

SENATE BILL REPORT

SSB 6832

As Amended by House, February 28, 2010

Title: An act relating to the implementation of delivery of child welfare services through performance-based contracts by adding a foster youth representative to the child welfare transformation design committee.

Brief Description: Concerning child welfare services.

Sponsors: Senate Committee on Human Services & Corrections (originally sponsored by Senator Hargrove).

Brief History:

Committee Activity: Human Services & Corrections: 2/04/10 [DPS].

Passed Senate: 2/13/10, 46-0.

Passed House: 2/28/10, 95-1.

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: That Substitute Senate Bill No. 6832 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hargrove, Chair; Regala, Vice Chair; Stevens, Ranking Minority Member; Brandland, Kauffman and McAuliffe.

Staff: Jennifer Strus (786-7316)

Background: In 2009 the Legislature enacted 2SHB 2106, which, among other things, established the Child Welfare Transformation Design Committee (TDC) to select two demonstration sites and develop performance measures and criteria for contracting of child welfare services. The TDC includes representation from the following entities:

- the Office of the Governor;
- the Office of the Attorney General;
- the Children's Administration within the Department of Social and Health Services (DSHS) ;
- the Office of the Family and Children's Ombudsman;
- the Indian Policy Advisory Committee convened by DSHS;
- the Racial Disproportionality Advisory Committee convened by DSHS;
- the bargaining representative for the largest number of Children's Administration's employees;

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- nationally recognized experts in performance-based contracting;
- private agencies providing child welfare services in Washington;
- parents with experience in the dependency process;
- Partners for Our Children (POC);
- superior court judges; and
- foster parents.

Since its initial meeting, the TDC has included a former foster youth in its deliberations. Because the representation of foster youth is not listed in statute, however, the representative of foster youth has not had formal voting rights in the TDC's decision making. In its most recent and second quarterly report to the Legislative Children's Oversight Committee and the Governor, the TDC recommended the Legislature amend the statute to include a representative of foster youth on the TDC, and that the representative have full voting rights.

DSHS contracts with multiple private providers for the purchase of various child welfare services, including individual and group counseling or therapy; group care and behavioral health services; assessment and treatment for chemical dependence, domestic violence, or mental health needs; reunification services; and adoption services. These contracts are fee-for-service contracts with both non-profit and for-profit entities. The 2SHB 2106 required DSHS to consolidate and convert existing contracts to performance-based contracts by January 1, 2011. The TDC has recommended this date be extended to July 1, 2011, to allow sufficient time for DSHS and contracted providers to consolidate and convert contracts.

The date by which the demonstration sites be implemented is July 1, 2012. There was concern expressed by members of the TDC that the date be extended to allow for an orderly transition of existing cases from the DSHS to the supervising agencies.

One of the TDC's advisory committee recommended that in the demonstration sites, the supervising agencies work in the same geographic area as DSHS to allow for better comparison of outcomes.

Most child welfare case management services are currently provided by DSHS only. Federal law requires that states maintain care and placement authority of youth for whom child welfare funding is being received and spent. Implementation of the demonstration sites will require DSHS to contract with supervising agencies for case management services.

Summary of Substitute Bill: The bill as referred to committee not considered.

The date by which DSHS must convert all contracts for the purchase of child welfare services to performance-based contracts is extended from January 1, 2011, to July 1, 2011.

The membership of the TDC is expanded to include a representative of foster youth who will be selected by the co-chairs of the TDC. The representative may be a youth currently in foster care, or a recent alumnus.

The date by which the demonstration sites are to be fully implemented is extended from June 30, 2012, to December 30, 2012.

DSHS may provide child welfare services in the same two demonstration sites as a supervising agency for the purpose of establishing a control or comparison group to compare the performance of both in achieving measurable outcomes.

The TDC is directed, when selecting the demonstration sites and developing the transition plan for the demonstration sites, to maintain the care and placement authority of DSHS at a level that does not jeopardize federal funding eligibility and that also provides flexibility and will maximize federal funding opportunities.

The authority of Indian tribes to provide their own child welfare programs is expressly recognized.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The extensions of timelines will provide DSHS with much needed time to work with stakeholders to convert its contracts into performance-based contracts and to ensure an orderly transfer of on-going cases to supervising agencies in the demonstration sites. The addition of the foster youth as a voting member of the committee is positive as well. The underlying bill from last year and these changes are an excellent method to improve the outcomes for children and their families in this state.

OTHER: The Site Selection Advisory Committee of the TDC recommended extending the demonstration site period for two to three years based upon the recommendation of the Washington State Institute for Public Policy that more time for evaluation is needed. There is no objective analysis of the privatization of child welfare functions anywhere in the country and we are the only state that has a strong evaluation component built in and the eyes of the country are on us. We need solid data which is why the recommendation that the demonstration pilot be extended for two to three years. In the bill that passed last year, the state employee bidding process was not included in the event the demonstration sites and there was an understanding that some language addressing this issue would be included in the bill this year.

Persons Testifying: PRO: Denise Revels Robinson, DSHS; Laurie Lippold, Children's Home Society; Mary Fischer, Institute for Family Development.

OTHER: Alia Griffing and Jeanine Livingston, Washington Federation of State Employees.

House Amendment(s): Makes two technical corrections by replacing the plural noun, alumni, with the singular noun, alumnus. More accurately describes the authority of the Transformation Design Committee to select demo sites and the authority of the Washington State Institute for Public Policy to conduct the demo site evaluation. Specifies that the primary preference for

contracting of case management services, if the demo sites are continued after 2015, are with private nonprofit entities, Indian tribes and state employees as long as all other elements of the bids are equal.