

JOIN HANDS FOR CHILDREN
MINUTES FROM CHILD WELFARE TRANSFORMATION DESIGN COMMITTEE MEETING
SEPTEMBER 20, 2010

Members Present: Judge Chris Wickham; Asst. Secretary Denise Revels Robinson; Mary Armstrong; Jeanine Livingston; Nancy Foll; Benjamin de Haan; Maureen McGrath; Carole Holland; Ken Nichols; Nancy Sutton; Steve Hassett; Patrick Dowd for Mary Meinig; Catherine Lanham; Gwendolyn Lawson Townsend; Gwen Gua; Jeanne McShane; Ian Grant; Corinna Burris; Danny Howe for Sharon Osborne, and Rebecca Peck for Honorable Henry Cagey.

Staff Present: Julie Dunnington, Melissa Takade, and Benjamin Berres, Partners for Our Children; David del Villar Fox, Rich Pannkuk, Becky Smith and Tammy Cordova, DSHS Children's Administration; Jennifer Strus, Washington State Senate Committee Services; Sydney Forrester, Washington State House of Representatives Office of Program Research.

Guests:

Representatives Ruth Kagi and Maureen Walsh, Washington State House of Representatives; Sheila Huber, Attorney General's Office.

Welcome, Introductions and Agenda Overview

Judge Chris Wickham conducted the welcome and explained he was filling in for Child Welfare Transformation Design Committee (CWTDC) co-chair Judge Leonard Costello. Chris Wickham gave an overview of the day's agenda, reviewed meeting ground rules, described how the audience could offer public comment and asked all of the CWTDC members to introduce themselves. During introductions, Chris Wickham welcomed new committee members Corinna Burris, who replaced Brenda Lopez as the birth parent representative, and Benjamin de Haan, Partners for Our Children (POC) Executive Director. Chris Wickham then asked the public audience members to introduce themselves.

Lessons Learned from the QIC Public-Private Partnership Summit, San Antonio, Texas

CWTDC members Mary Armstrong, Maureen McGrath, and Assistant Secretary Denise Revels Robinson, along with POC's Strategic Initiatives Lead Julie Dunnington, presented lessons learned from the QIC Public-Private Partnership Summit in San Antonio, Texas. Mary Armstrong gave background information regarding the QIC (for more information please visit the website - <http://www.uky.edu/SocialWork/qicpcw/>). Among the learning points:

- Need to have communication vehicles in place to ensure everyone has the most current information.
- Cross-training is essential before and after implementation to ensure there's no communication breakdown on the front line.
- Don't be afraid to make mid-course corrections. (For example, Nebraska has changed their contracts three times.) Changes can be made.
- Must involve a broad-based stakeholder group. (For example, Kansas neglected to include the courts, which proved problematic).
- It's about partnership, interdependence and mutual dependence – it's not just about privatization.

- Shared accountability can only happen when everyone has immediate access to reliable, accurate, real-time data. This is also essential for course corrections.
- There is no “one size fits all” model. You must reflect your community’s stakeholders voice.
- Readiness assessment tool is critical and also involves doing quality assurance in a new, public-partnership type of way (involves shift in roles and responsibilities).
- Must exercise patience because progress will be uneven. Don’t expect to save money the first few years. However, when done in a true partnership, performance-based contracting does result in better outcomes for children and families.

The Committee will try to get two states that have undergone the transition to performance-based contracts, out to Washington to present their lessons learned.

