or adults. Indirect services are those aimed at the "gatekeepers," or community leaders/program providers, to increase their skills/knowledge in prevention and service provision such as technical assistance and training, and building community capacity.

Budget

For Fiscal Year 2000 the Division's total expenditures for community programs was \$32.8 million. Community programs consist of treatment, prevention, and "other" community programs. The majority of the Division's expenditures are related to treatment. Specifically, in Fiscal Year 2000, treatment-related expenditures were \$24.2 million (74 percent) compared with prevention expenditures of \$6.8 million and other community expenditures of \$1.9 million. More than one-half (57 percent) of revenues derive from the Federal Substance Abuse Prevention and Treatment Block Grant. State general funds, cash funds, and other federal grants are the other sources of funds.

Colorado Counties and ADAD Planning Regions



Services to Juveniles

Juveniles (minors age 17 and under) represent a small portion of the dollars spent and the clients served in both treatment and prevention programs. Because there are no specific appropriations and no specific ADAD budget categories for prevention or treatment services for juveniles, which are distinct from adult budgets and services, we are unable to provide an exact accounting of funding for juveniles. However, on the basis of Division documents, we have made estimates of expenditures for juveniles.

For prevention services, we estimate that in Fiscal Year 2000 about 18 percent, or \$1.2 million, of the total \$6.7 million in funding for prevention services was used to fund programs that provide direct services to juveniles. During this same year less than one-half, or about 41 percent (57,405), of the 141,034 individuals served by the Division's prevention programs were juveniles. Thus, the Division's average per youth expenditure on direct prevention services was about \$21. This compares with an average expenditure of about \$80 per adult.

For ADAD-funded treatment services, we estimate that 1 percent of the Division's treatment expenditures, or about \$237,703, was spent on juveniles (Fiscal Year 1999 figures). Of the more than 50,000 individuals served by ADAD-funded providers, only about 3 percent, or 1,546, were juveniles. According to Division data, about 30 percent of the ADAD-funded youth in treatment were referred by the juvenile justice system, including law enforcement, courts, diversion, and correctional agencies.

The Division provides only a portion of the funding for treatment services to juveniles. Specifically, ADAD pays for about 16 percent of juvenile treatment services. Most of the funding for juvenile treatment expenditures derives from sources other than ADAD. For example, of the total \$1.5 million spent on juvenile treatment services in Fiscal Year 1999, approximately \$1.2 million, or more than 84 percent, was from local government grants, patient fees, insurance, donations, and grants from foundations such as the Ann E. Casey Foundation. The following exhibit shows the amount and the percentage of expenditures from ADAD and from other sources.

Treatment Expenditures for Juveniles Fiscal Year 1999		
Source of Funds	Amount	Percent
ADAD	\$ 237,703	15.7
Community (Local Gov./ 1st and 3rd Party Payments/Donations/Grants)	\$1,272,382	84.3
Total All Sources	\$1,510,085	100.0 %
Average ADAD Expenditure per Client		
	\$153.75	15.7
Average Community Expenditure per Client		
	\$823.02	84.3
Total Expenditure/Client From All Sources		
	\$977	100.0 %
Note: Total number of juvenile clients = 1,546.		

As the exhibit shows, the Division spent about \$154 on each juvenile receiving treatment in 1999. This compares with ADAD expenditures of about \$585 for each adult receiving treatment during this period. Community funding is provided for adults as well, although not necessarily in the same proportion as for juveniles.

Purpose and Scope of Audit

This performance audit of substance abuse services for juveniles was conducted by MGT of America, Inc., under contract to the Colorado Office of the State Auditor and in accordance with Section 2-3-103, C.R.S., which authorizes the State Auditor to conduct or cause to be conducted performance audits of state agencies. Prior to being amended during the 2000 Legislative Session, Section 2-3-113, C.R.S., required the State Auditor to conduct regular reviews and evaluations of state- or federally funded prevention and intervention programs. Reviews conducted under the authority of Section 2-3-112, C.R.S., were required to address:

- The extent to which a program is effectively and efficiently meeting its stated goals
- Occurrences of duplication between programs that could or do result in the provision of services to the same population or person.

