

*A ground-breaking  
approach to  
juvenile justice  
in Wayne County,  
Michigan*

# Advocating Success

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## INTRODUCTION

In 1999, the state Auditor General's comprehensive report of the Michigan Family Independence Agency found its juvenile division to be less than adequate and out of compliance with federal requirements for juvenile services. In addition, and for similar reasons, Wayne County, Michigan, faced a takeover of its juvenile justice services by the federal government.

- The county's juvenile home was an overcrowded scandal.
- Treatment options for pre-delinquent as well as delinquent youth came down to one: removal from the community.
- Sixty-six per cent of the county's adjudicated delinquent youth filled the state's public and private network of child care institutions (775 juveniles were held in the Maxey Boys Training School).
- Out of further residential space, the state Family Independence Agency (now the Department of Human Services) moved 200 Wayne County youth to other states.
- Two-thirds of placed juveniles re-entered the justice system within six months of release.
- Instead of being reintegrated in school, family and neighborhood life, these juveniles were being readied to graduate into the adult correctional system.

Dissatisfied with the existing system, Wayne County leaders took the initiative to reverse the threat of takeover so that by 2005:

- The county's new juvenile detention facility met and exceeded national standards for safety.
- Use of secure detention had been reduced by 50 percent.
- An ever-growing array of options for adjudicated juveniles and their parents were available consistently across the county's cities, townships and villages enabling youth to be maintained safely in their communities.
- A new treatment facility, Calumet Center, was created to provide an 80-bed local secure facility in Highland Park

- The new system had a very low number of felony convictions during active enrollment (2.4 percent) and a post-release recidivism rate of 10 percent within Wayne County.
- Only 40 juveniles were in the state training school (if 750 were still placed, the cost of their care at the current charge-back rate of \$413.54/day would be \$113,206,575).
- The county's annual cost of its new JAC/CMO system was \$93 million.
- Wayne County's total juvenile justice costs have declined by 2 percent in five years.
- Since 2003, more than 2,000 juveniles on court probation have been served, with a 67 percent positive completion rate and no further court intervention.

How in six years did Wayne County change from being an expensive, unproductive juvenile system at risk of takeover by the U.S. Department of Justice to a cost-effective, results-producing human investment system?

The story starts with a decision to launch a daring reform.

A focused team of county leaders, empowered by an astute, caring county executive, designed a new system to bring its youth home and invest in helping them escape from the small worlds that were kidnapping their futures. Wayne County decided to take back responsibility for its own juveniles. It removed them from state care and supervision, reclaimed the state and local dollars being spent on them and used the money to fund its own model.

The new model's guiding mission was to treat each individual youth as a person in need of resources rather than as a societal disease that needed to be contained. Wayne County's human investment model is innovative and remarkable not because so few youngsters fail, but because so many succeed. Describing it as a "human investment system" is meant to send a strong message that "we are all responsible for our kids."

This study will show how it achieved significant results in just six years. It will also explain the human story inside the system, credit the lessons learned and identify the challenges emerging from success.

*No one issue forced the creation of a new county-based system; a crush of issues did. It has been argued that the system was created because it cost too much to have most of Wayne County's male juveniles incarcerated in the state's training schools. The full story is more complicated.*

# Change:

how the JAC/CMO system came to be

INCARCERATING JUVENILES, regardless of the seriousness of their transgressions (or lack thereof), had become the court's and the state's only treatment option. While out-of-home care was the most expensive option, it was proving to be the least effective. But cost was not the issue compelling change; cost rarely is when public safety is involved. The public is willing to pay almost any price to keep criminals off its streets -- the state's prison budget confirms this public sentiment even during lean fiscal years.

The use of residential care was not the most compelling issue. With a modicum of staff training and sensible structure, such institutions are capable of providing for the care and safety of their wards. They can safely confine serious offenders in restricted settings, sustain a disciplined environment to teach them how to control their behavior and introduce them to the possibilities that emerge from a better education and personal responsibility. These positive outcomes are expected of out-of-home care.

The more compelling problem is what happens to juveniles when they return home. What cannot be guaranteed is whether or not the returning young person must reenter a chaotic, unchanged home life, an unsafe neighborhood, a hostile classroom with a suspicious teacher, or a tempting "street life" ready to graduate them to more dangerous, adult criminal activity. So many youth were coming home to unchanged living conditions and reverting to old lifestyles to survive. Sadly, they were joining the stream of youths likely to spend much of their adult lives bouncing from one unskilled job to another, or wandering the streets and living in homeless shelters, or ending up languishing in prison.