After the presentation, the committee members asked questions:

- Jeanine Livingston asked if there’s been an objective analysis of Nebraska’s process, and if there has been a comparison between different business models to implement performance-based contracts (lead agencies vs. no lead agencies). Re: Nebraska, since they are in the beginning of the process, the objective analysis has just started. Re: the second question, Maureen McGrath had some dialogue with other states at the QIC conference, but there hasn’t been that kind of formal evaluation. However, that item can be put on the next meeting’s agenda.
- Jeanine Livingston asked if the quality assurance partnership was around the data or if it included joint case review as well? Mary Armstrong said it wasn’t just around data, and that for many states it includes joint case review.
- Gwen Gua asked if there was any information available from the QIC conference about how states interacted with tribes during the transition to performance-based contracting. Asst. Secretary Revels Robinson said that this is clearly an area that needs more exploration at a national level and that Washington state is ahead in this area. Regarding racial disproportionality, at the conference, Joyce James said that states need to have a better command of the data regarding children of color. Joyce James will be in Washington State and CA will send out save-the-date information for her visit. Gwen Gua asked if Joyce James could bring some information about tribal relations. Asst. Secretary Revels Robinson said she would take responsibility for that. Gwen Gua also requested that when you refer to Indian children, to not refer to them as ethnic children because they are government children, which is a special legal relationship.
- Steve Hassett asked if there was discussion about how states addressed placement and care authority, if the states retained that authority while they contracted out case management, and if there was any discussion about risk-sharing and liability and what other states have done with those issues. Mary Armstrong addressed his first question, in that, in other states, if case management is privatized, then placement decisions are also privatized (goes along with case management). Re: the second question, Mary Armstrong said that it varies from state to state, and when we get other states to visit we should ask that specific question.
- Corrina Burris asked if parents were included in the QIC conference. Maureen McGrath said that there was one parent present at a roundtable, but from her perspective the parents’ voice was markedly absent.

There were no additional questions from the committee; Judge Wickham called for a 15-minute break.

Performance-Based Contracting (PBC) Update and Discussion

After reconvening from the break, Asst. Secretary Revels Robinson recognized the members of her CA core team. She said that the preliminary results of the federal Child and Family Services on-site Review reinforce the need for performance-based contracting. She presented on the progress that's been made since the June CWTDC meeting. She talked about CA's communication efforts and the meetings that have been conducted with different stakeholders about the PBC process. She announced that the Stuart Foundation and Annie E. Casey will provide funds to help in this process (Stuart with data needs and Casey with training). Also, the National Resource Center on Child Protection will provide "Train the Trainer" on safety for in-home services.

Asst. Secretary Revels Robinson asked for questions:

- Nancy Foll asked about communications with Tribes that aren't listed on the presentation. Asst. Secretary Revels Robinson said there is a concerted effort underway to reach those Tribes.
- There was a question from the audience regarding recognition of non-federally recognized tribes. Nancy Dufraigne replied that at this point, non-federally recognized tribes are part of an Indian organization and will work through this organization for service delivery.
- Catherine Lanham asked what else will be done to communicate with foster parents because she knew many foster parents who did not receive communications. Asst. Secretary Revels Robinson said that there would be consultation with the Foster Parents Association and CA will continue to meet with foster parents as the need is defined.
- There was a question asking for clarification regarding FTDMs (is it part of casework or is it a service that's contracted out). Asst. Secretary Revels Robinson said that lead responsibility for FTDMs with regard to permanency is CA's responsibility, whereas discussions regarding service coordination CA will work with the private agencies and the families.
- Judge Wickham asked if both a CA social worker and a private agency worker would staff every FTDM. Asst. Secretary Revels Robinson said that both are needed to make the process work. He asked a follow-up question regarding solution-based casework and wondered if that model would be used statewide. She said that the values and principles of that model are good and CA would provide consultation and training as it relates to service delivery for consistency's sake.
- Corinna Burris asked if veteran parents would be involved in FTDMs. Asst. Secretary Revels Robinson said yes, and that birth parents would be the ones to identify who they would like to bring to the table as support.
- Ian Grant stated that it wasn't clear how foster youth would go about changing their situation if the services (or social workers) were failing them. Asst. Secretary Revels Robinson there would be a dispute resolution process. Also, MCs are also being held accountable for responsiveness to needs.
- Jeanine Livingston said she was concerned about the lack of objective analysis regarding the business model of the Master Contracting agency. She's wondering if CA