During the 2000 legislative session, the General Assembly repealed this section of the statutes. However, these requirements served as the objectives of this audit. The programs audited were prevention and treatment programs for juveniles that are administered by the Alcohol and Drug Abuse Division within the Department of Human Services. It should be noted that also during the 2000 Session, legislation was passed creating a new Division of Prevention and Intervention Services for Children and Youth to be located in the Colorado Department of Public Health and Environment.

Data collection methods for the performance audit included interviews with Division and provider staff; reviews of plans, reports, and other documents; analysis of client and program data; reviews of 45 randomly selected juvenile treatment case files; and site visits to nine prevention programs, seven treatment programs, and the four managed service organizations throughout the State.

MGT conducted the audit work from May to August 2000 in accordance with generally accepted auditing standards. The audit team expresses appreciation to the Division staff and the staff of the numerous provider agencies we contacted for their cooperation and support during this audit.

Findings and Recommendations

Background and Overview

According to Alcohol and Drug Abuse Division (ADAD) data, 64 percent of individuals receiving substance treatment in Colorado began their use between the ages of 10 and 17 years. Other indicators of the significance of adolescent substance use and abuse in Colorado include:

- **Overall use**—One recent study—the 1999 National Household Survey--conducted by the Federal Substance Abuse and Mental Health Services Administration, found that Colorado ranks higher than most states in a number of significant substance abuse measures for the adolescent (ages 10-17) population. Colorado ranked 7th for the use of marijuana, 13th for the use of any illicit drug, 12th for "binge" alcohol use, and 19th for illicit drug dependence.
- **Criminal Activity**—There is a high correlation between substance use/abuse and criminal activity. In 1999 over one-half of adult male arrestees in 34 cities nationwide tested positive for drug use, according to the National Institute of Justice. In Denver County during this period about 62 percent of juvenile male arrestees tested positive for the presence of at least one drug. The percentage of adult male arrestees testing positive was slightly higher, at almost 67 percent. Audit work conducted during our 1999 Performance Audit of the Youthful Offender System (YOS) within the Department of Corrections also found that most of the juveniles sentenced as adults to YOS had a history of alcohol or substance use and/or abuse. Specifically, our review of 403 inmate files found that 85 percent (343) of the juveniles sentenced to YOS at the time of our audit had a history of substance use. About 74 percent, or 297 inmates, had a history of alcohol use.

In 1999 the National Institute on Drug Abuse (an agency of the U.S. Department of Health and Human Services, National Institutes of Health-NIH) estimated that for every \$1 invested in addiction treatment programs, a return of between \$4 and \$7 is realized in reduced drug-related crime, criminal justice costs, and thefts. When savings related to health care are included, estimates of savings exceed costs by a ratio of 12 to 1. Reducing both the quantifiable and the qualitative costs associated with substance use and abuse is the ultimate purpose of prevention and treatment programs. Therefore, it is critical that programs be effectively designed and operated.

Audit Objectives

The first objective of this audit was to determine “the extent to which the program is effectively meeting its stated goals.” A significant impediment to accomplishing this objective is that the Division has not identified outcome goals specific to services for the juvenile population. Neither are data routinely analyzed and reported relative to juveniles. Therefore, we examined the question of effectiveness from the following two perspectives:

- Are resources managed to ensure that juveniles have a proportionate share of the access to services?
- Are the services to juveniles producing the desired outcomes?

The second objective of the audit was a question of efficiency, specifically:

- Are there occurrences of duplication between programs that could or do result in the provision of services to the same population or person?

Our findings regarding these objectives are presented in the following sections of the report.

Juveniles Are Underserved and Underfunded

Juvenile substance abuse prevention and treatment represents a small portion of the Division's overall programming as indicated by the following:

- **Funding**—In Fiscal Year 2000 only about 18 percent, or \$1.2 million, of the Division's total \$6.7 million in prevention funding was targeted toward juveniles. An even smaller percentage of the Division's treatment dollars was directed toward juveniles. Specifically, only about 1 percent, or \$237,703, of the Division's total \$22.1 million treatment budget was spent on alcohol and substance abuse treatment for juveniles. On a per person basis, ADAD spent almost four times as much on adults as it did on juveniles for prevention and three times as much for adults on treatment. Expenditures were about \$21 per juvenile for prevention compared with an \$80 per person expenditure for adults. For treatment services the per person expenditure was \$154 for juveniles compared with an expenditure of about \$446 per adult.