The rising rate of recidivism was one of Wayne County's crises with its juveniles. For almost 20 years it had been spending up to \$150 million annually incarcerating its juvenile population, yet little long term success had resulted from the huge investment. It was time to look for new options.

The county's juvenile home presented another equally serious crisis. Regularly overcrowded and in physical disarray, it had become a tired facility with ruptured plumbing, crumbling facilities, exhausted staff, and insufficient management. Juveniles were not safe inside its walls. The state of Michigan's Auditor General's report seriously faulted the state's

management of juvenile justice services, including Wayne, and the U.S. Department of Justice threatened to take it over along with the funds. Not only would poor management be a blot on the county's leadership, it would reinforce biases about Wayne County's ability to do anything right. If the county did not act soon, the state and federal governments would.

Initially, the citizens passed a 1/10 mill set aside for juvenile services expecting that it would be used to build a new juvenile detention facility and remove the threat of a federal takeover. Some of the money was also to be spent to develop more options for prevention services and for juveniles in their own homes. In the short run, the effort was insufficient and unimaginative. Most juveniles were still being placed out-of-home and little was being done to get to the root causes. Moreover, some elected officials began questioning the appropriateness of the allocation and use of the set aside.

**ADDING TO THE CRISIS**, the state Family Independence Agency (FIA) bore ultimate legal responsibility for the supervision and treatment of adjudicated youth. In the absence of viable community-based service options, the state attempted to build its way to a solution by adding almost 500 new beds. When more Michigan beds were not sufficient, the FIA moved 200 Wayne County juveniles to Texas, Colorado, Pennsylvania and other states. In spite of this action, crowding at public juvenile justice facilities persisted through 1998 and commitments to FIA, under the state ward law, soared through the '90s. Ironically, Wayne County government tried to solve its own detention overcrowding by persuading local judges to transfer more and more juveniles to state custody.

Political pressures grew. The *Detroit Free Press* headlines lamented the state of juvenile crime in Wayne County and challenged local and state leaders to create new options: "Move youth from Burton (detention) Center or else, Judge says" (7/25/96); "Juvenile Justice System is plagued by too many holes and excuses" (9/3/96); "Juvenile Injustice: state's lock-em-all-up approach is a mistake" (1/2/97).

The cost of providing residential care in Wayne County more than doubled in one decade. Searching for answers and beset with runaway costs and with no control over outcomes, the state called on local communities to take greater responsibility for their troubled youth.

If there was ever to be a coordinated and integrated solution in Wayne County, jurisdictional finger-pointing had to end. Clearly, one governmental entity had to take control of juvenile justice services.

**THESE CRISES CONVERGED:** excessive use of out-of-home care, an unsafe county juvenile home, unchecked recidivism, questionable use of a county-wide tax to solve the problem, and the threat of a federal takeover. Adding to these was a dispute between the state and county about responsibility for \$45 million in payments due to the Child Care Fund. Each party claimed the other was liable.

In 1997, after the Michigan Supreme Court ruled against the state, Wayne County officials met with the governor and state budget director to resolve the claim. For Wayne County, any real solution had to be less about money and more about finding a comprehensive alternative to the state's failing juvenile system.

A compromise emerged in which the state would create legislation to give large counties local control, local responsibility and local accountability over its juveniles. In return, the county would not press the state for the disputed dollars and the state would be relieved of all administrative and programmatic responsibility for Wayne County's delinquent teenagers.

The legislation statutorily empowering Wayne County to become a County Juvenile Agency offered a chance to end state control. It opened the way for collaboration between the county, the court, the prosecutor, the sheriff, and local service agencies. It also enabled the county's Department of Community Justice (now the Department of Children and Family Services [WC-CAFS]) to take over funding and responsibility for juvenile corrections.

Building on the new community corrections programs for adult offenders -- which had reduced imprisonment from 32 percent to 18 percent without increasing the Detroit crime rate, the then director of community justice, Warren Evans, and his deputy, Jeriel Heard, with strong leadership from several county commissioners, were authorized to reevaluate all existing services. They concluded most were failing to produce positive results and cancelled contracts for all existing services. The ensuing firestorm became the platform to implement a new county system.