would consider implementing just a direct performance-based contracting model as a pilot. She was also wondering if, given the changes CA has made to Part 1, the department would consider bringing WSIPP in early to establish baselines to better understand which piece is successful – PBC or the business model. Asst. Secretary Revels Robinson responded to the first question by saying her understanding of the legislation is to not only implement PBC, but to also reduce the total number of contracts. It is much more challenging to implement PBC with 1500 separate contracts than it would be to implement with a single agency. She can't at this point to speak to the idea of implementing PBC as a pilot. Also, she said the state's federal partners found there's a need for more consistent practice and that there's an uneven service array to, and they think that PBC will help with these issues. Jeanine reiterated her request for a more objective view. Regarding the second question, Asst. Secretary Revels Robinson said she is more than happy to have a discussion directly with WSIPP, though we are fairly deep into the process to start considering different models.

Asst. Secretary Revels Robinson reviewed expectations of the Master Contractor for delivering services and building infrastructure, and also reviewed changes CA is making internally. She presented a revised timeline for the RFP process.

Nancy Dufraime, Manager, Indian Child Welfare Program, Children's Administration, gave an update on Tribal options during Part 1 and provided an overview of Indian Policy Advisory Committee (IPAC) recommendations for the RFP.

- Jeanine Livingston asked, regarding intergovernmental agreements, if it means CA would have to enter into a direct contract with a service provider alongside an MC, if that's the option the Tribe chooses. Nancy Dufraime confirmed this. Jeanine Livingston asked if, going forward, CA could help define how this would look because it appears CA would be going into direct competition with MCs for services.

Asst. Secretary Revels Robinson then reviewed the findings from the federal Child and Family Services on-site Review. The preliminary results were very balanced and addressed both strengths and needs. CA will make the preliminary results available. Needs identified were to increase the capacity of foster families around the state, accountability for contracted services, address the inconsistent array of services (both urban and rural), focus more strength around in-home services, continue focus on child safety (including those in home), and ongoing training on ICWA.

- Corinna Burris asked if there was any focus on fathers' needs and providing fair and consistent services. Asst. Secretary Revels Robinson said that was a need that was identified for the performance improvement plan, and would welcome her input on that subject.

After the presentation, Judge Wickham asked for public comment.

Public Comment

Ursula Peters, from WSFE, had comments about the QIC presentation. She's concerned that there wasn't enough discussion about fatalities/near-fatalities and risk-sharing; she would like more information on that. She would also like more information regarding dispute resolution. Since this is a comment period and not question/answer, Judge Wickham urged her to seek out committee members during the breaks.

Roberta Nestaas, LCNWS, asked if CA was still considering one MC per region, and whether CA has identified any accreditation bodies that MCs should seek out.

Charles Shelan had questions regarding geographic boundaries and if the ratio of cases per care coordinator has been established.

Marna Miller, WSIPP, wanted to address Jeanine's question regarding data. She said that WSIPP is charged with evaluating both Parts 1 and 2. She said she was concerned she hasn't seen any data from FamLink and wouldn't be able to make any statement regarding the data. She also said she's interested in having a brainstorming session with anyone who's interested in discussing how to evaluate Part 2 (given the all the changes that have occurred).

Trudy Marcellay, OIP, talked with Liz Mueller who wanted her to emphasize that at every major decision point, we must ask if this child is Indian. She requested that this be part of the RFP – the sooner the Tribes can be engaged, the better.

Comments by Representative Kagi

When the Committee reconvened after break, Judge Wickham announced that Representative Ruth Kagi wished to make a brief statement before the Advisory Committee on Legal and Practice Issues update. Rep. Kagi began by summarizing how when foster care caseloads drop, so does Washington State's level of federal funding. She explained that part of 2106 was to devise a plan for how saving from reductions in foster care caseload size could be retained and redirected to support front-end services. She mentioned a meeting that is going to take place between a number of state actors, who, directed through 2106, are to prepare a proposal describing how to avert the loss of funds arising from reduced caseloads. This plan is then to be submitted to the state legislature. She also discussed the progress that has been made at the federal level to reinstate the Title IV-E Demonstration Waiver program. Congressman McDermott and Linder have dropped a bill, H.R. 6156, to extend waivers to an additional ten states. She underscored that this bill does not increase spending; it just allows states additional flexibility in the manner to which they allocate funds to programs.