- **Clients Served**—Significantly more adults are served by ADAD programs and services than are juveniles. In Fiscal Year 2000 only 1,546, or 3 percent, of the more than 50,000 individuals who received ADAD-funded treatment services were juveniles. For prevention services, adults represented 63 percent of the total 141,078 individuals served. This means that only about one-third (52,292) of those participating in prevention services were juveniles. While it is understandable that more adults than juveniles would be in treatment, it is not clear why the overwhelming majority of prevention program participants are adults. According to Division data, about 14 percent (almost 20,000) of prevention clients were parents of children. So, although the children were not counted as having been served, the prevention programs in which their parents participated were aimed at serving the entire family. Another 14 percent of prevention services were classified as having served the "general population." Still another 35 percent were adult participants including prevention and treatment professionals, college students, health care workers, and civic and business groups.
- **Service Delivery**—There is a lack of coordination and cohesion among the various state agencies that administer funds and provide substance abuse prevention, intervention, and treatment services to children and adolescents. Consequently, it is not clear whether multiple agencies are providing the same services, whether the same juveniles are receiving duplicate services, whether juveniles remain unserved, and whether services are more or less effective depending upon the agency providing them or the type of service provided. By statute, ADAD is responsible for statewide planning, coordination, and oversight for alcohol and substance abuse prevention and treatment. Currently, however, there is no comprehensive information on the numbers of children being served or unserved, the costs for services, or the effectiveness of outcomes.

At the time of our audit at least eight state agencies were providing substance abuse prevention and/or treatment services for juveniles, either directly or through referrals to or contracts with other entities. In addition to ADAD, these agencies are the Divisions of Youth Corrections, and Child Welfare within the Department of Human Services, Criminal Justice (Department of Public Safety), Traffic Safety (Department of Transportation), Prevention and Intervention Services (Department of Public Health and Environment), Juvenile Probation Services within the Judicial Department, and the Department of Education. A summary description of each agency's juvenile substance abuse programs is shown on the following page.

Juvenile Substance Abuse Prevention and Treatment Agency Programs

Division of Youth Corrections (DYC)—The DYC provides assessment services and nonresidential parole, drug, and alcohol treatment. In addition, some of the Division's residential providers are ADAD-licensed treatment providers. Division staff report that contracts with these particular residential providers will total about \$5 million in Fiscal Year 2001 for room, board, and treatment services. In Fiscal Year 2001, staff estimate that DYC will spend approximately \$131,000 (ADAD funds) for assessment services and about \$135,000 for parolee treatment services through regional, nonresidential contracts and agreements with drug/alcohol providers. In addition, DYC staff told us that approximately 17 direct-care security staff dedicate up to 20 percent of their time to providing some drug and alcohol services.

Division of Child Welfare Services—Since about 1996, the Division of Child Welfare Services has dedicated about \$2.6 million of its Core Services funding to substance abuse treatment. According to Child Welfare Division staff, substance abuse treatment is provided to family members—adults or children—in an effort to prevent removing children from the home or to return children in placement to their own home or to unite children with their permanent families. For children that have been removed from the home and placed in foster care, some of the adolescent Residential Treatment Centers (RTC) with which the Division contracts, provide alcohol and drug treatment.

Division of Mental Health—Mental health centers do not provide substance abuse services or treatment directly. Rather, mental health center policies specify that persons with mental illness who need substance abuse treatment are to be referred to the local Managed Service Organization (MSO).

Division of Criminal Justice (DCJ)—Located within the Department of Public Safety, the DCJ oversees the State's Juvenile Diversion Program, which is typically operated by local District Attorneys' Offices, county human service agencies, or private, non-profit agencies. According to DCJ staff, in Fiscal Year 1999 about 22 percent, or 1,139, of the juveniles in Diversion received some type of substance abuse education or treatment. These services were either provided by staff within the local Diversion offices or may have been provided through outside referrals. According to DCJ staff, there is no separate budget item or funding source for substance abuse services. The costs for services are not known, because for the most part, counseling and education are provided by staff, as a part of their overall regular duties. Staff stated that when individuals are referred to outside treatment, the costs are paid by parents or other sources.