**THE SUCCESSFUL SHIFT** in the county's adult correctional services became the template to change its juvenile services. At the very least, it would help alleviate the overcrowding at the juvenile home. The Director of Community Justice took over the county juvenile home, cleaned house, and closed intake to prevent repeated overcrowding. Threatened with a contempt order for closing intake, the county offered a compromise option: in home detention with electronic monitoring (tethering) of some juveniles would keep them in the community and relieve the pressure on overcrowding. Tethering would enable the court to use juvenile detention when community safety was threatened.

Almost immediately, tethering had a positive impact because it reduced the need to detain certain juveniles. At the same time, internal reviews revealed a bizarre misuse of detention. Some parents, to mask their own abuse, were accusing their children of threatening them and using the police to lock them up. By addressing the situation as a child safety issue rather than a criminal issue, the use of detention was replaced with protective service investigations, family counseling and local services where necessary.

Tethering exposed another cause of overcrowding. Some pro-bono attorneys were misusing a court procedure that allowed them to appeal a referee hearing, which resulted in postponing pro-bono juvenile cases while they tended to paying clients. It also stuffed the juvenile home with more juveniles suddenly having to wait for rescheduled hearings. Working with the court, the county created an "in-custody docket" wherein pre-trial hearings could be scheduled within five days. By shortening the waiting time, the average population in juvenile detention was almost immediately reduced by 35 percent. Overcrowding came under control and the threat of a federal takeover was removed.

Excessive use of the state training school, however, remained a serious problem. The Auditor General's report concluded that:

- Intake and placement processes were only moderately effective
- Private residential agencies sometimes were not effective in providing appropriate services
- The state agency was only moderately effective in contracting with private vendors and was not effective in monitoring services

- Aftercare services for juveniles released from residential placement were not consistently provided
- State level operational policy was often ignored at the field level.

Facing these issues squarely, the county decided to create a new juvenile justice system. It secured a Memorandum of Understanding (MOU) with Wayne County Department of Children and Family Services (WC-CAFS), the Michigan Department of Human Services (DHS), and the 3<sup>rd</sup> Circuit Court Family Division of Wayne County. While the county prosecutor was not a signatory, the office supported the agreement. The MOU defined the standing, authority and roles of the parties for juvenile justice services in Wayne County -- specifically:

- All parties remained obligated to discharge all mandates and obligations set forth in statute, regulation or court orders
- Responsibility for juvenile justice services for adjudicated delinquents was delegated to WC-CAFS and DHS would no longer manage or provide delinquency services to county youth
- All parties agreed to work collaboratively to access governmental financial benefits such as Title IV-E, Supplemental Security Income (SSI), Medicaid and child support *noting that these funds, along with the county's access to the Child Care Fund, would be used to support the single access, single payer approach of the new JAC/CMO system.*

IN JULY 1999, to prepare for the transition from a state to a county run system, Wayne County brought in a team of four experienced civil servants who were knowledgeable about the court system, the child care fund, state services, and the use of information technology. This small team joined with the creative leadership in the Department of Community Justice (DCJ) [now Wayne County Department of Children and Family Services (WC-CAFS)] to form a "flat organizational hierarchy" with the responsibility and authority to quickly make all day-to-day operational decisions necessary to put the system in place. The team was designed for speed – a brand new model had to be developed, contracted, oriented and made ready to take responsibility for all Wayne County adjudicated juveniles in less than six months.

Offered a block grant by the state of Michigan which capped the state's but not the county's funding obligations, the county declined. It argued instead that the use of the Child Care Fund, with its 50/50 match of county and

state funds, reflected a more equitable reimbursement methodology. A court challenge filed by Oakland County resulted in a ruling that any cap was illegal and inconsistent with the state's Headlee Amendment: counties could use the Child Care Fund without a cap. The ruling proved the wisdom of the county officials refusing the block grant approach. Ironically, after six years, Wayne County's JAC/CMO system has seen a 2 percent decrease in its overall juvenile service costs – something never experienced in the state administered system. Over the same period of time, the cost of the state-administered abuse/neglect system in Wayne County grew by 52 percent due mostly to the decline in federal Title IV-E revenue used for out-of-home placements. As a result, 50 percent of the cost of these services shifted to the county.

A critical series of start-up processes were carefully developed in less than six months.