- Asst. Secretary Revels Robinson also took a moment to describe Bryan Samuels' presentation from the QIC conference, emphasizing his comments about the national reduction in the foster care caseload, waivers, and financing alignment. She is going to provide access to his presentation. She felt that his information was very encouraging.
- Mary Armstrong responded to Rep. Kagi's comments about the reinvestment of funds to front-end services. She offered to provide some examples of how Florida is shoring-up in-home services.

Advisory Committee on Legal and Practice Issues Update

The next item on the agenda was a presentation and update by the Advisory Committee on Legal and Practice Issues led by Judge Wickham, co-chair, and Steve Hassett. Judge Wickham reviewed the response to the letter sent by the Legal and Practice Advisory Committee to the Attorney General's Office. He recapped the work of the advisory committee, offered some personal "take-homes," and presented the current draft of the *Part I – Preliminary Service Array*. Steve Hassett took a few moments to address Tribal Notification, federal and state mandates to provide services, and the service array's columns that describe social worker and parent opinions regarding services needs. Steve Hassett also brought forward a document containing the specific language that defines family preservation services, family support services, and time-limited family reunification services.

- Ian Grant requested that the Advisory Committee on Legal and Practice Issues include a column to display the opinions of foster youth and alumni. He asked if there is a plan to garner their opinions. Julie Dunnington responded to Ian and said that there was no POC research on foster youth and alumni opinion and that is why they did not receive a column. Ian Grant said he feels that this research is important and new efforts should be undertaken.

Judge Wickham felt that the work of the Advisory Committee on Legal and Practice Issues was complete, but that they may have one additional meeting before adjourning indefinitely.

Services Update

After the Legal and Practice update, Tammy Cordova, Interim Director of CA's Program and Practice Improvement Division, and Becky Smith, Acting Director of CA's Field Operations Division, gave a presentation on Practice Updates. The presentation provided greater clarification on many issues: who is/isn't served by master contractors; how services should be delivered; division of responsibility between CA and master contractors; master contractor accountability to meet outcomes; master contractor information system requirements; foster home recruitment; and evidence-based programs.

- Rep. Kagi asked whether it makes sense to have a statewide foster parent support contract, particularly if there is a care coordinator who has frequent contact with the family. Asst. Secretary Denise Revels Robinson feels that CA needs to have a stronger presence in this field.
- Ian Grant stated his concern about CA being able to meet the support needs of foster families. Asst. Secretary Revels Robinson agreed with Ian Grant's comment, which is why CA intends on contracting out foster family support services. Rep. Kagi hopes that CA can establish a current baseline before they determine that the bank of foster parents needs further expansion. Essentially, she wants to ensure that CA is utilizing the existing bank of foster parents before expanding any further.
- There was a question about how foster parents who are recruited by specialized organizations will be incorporated into the post 2106 landscape. Tammy Cordova replied that these existing programs would be encouraged to continue their work in the future. There was a follow up question about what specific supports/programs/activities CA is considering to be included in a foster family support contract. Tammy Cordova said that CA is still working on this. Asst. Secretary Revels Robinson said that CA hopes to hear from foster parents, but that they are thinking about training, respite, etc.
- There was a comment about regarding families that desire to become foster parents but cannot due to prior, non-violent criminal history. Would the state abide by the Secretary's list of crimes or the state's list? Also, is there a statute of limitations? Jeanne McShane felt that this is a complicated issue, but that they have to remain consistent with the Secretary's list. Under the new R-GAP legislation, she said, there is an opportunity to make some waivers based on non-safety issues.