Juvenile Substance Abuse Prevention and Treatment Agency Programs, cont.

Juvenile Probation Services—The State Court Administrator's Office within the Judicial Department provides administrative support to the local probation departments. According to staff, a small portion of total offender services' funds are available for substance abuse treatment services for juveniles when needs assessments indicate such services are warranted.

Safety and Traffic Engineering Branch—The Colorado Department of Transportation's (CDOT) Safety and Traffic Engineering Branch is involved with juvenile substance abuse prevention primarily as it relates to impaired driving resulting from the underage purchase and consumption of alcohol. For example, the Division uses about \$50,000 in highway safety funds to finance "Team Fort Collins" which targets high school and college students in the Fort Collins area. In addition, the Division works in conjunction with the Denver Museum of Nature and Science to sponsor alcohol impaired driver prevention programs. Staff estimate that this program reaches many thousands of youth from across the state. Since 1998 the CDOT transportation safety program has received three two-year block grants from the United States Department of Justice to develop community based programs to deter the sale of alcohol to minors and the purchase of alcohol by minors. Each two-year block grant totals \$360,000 and includes Colorado Springs, Greeley, Costilla County, and Douglas County.

Department of Education (CDE)—The CDE administers the Safe and Drug-Free Schools Program, which is a federal grant program. In addition to drug prevention, authorized activities may include those intended to promote overall safety in schools and prevent violence, sexual harassment, and suicide. According to CDE staff, in Fiscal Year 2000 about \$3.7 million was distributed to school districts throughout the State for all Safe and Drug-Free Schools activities. For Fiscal Year 1999 almost 549,000 public school students in grades K-12 received prevention services that were funded wholly, or in part, by Safe and Drug-Free Schools.

Division of Prevention and Intervention Services for Children and Youth (PSD)—This newly-created division, within the Colorado Department of Public Health and Environment (CDPHE), has been assigned responsibility for various prevention programs formerly located within other agencies in addition to those already located within the CDPHE. Among this Division's responsibilities will be the Build-A-Generation Program, the Adolescent Health Program, and the Tony Grampsas Youth Services Program (formerly Youth Crime Prevention and Intervention-YCPI). All of these programs have components aimed at preventing

The Division Is Statutorily Charged With Comprehensive Planning and Oversight

As the agency statutorily responsible for overseeing the State's substance abuse prevention and treatment programming, we believe it is incumbent upon the Division to take the lead in ensuring efficient and cost-effective service delivery for juvenile substance abuse prevention and treatment services. Statutory mandates clearly support this conclusion:

- **Section 25-1-202 - Duties of the Division.** The Division shall formulate a comprehensive state plan for alcohol and drug abuse programs. The plan shall include, but not be limited to, a survey of the need for the prevention and treatment of alcohol and drug abuse, and a plan for programs to educate the public in the problems of alcohol and drug abuse. Also, the Department, acting by and through the Division, is designated as the sole state agency for the supervision of the administration of the state plan.
- **Section 25-1-206 - Purchase of Services.** In contracting for services, the Division shall attempt to obtain services that are in addition to, and not a duplication of, existing available services or services that are of a pilot or demonstration nature.
- **Section 25-1-304 - Duties of the Division.** In addition to the duties described above, the Division shall coordinate the efforts and enlist the assistance of all public and private agencies, organizations, and individuals interested in prevention of alcoholism and treatment of alcoholics and intoxicated persons. Specify uniform methods for keeping statistical information by public and private agencies, organizations, and individuals, and collect and make available relevant statistical information, including the number of persons treated, frequency of admission and readmission, and frequency and duration of treatment.