*New contracts were written* outlining the responsibilities of the care management system agencies. A similar contract template had been used successfully to serve indigent population in the county medical facility. Its leaders were confident it could be used effectively for its juvenile justice population. Desired outcomes were written into performance-based contracts by means of premiums for reaching targets and penalties for recidivism or failure to meet specified requirements. The methodology made “success” the incentive.

*A new operational handbook was created* defining all systemic requirements, operational policies, reporting procedures and management forms for the proposed new system. Additionally, *an orientation and training schedule was developed* for the new staff hired by the five Care Management Organizations (CMO) and the Juvenile Assessment Center (JAC).

*The Memorandum of Understanding*, written to satisfy the state that the system would comply with court rules, triggered tremendous collaboration between the court and the county prosecutor's office:

- The court would issue a case management rule with no prescriptive orders – thereby allowing funding to flow to individually assessed, locally provided services rather than for specific interventions
- The county was delegated the authority to transfer certain juveniles to less restrictive placements without court hearing –

the essential agreement was that anything involving law required court intervention, and anything involving violation of a court order required intervention but not a new court hearing

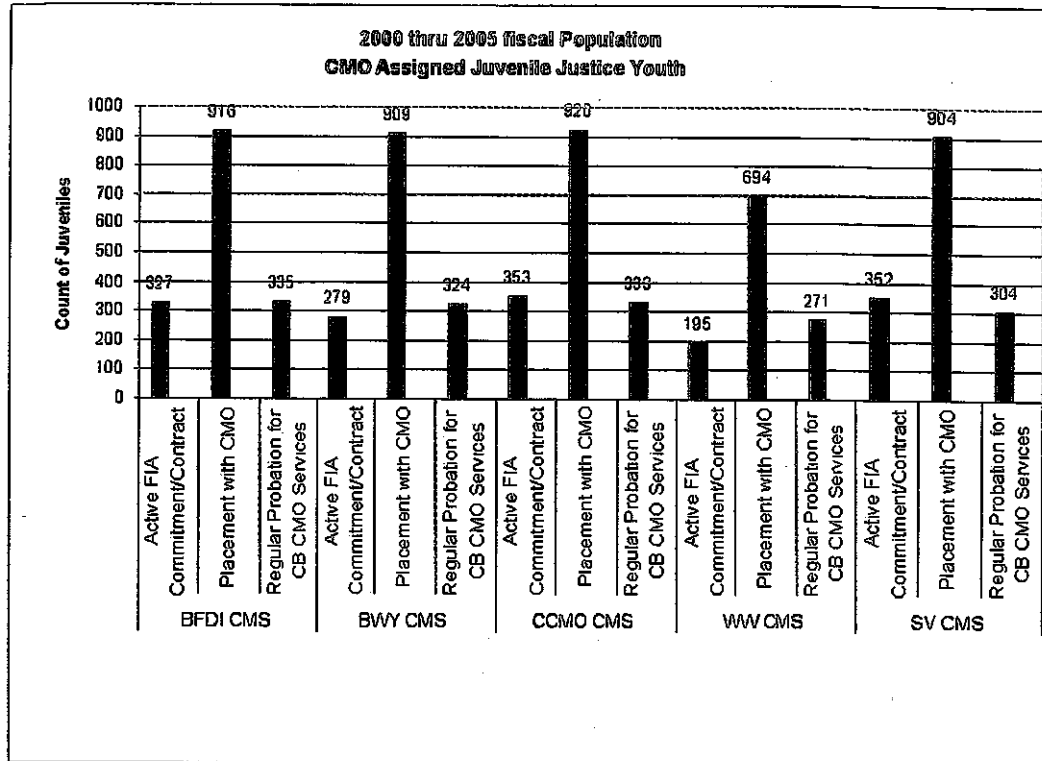
- Any youth testing positive for substance abuse would receive immediate treatment and ongoing monitoring rather than detention
- The Warrant Enforcement Bureau (WEB), made up of a small group of specially-trained Wayne County deputy sheriffs, could immediately accept and detain juveniles violating court orders or AWOL from programs without a court hearing -- an important rule in holding juveniles accountable.