Becky Smith began her portion of the presentation: an update on CA's efforts to inform and educate employees in the field on performance based contracting. She was frank and admitted that most employees claimed to not know anything about it. She says that she is making sure that regional administrators are in the loop; that conference calls are taking place; and that there is a feedback loop and formalized protocols to handle questions. There was a question about

whether CA is delineating between the lead agency model and performance based contracting. This question marked the end of this presentation.

The committee took a brief break before moving on to the next presentation.

Advisory Committee on Financial Issues Update

Carole Holland presented the update from the Advisory Committee on Financial Issues. Before she began, she mentioned that the other co-chair to the advisory committee, Sharon Osborne, was en-route to London and could not participate in the presentation. She discussed FY10 finances, the current budget situation, and some of the next steps for the advisory committee. She talked extensively about the process the state is going through to determine where to make cuts in the budget. She outlined the steps the governor must do to implement “across-the-board” reductions. Representative Walsh asked if DSHS could exercise discretion for how to implement across-the-board to cuts to its own programs. Carole Holland made explicit that “there is no budget that will not get hurt.”

Funding and Payment Model Update

The last presentation of the day was an update by Rich Pannkuk, Finance Director for the Children’s Administration, regarding recent developments in finance planning for the conversion to performance based contracting. He commented on the governor’s six percent across-the-board reduction and that it equates to roughly a \$19M General Fund cut and comparable federal reductions. The total reduction to the CA budget will amount to approximately \$40M.

When he began his presentation, he stated that he wanted to address the two most frequently asked questions: (1) how much money is going to be dedicated toward Master Contractors for services for children and families; and (2) what is the specific payment model CA has chosen. As he began the update, he noted that he was using a presentation used earlier for the provider presentations in August. He said that CA’s total budget is \$567M for SFY 2011. He broke each budget unit down by the portion CA would retain under Part I of 2106 and the portion that would be allocated for services to be provided by Master Contractors. At the beginning of the presentation, he claimed that there would be approximately \$134M for master contractors. During his presentation, he said that there were some modifications made to this figure: CPS child care funding (\$5.7M) would now be provided through master contractors; CA would retain \$2.6M for CRCs, \$2.1M Secure CRCs, and \$1.1 Million for HOPE beds; Foster Care Employment Foster Care would now be provided through Master Contracts. After re-tallying the revisions, the total amount of dollars dedicated to master contractors came to \$156M.

Rich Pannkuk talked next about payment models. He is working with a consultant and they have determined that the best course of action is to use a “prospective simulation” payment model. He said that they are working on a 2-year model with characteristics that will change from year-one to year-two. In the first year, CA will use a case rate with no incentives or penalties, a risk-corridor, a flexible administrative rate and will offer start-up costs for the first 90 days. In year-two, there will still be a case rate, but they will begin to incorporate incentives and penalties and will not be using a risk-corridor. Using a risk corridor, there is an accepted annual expenditure per contractor, but if costs exceed that expenditure, then CA will share in the cost-overrun.

- There was a question whether CA has determined an administrative rate cap. Rich Pannkuk said that it is common to use a ten percent rate cap.
- There was another question asking if there was a rationale for doing away with the risk corridor in year two. Nancy Foll commented that the federal and state interpretations on

“indirect costs” are quite different. Rich Pannkuk agreed to revise the presentation and make it available online. He also agreed to take email questions from providers and committee members.

Public Comment

After this last presentation, Judge Wickham opened up the floor to public comment. There were no comments.

Recap and Wrap-up

Asst. Secretary Revels Robinson made a few closing comments.

Judge Wickham announced that the September CWTDC meeting will be his last but that he already has a replacement: Judge Frederick (Fritz) Hayes. He made a few closing comments and adjourned the meeting.

Julie Dunnington updated the committee on the next three, full-day, CWTDC meetings.

1. Fri, October 22, at the University of Washington – Tacoma campus
2. Mon, November 15 at the Doubletree Hotel in SeaTac
3. Tue, December 14 at the University of Washington – Tacoma campus