The Division Has Taken the Lead in Various Efforts

Neither the Federal Substance Abuse Block Grant nor State General Funds have established requirements for serving juveniles as they have for other populations. According to Division staff, this fact, coupled with the historical focus of substance abuse treatment on adults, has resulted in an overall lack of emphasis on juvenile substance abuse programming. Despite these constraints, Division staff believe they have successfully initiated or participated in numerous efforts to recognize and to

more adequately serve the juvenile population. Among some of the accomplishments the Division points to are:

- Division staff serve on the Statewide Advisory Committee for Senate Bill 94 and they serve on the management team for the Denver Juvenile Justice Integrated Treatment Network.
- The Division has also taken the leadership role in coordinating a statewide, multi-agency assembly on issues related to substance abuse and the juvenile and adult correctional systems.
- The Division has reallocated \$2.5 million of its funding since 1997 to serve the Child Welfare Settlement Agreement population.
- In the second year of the ADAD Managed Service Organization contracts, ADAD established an adolescent clinical advisory committee comprising state staff and adolescent treatment providers.
- ADAD created distinct licensing standards for minors' treatment programs in 1990. ADAD also has contractual requirements for all priority populations including minors.

Improved Oversight and Coordination Was the Intent of Recent Legislation

During the 2000 Legislative Session, the General Assembly passed House Bill 00-1342, which created a new Division of Prevention and Intervention Services for Children and Youth (PSD) within the Colorado Department of Public Health and Environment (CDPHE). The creation of the new Division is intended to address issues related to fragmentation, duplication, service availability and accessibility, coordination, and comprehensiveness. Various existing programs were transferred from other departments as a result of House Bill 00-1342. Some programs were transferred by Executive Order and others already operating within the CDPHE were incorporated into the new division by the Executive Director of CDPHE. None of the juvenile prevention or treatment programs currently administered by ADAD were transferred to the new division.

According to House Bill 00-1342, the best interests of children, youth, and families will be served by a single division with responsibility for operating and overseeing prevention, intervention, and treatment programming. One of the PSD's first tasks toward achieving its mission is to develop a state plan for the delivery of prevention, intervention, and treatment services. The purpose of the state plan is to coordinate

and provide direction for service delivery and to ensure collaboration among programs, resulting in a continuum of services available to children and youth throughout the State. The PSD is currently developing the state plan, which is to be submitted to the General Assembly, state departments, and other entities on or before March 15, 2001. Also, on or before July 1, 2001, all state agencies that operate prevention, intervention, and treatment programs are to enter into Memorandums of Understanding (MOUs) with the Executive Director of the CDPHE. The MOU requirement is intended to serve as a tool to achieve consensus regarding the coordination of the prevention, intervention, and treatment programs administered by the executive agencies and to demonstrate agreement with the rules adopted by the State Board of Health.

There Is a Need for Clarity With Regard to Roles and Responsibilities

The creation of the Division of Prevention, Intervention, and Treatment Services for Children and Youth within the Colorado Department of Public Health and Environment clearly reflects the General Assembly's desire to improve oversight and coordination of service delivery and to provide a focus for prevention, intervention, and treatment programs for children and families. With the creation of the new Division, we believe opportunities may exist for improving service delivery, cost-effectiveness, and outcomes. However, there are several critical issues that need to be resolved. These are:

- **The appropriate placement of substance abuse prevention and treatment services for juveniles needs to be determined.** This could mean transferring all functions related to juvenile prevention and treatment to the new Division of Prevention and Intervention Services. Given the two agencies' respective missions and the requirements of the federal substance abuse block grant, however, other options also should be evaluated. For example, possibly treatment services should remain with ADAD while prevention programming is transferred to the PSD. According to ADAD staff, such a transfer might pose problems because the conditions of the federal block grant allow for only one state agency to be designated the state block grant administrator. However, we believe there are ways to address this issue such as allowing one state agency to serve as the federal block grant administrator while the other functions as a contractor for all or part of the juvenile prevention and treatment services.
- **Statutory directives need clarification on the proper assignment of authority for areas of planning, coordination, and oversight.** There appears to be some overlap or a lack of clear delineation in the assignment of

responsibility and authority for juvenile substance abuse programming. As we describe in the following section, the Alcohol and Drug Abuse Division is designated as the oversight agency for statewide **substance abuse prevention and treatment**. At the same time, the Division of Prevention and Intervention Services for Children and Youth is responsible for statewide oversight of **all prevention, intervention, and treatment programs** for children, youth, and families. Both agencies are responsible for producing state plans and for coordinating service delivery among communities across the State.