*Contracts were bid, awarded and approved by the county board of commissioners in December 1999 to six not-for-profit entities creating a Juvenile Assessment Center (JAC) and five Care Management Organizations (CMO). These new entities had to be ready to accept referrals by February 2000.*

*A new Juvenile Agency Information System (JAIS) was put on line creating a common data base to glue all information together for every juvenile in the new system. After seeking an available software model, the county team approached the ChildNET Consortium to use and adapt its FAMCARE information system. (This statewide consortium of 12 non-profit organizations had formed in 1981 to promote a new family-oriented approach to juvenile services. Until it dissolved itself in 2006, ChildNET closely allied with helping the county unfold its new juvenile justice system.) Now JAIS electronically ties the county, the JAC, the CMO, the providers and all appropriate parties together through secure internet access. It has become the hub of the system, allowing everyone to get on line through the internet either to enter, monitor or receive daily updated case information as well as monitor costs.*

*State supervised wards were transferred to county jurisdiction. By November 2000, more Wayne County youth were being supervised in the new JAC/CMO system than by the state DHS in its training schools and other facilities. Within 10 months, Wayne County had proved that it could pay for its new system for court placements; it was also holding onto and supervising these juveniles with a reasonable degree of quality services. Because it was evident that Wayne County could take care of its own*

juveniles, the process began in earnest of transferring youth out of the state system and into the county one.



N = 7416 juveniles:  
1506 transferred from DHS Juvenile Justice, 4343 Adjudicated CAFS, 1567 Probation CAFS

*The uncapped Child Care Fund (CCF) became the funding source of all Wayne County Juvenile Justice Services. A capitated case rate based on specific rate bands was developed so that services would drive money rather than the reverse. It was an inspired risk on the part of the county. The CMO, given the flexibility to determine what a youth and family needed and the responsibility to secure and pay for it, were free to be more creative in obtaining and providing services. The risk has paid off and the costs of the county's JAC/CMO system have gone down every year for the first five years of its operation – an experience unheard of for a government program.*

**ALL THESE INITIATIVES, reforms and agreements fused into Wayne County's new JAC/CMO human investment system. Calling it a "human investment system" was intended to send a strong countywide message: "We are all responsible for our kids."**

Under the imaginative leadership of a discerning county executive, his fearless administrative staff, the prosecuting attorney and the chief judge of the family court, a core group of enlightened county officials combined to start risking solutions together.

Their daring new approach shifted and joined state and county dollars to fund five local entities using a formula based on their populations. While each entity (CMO) had to adhere to the county's stringent new operating system and commit to fulfilling the county's prescribed outcomes, they were free to define their own services, develop community-specific service models and contract with their own local provider networks. In return for this unique flexibility, each CMO became completely responsible for all adjudicated juveniles and families in its service zone.

This radical solution became the *Juvenile Assessment Center/Care Management Organization* system. It widened the array of services available for adjudicated juveniles and their parents. It expanded home-based options using a process of Structured Decision Making (SDM). The decision model is based on set standards and systemic criteria to determine which youth could be served safely in their communities and which required more restrictive forms of care. Critical decisions are made whenever a youth is arrested, detained, tried, placed or returned to the community.

Overnight, the JAC/CMO system changed the county's almost total dependency on out-of-home care. Money saved was shifted to pay for home-based services. In a short period of time more than 44 percent of Wayne County's adjudicated youth were being supervised and treated in their own communities. Juvenile crime diminished. The rate of recidivism plummeted. Costs to the county stabilized. Significant numbers of juveniles were being supervised in the community without jeopardizing community safety.

What is different six years into Wayne County's JAC/CMO alternative system is not that out-of-home care has been eliminated but that its use and duration are controlled. Most importantly, residential placement is now only one of many options for dealing with adjudicated juveniles.

Wayne County proved that it could make a radical break from its past practices and develop an innovative new juvenile justice system.

By creating smaller, community-invested, locally controlled CMO agencies, it was able to invest in home-based care to deal more effectively with its juveniles and their families. The fact that the locally-controlled system also involves local citizens is very important: it has resulted in demonstrable social benefits for the juveniles it serves, greater participation by local citizens, and proven fiscal benefits for the political communities that fund it.

A brave cadre of community leaders, infused with creative imagination and unbending political support, delivered up a new juvenile justice system with unfettered power to define services based on the assets and deficits the environment imposed on its juveniles. They understood that “the kids didn’t come out of the womb this way” and that as community leaders they had a rare opportunity to transform the environments that were kidnapping youth and producing delinquents!