

# HOUSE BILL REPORT

## ESHB 1774

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### As Amended by the Senate

**Title:** An act relating to measuring performance of the child welfare system.

**Brief Description:** Measuring performance of the child welfare system.

**Sponsors:** House Committee on Early Learning & Human Services (originally sponsored by Representatives Freeman, Goodman, Haler, Roberts, Farrell, Kagi, Stanford, Stonier, Bergquist, Ryu, O'Ban, Morrell, Fey, Pollet and Santos).

**Brief History:**

**Committee Activity:**

Early Learning & Human Services: 2/19/13, 2/21/13 [DPS];

Appropriations Subcommittee on Health & Human Services: 2/25/13 [DPS(ELHS)].

**Floor Activity:**

Passed House: 3/11/13, 95-3.

Senate Amended.

Passed Senate: 4/15/13, 48-0.

**Brief Summary of Engrossed Substitute Bill**

- Requires the University of Washington, through Partners for Our Children, to develop measurements for the indicators of safety, permanency, and well-being in the child welfare system, using data provided by the Department of Social and Health Services and other state agencies.

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### HOUSE COMMITTEE ON EARLY LEARNING & HUMAN SERVICES

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Freeman, Vice Chair; Walsh, Ranking Minority Member; Scott, Assistant Ranking Minority Member; Farrell, Goodman, MacEwen, Overstreet, Roberts, Sawyer and Zeiger.

**Staff:** Linda Merelle (786-7092).

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### HOUSE COMMITTEE ON APPROPRIATIONS SUBCOMMITTEE ON HEALTH & HUMAN SERVICES

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Majority Report:** The substitute bill by Committee on Early Learning & Human Services be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Morrell, Chair; Harris, Ranking Minority Member; Cody, Green, Jinkins, Kagi, Ormsby, Ross and Schmick.

**Staff:** Mary Mulholland (786-7391).

**Background:**

In 1998 a lawsuit was filed against the Department of Social and Health Services (DSHS) on behalf of foster children who had experienced harmful conditions during their time in foster care caused by placements in multiple foster homes and insufficient services. A settlement agreement between the parties resulted in 2004, and within it, the DSHS agreed to make reforms in six key areas: placement stability; mental health; foster parent training; unsafe or inappropriate placements; sibling separation; and adolescent services. The settlement also established the Braam Oversight Panel (Oversight Panel), consisting of five independent members who were to create an implementation plan to improve outcomes in these areas and to oversee the DSHS's progress in making reforms.

The Oversight Panel issued a report for the first half of 2012 which indicated that the DSHS had made significant progress in improving many aspects of the state's foster care system. In October 2011 the parties entered into a revised settlement agreement and the DSHS acknowledged that some outcomes had not been met. The revised agreement extended the Oversight Panel's operations only until December 31, 2012.

Partners for Our Children (POC), founded in 2007, is a collaboration between the DSHS, the University of Washington School of Social Work, and private sector funding.

Performance-Based Contracts.

*Procurement.*

In 2012 the Legislature added a new chapter to the Revised Code of Washington regarding performance-based contracts. Under the provisions of that chapter, the DSHS was required to enter into performance-based contracts for family support and related services no later than December 1, 2013. Except where mutually agreed by the DSHS and the network administrator for a successful transition of services, as of December 1, 2013, the DSHS was prohibited from renewing its current contracts with individuals or entities for child welfare services where those services were included in performance-based contracts in areas served by network administrators.

The DSHS was required to issue Requests for Proposals (RFPs) for performance-based contracts no later than December 31, 2012, and to notify the successful bidders by June 30, 2013.

*Demonstration Sites.*

In 2009 the Legislature required the DSHS to set up two demonstration sites to compare child welfare care management by private agencies with child welfare case management by employees of the DSHS. The implementation dates for these demonstration sites have been periodically extended. In 2012 the Legislature extended the implementation date to December 30, 2015.

#### Child Welfare Transformation Design Committee.

The Child Welfare Transformation Design Committee (TDC) was established in 2009 and was charged with selecting the two demonstration sites to be used for the comparison of the delivery of child welfare services. The TDC was also required to develop performance outcomes to be included in performance-based contracts. Initially, the TDC was required to report to the Governor and the Legislative Children's Oversight Committee on a quarterly basis. From June 2012 until December 2015, the TDC was only required to report twice per year.