In addition, in January 2000 the Department of Human Services internally restructured. One of the changes was the formation of a new Division of Children's Health and Rehabilitation Services that is to address substance abuse services, developmental disability services, and mental health services for children and families. It is not clear how the responsibility and authority for juvenile substance abuse prevention and treatment is to be divided or shared between this Division and ADAD. The formation of this new Division would seem to add even more importance to the need for clarity with regard to roles and responsibilities and for assurances about service efficiency and effectiveness.

- **There are no comprehensive data on the numbers of youth served, the costs for services, the gaps or duplication in service delivery, or the outcomes of substance abuse prevention and treatment services.** These kinds of data are critical for any efforts to streamline and coordinate service delivery and to ensure the overall efficiency and effectiveness of services. Although the PSD has been charged with collecting, compiling, and reporting specific types of prevention and intervention information, there are some limitations to its authority. For example, the statutes which created the PSD specifically excluded three programs from its oversight. The three programs are those operated by the Division of Youth Corrections and the Judicial Department, and any programs pertaining to out-of-home placement. As we have already described, there are a significant number of youth who receive substance abuse services through these three programs. Information about these children and the funds directed to them is essential if efforts to coordinate and streamline service delivery are to be effective. Currently ADAD has the authority to collect and compile information from these three agencies as well as all agencies that provide publically funded substance abuse treatment and prevention.

An Increased Emphasis on Juvenile Programming Is Needed

Juvenile substance abuse is a recurring issue among Colorado lawmakers and human services, health, juvenile justice, and correctional agencies. The costs and the lasting effects from early substance use and abuse are well documented. Questions about the numbers of youth in need, the effectiveness of programs, and the most appropriate delivery system, have been repeatedly asked in numerous forums. However, the answers have not been thorough and forthcoming. Despite the Alcohol and Drug Abuse Division's various efforts and accomplishments in the area of juvenile substance abuse prevention and treatment programming, we still do not know on a statewide level what is working and what is not working, what services are available or needed, or the numbers of juveniles whose needs are not being met. These are all questions the Division could facilitate answering, particularly given its statutory mandates including mandates to coordinate the efforts of all public and private agencies, to specify uniform methods of keeping statistical information by public and private agencies, and to make available relevant statistical information, including the number of persons treated, frequency of admission and readmission, and frequency and duration of treatment. These data could then be used in the Division's planning efforts including its comprehensive statewide plans for treatment and prevention, which currently do not include juvenile programming components.

It is also possible that internal restructuring of the Division is needed to ensure that programming for children and youth receive the appropriate emphasis. Another option is that the Division work with the Division of Prevention and Intervention Services to determine the feasibility, including costs, savings, staffing, and infrastructure, involved in transferring any or all of ADAD's juvenile programming to the new Division. At a minimum, ADAD needs to enter into a Memorandum of Understanding (MOU) with the Prevention and Intervention Division no later than July 1, 2001, as required in statute.

The Alcohol and Drug Abuse Division should coordinate a statewide effort to collect and compile information from all state agencies involved in the direct or indirect provision of juvenile substance abuse services. By serving as a clearinghouse and collecting and compiling information regarding statewide substance abuse prevention and treatment programs, ADAD would be instrumental in expediting efforts to streamline substance abuse service delivery. The information gathered could be used in conjunction with both ADAD and PSD state plans and MOUs to ensure an accurate and complete accounting of substance abuse treatment and prevention programs in the State.

Recommendation No. 1:

The Alcohol and Drug Abuse Division should make funding and services for juveniles a higher priority by coordinating a statewide effort to collect and compile comprehensive cost, outcome, and demographic information from all of the state agencies involved in the direct or indirect provision of juvenile substance abuse prevention and treatment services. These data should be used as the basis for service provision for juveniles and incorporated into the Division's state plans for treatment and prevention.

Alcohol and Drug Abuse Division Response:

Partially agree. ADAD believes that juveniles should be a high priority for prevention and treatment services and ADAD could serve in that lead agency role. However, there are no new funds available to make juveniles a higher priority for services. ADAD has no state general funds to treat juveniles and federal funding sources do not include juveniles as a priority population. In 1997, ADAD reallocated \$2.5 million of its existing funding to serve the Child Welfare population and to move towards serving more families. That reallocation was met with strong objections from the adult criminal justice referral agencies who rely on ADAD to address public safety and treatment issues for adult offenders. ADAD is willing to expand services to adolescents, but cannot do so without additional resources. Current priority populations have been primarily determined by federal funding requirements, state statute (such as involuntary commitments and indigent DUI offenders), and special purpose grants. ADAD receives a total of \$119,000 of state general funds for all prevention services. If no new funding is available, then some other population needs to become a lesser priority for services. ADAD anticipates some difficulty with federal funders if federal priority populations receive less resources as a result of prioritizing juveniles. Additionally, the adult criminal justice system is likely to react if additional funding is redirected away from adult offenders.

Recommendation No. 2:

The Alcohol and Drug Abuse Division, in conjunction with the Division of Prevention and Intervention Services for Children and Youth, should fulfill legislative intent to improve oversight and coordination of substance abuse prevention and treatment programming for juveniles by:

- a. Determining the appropriate role for each agency in regard to substance abuse prevention and treatment for juveniles.
- b. Evaluating the costs and benefits of transferring any or all of ADAD's current functions to the Division of Prevention and Intervention Services.
- c. Entering into a Memorandum of Understanding no later than July 2001 as prescribed in statute.
- d. Making revisions to MOUs and state plans to clearly outline the roles and responsibilities of each agency.
- e. Reporting to the General Assembly no later than July 2002 and making recommendations for legislative change as needed.

Alcohol and Drug Abuse Division Response:

Agree. ADAD will work with the Division of Prevention and Intervention Services to clarify roles and responsibilities including the division of labor for intervention and treatment programs. Also, another issue needing clarification is the services associated with intervention and treatment.

ADAD was legislatively transferred out of the Department of Public Health and Environment in 1994 and moved to the Department of Human Services in the fall of 1997. Because of this recent move ADAD will be able to evaluate the costs and benefits of transferring any or all of ADAD's current functions to the Division of Prevention and Intervention Services. ADAD/CDHS fully intends to meet the legislative requirements of entering into an MOU no later than July 2001. The results of the evaluation will be reported to the General Assembly.

Division of Prevention and Intervention Services Response:

Agree. As the report discusses, it does appear that there are some overlaps in authority for data collection, planning, and oversight related to substance abuse prevention and intervention services for juveniles. We believe it is important, as part of the process of implementing House Bill 00-1342, to evaluate and clarify the different agencies' roles and responsibilities to ensure that there are not gaps or overlaps. We will work with ADAD to determine the appropriate role of each agency and location for substance abuse programs for juveniles. Depending on the outcome of the evaluation, we will

suggest legislative changes or revise the Memorandum of Understanding, whichever is more appropriate.

Treatment Plans Are Inadequate

According to National Institute of Health data, "An individual's treatment and services plan must be assessed continually and modified as necessary to ensure that the plan meets the person's changing needs." Our review of juvenile client treatment plans indicates that there are significant deficiencies in this crucial step of the substance abuse treatment process for juveniles in Colorado. Treatment plans are required in the Division's treatment standards to be based on a comprehensive treatment needs assessment (ASAP) and a placement assessment. The combination of these two assessments ensures the least restrictive setting and the best chances for a successful outcome.

As part of our site visits, we reviewed 45 case records of juveniles who were receiving treatment at that time or had recently been discharged. Although almost every case record we reviewed included a treatment plan, few treatment plans met the criteria specified in the Division's treatment standards. Specifically, we found:

- Only 48.9 percent were completed on time.
- Only about two-thirds, or 68.4 percent, were in agreement with placement recommendations.
- Many treatment plans did not address needs identified during the assessment such as educational/vocational and community linkages.
- Some plans were not updated after the patient's status had changed. Specifically, about 32 percent of the plans lacked updates.
- Most treatment plans only paid minimal attention to the development of meaningful client goals and objectives. The only exception to this finding were treatment plans for pregnant women, which were very thorough.

Providers should be trained to develop complete and appropriate treatment plans to guide the services provided to juvenile clients. The plans should include specific goals and objectives based on an assessment and should address psychosocial, educational, vocational, and health needs, as indicated.

Recommendation No. 3:

The Division should develop a training module for treatment plan development and require the MSOs to train their providers on the complete and proper use of treatment plans.