The Legislative Children's Oversight Committee was established in 1996 to monitor and ensure compliance with administrative acts, statutes, rules, and policies pertaining to services for families and children and the placement, supervision, and treatment of children in the state's care.

#### **Summary of Engrossed Substitute Bill:**

##### Child Welfare Measurements.

The University of Washington (UW), through the POC, and the DSHS, in collaboration with other stakeholders, must develop measurements for the indicators of safety, permanency, and well-being in the child welfare system. The measurements must be developed using existing and available data from state agencies, which are defined as any agency or subagency providing data used in the integrated client database maintained by the Research and Data Analysis Division.

The measurements must not require state agencies to provide individually identifiable information. The measurements must use a methodology accepted by the scientific community, and wherever possible must address any disproportionate racial and ethnic inequality. The measurements must be developed by December 1, 2013.

By January 1, 2014, the state agencies must execute agreements with the POC regarding data sharing to comply with this act. The state agencies must provide the UW with all measurement data at least quarterly, beginning July 1, 2014. The POC must make the nonidentifiable data publicly available. The POC must report to the Legislature and the Governor annually, starting December 31, 2014.

Under this act, specific measures, baselines, or comparisons of measures to a baseline are not admissible as evidence of negligence by the DSHS in civil action.

##### Performance-Based Contracts.

The time by which the DSHS must enter into performance-based contracts for family support and related services is extended until December 2014. The time by which the DSHS must issue the RFPs is extended until December 31, 2013. The DSHS must begin implementation of performance-based contracting by July 1, 2014, and must fully implement performance-based contracting by July 1, 2015.

The provision which prohibits the DSHS from renewing its current contracts for child welfare services, where those services are included in performance-based contracts in areas served by network administrators, has been removed.

#### Demonstration Sites.

The date by which the child welfare demonstration sites must be implemented is extended until December 30, 2016.

#### Child Welfare Transformation Design Committee.

The provisions setting forth the duties of the TDC are suspended until December 1, 2015.

#### **EFFECT OF SENATE AMENDMENT(S):**

##### The Senate amendment:

- Removes the specific name of the entity directed to develop measurements and replaces it with a “university-based child welfare research entity.”
- Changes the deadline by which the Department of Social and Health Services must enter into performance-based contracts for family support and related services to July 1, 2014, instead of December 1, 2014.

**Appropriation:** None.

**Fiscal Note:** Preliminary fiscal note available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

#### **Staff Summary of Public Testimony** (Early Learning & Human Services):

(In support) The professionals in the system never know the impact on the system. There are no indicators that allow professionals in the system to know how well they are doing and how well children are being treated in the child welfare system. The bill supports the goal of the POC to increase transparency and make information available to the public. The POC has significant private investment that would allow it to make the information available to the public in a very short period of time. No identifiable data will be made public. The provisions of this bill will allow an examination of whether best practices and alternative responses are effective in providing outcomes.

(In support with amendment(s)) The Office of the Attorney General is still concerned with the liability regarding public availability of the data.

(Opposed) None.

**Staff Summary of Public Testimony** (Appropriations Subcommittee on Health & Human Services):

(In support) The bill allows the state to see how well the child welfare system is doing and what services are necessary to achieve permanency. Private funders have made an incredible investment in data collection and reporting so far, and the Partners for Our Children (POC) would be very surprised if this investment does not continue. The hope and goal of the POC is to use the data to drive discussions and decisions over how to invest in the child welfare system in a way that will produce positive outcomes.

(Opposed) None.

**Persons Testifying** (Early Learning & Human Services): (In support) Representative Freeman, prime sponsor; Ben de Haan, Partners for Our Children; Jeanine Livingston, Washington Federation of State Employees; and Grace Huang, Washington State Coalition Against Domestic Violence.

(In support with amendment(s)) Jennifer Strus, Department of Social and Health Services, Children's Administration.

**Persons Testifying** (Appropriations Subcommittee on Health & Human Services): Representative Freeman, prime sponsor; and Laurie Lippold, Partners for our Children.

**Persons Signed In To Testify But Not Testifying** (Early Learning & Human Services): None.

**Persons Signed In To Testify But Not Testifying** (Appropriations Subcommittee on Health & Human Services): None.