Alcohol and Drug Abuse Division Response:

Agree. ADAD will develop a training module for treatment plan development and require MSOs to provide training to their providers. ADAD will seek federal technical assistance to determine if such a training module currently exists in order to minimize development costs and more rapidly implement this recommendation. Most training modules for the substance abuse field have been developed by the 13 Addiction Technology Transfer Centers (ATTC) nationwide. None of the ATTC's has developed training for adolescents so ADAD may be in the forefront of developing such a training module.

Improvements Are Needed in Data and Data Systems

A 1996 performance audit by the Office of the State Auditor found numerous deficiencies with the Division's treatment data system, DACODS. These deficiencies included labor-intensive systems, an inefficient data structure, inadequate controls for data accuracy, and lack of fiscal information in the database. According to Division staff, following our last audit, a request was made to the Joint Budget Committee for a new data system. The request was not approved. Beginning in Fiscal Year 2002 the Division has requested a total of \$454,000 for two years to upgrade the DACODS system. This request is significantly less than the previous \$1.5 million request made in 1999. Division staff told us that the current request has been favorably received, and they are confident the funding request will be approved.

With or without a new system, there are improvements the Division needs to make to the existing DACODS system.

- **The Division should collaborate with MSOs and providers to establish standardized procedures and systems to collect costs by services and**

subsequently use these data to set productivity expectations and address issues of cost-effectiveness for specific services and service mixes. Currently the DACODS system does not contain fiscal information and does not link to fiscal databases. Consequently, the Division cannot evaluate cost per service, cost per client, cost per episode, or cost per outcome as required. Also, ADAD does not use cost accounting standards that would generate the necessary data. Because cost data are critical to managing limited financial resources, three of the four MSOs have begun to collect and analyze cost-related data.

- **The Division should require all licensed treatment providers to submit DACODS data.** Currently there are about 275 treatment providers licensed by the Division. Of this figure, about 100 receive funding from the Division to serve juveniles. Some of the providers that do not receive funding directly from ADAD do, however, provide juvenile services to other state agencies. Because these agencies are not required to submit DACODS information, the Division does not have the comprehensive data about juveniles needed to adequately plan for and address needs. These kinds of data are critical if ADAD is to be successful in accomplishing the statewide efforts recommended elsewhere in this report.

Recommendation No. 4:

The Alcohol and Drug Abuse Division should make improvements in its treatment information system by:

- a. Developing and implementing standard cost accounting policies to permit the Division and the MSOs to collect, analyze, and compare cost-related treatment data.
- b. Requiring all licensed treatment providers to collect and submit DACODS data.

Alcohol and Drug Abuse Division Response:

Agree. ADAD agrees that improvements are needed in its treatment information system. ADAD is aware that its data management systems are over 20 years old and funded a feasibility study in 1998 for system improvements. ADAD has a current budget decision item to fund a portion of those system improvements. The improvements focus on ADAD's largest database and will add cost data to client information in order to improve the

collection, analysis, and comparison of cost-related treatment data. This two-year project has been approved by the department and awaits final approval by the Joint Budget Committee at figure setting for the department.

ADAD has been working with the Managed Service Organization with the largest number of providers in its network to define potential cost accounting policies and uniform cost accounting methods. ADAD anticipates having standardized cost accounting policies and practices finalized for all MSOs by December 31, 2001. MSOs will begin utilizing such cost accounting standards January 1, 2002.

ADAD will revise its licensing standards to include a requirement for all licensed treatment agencies to collect and submit DACODS data.

Distribution

Copies of this report have been distributed to:

Legislative Audit Committee (12)

Alcohol and Drug Abuse Division (4)

Division of Prevention and Intervention Services
for Children and Youth (4)

Joint Budget Committee (2)

Department of Personnel
d.b.a. General Support Services
Executive Director (2)
State Controller (2)

Honorable Bill Owens, Governor

Office of State Planning and Budgeting (2)

Depository Center, Colorado State Library (4)

Joint Legislative Library (6)

State Archivist (permanent copy)

National Conference of State Legislatures

Legislative Oversight Committee

Legislative Legal Services

Auraria Library

Colorado State University Library

Copies of the report summary have been distributed to:

Members of the National Legislative Program Evaluation Society

Members of the Colorado General Assembly

National Association of State Auditors, Comptrollers, and Treasurers

Report Control Number 1315