

SENATE BILL REPORT

ESHB 1774

As Reported by Senate Committee On:
Human Services & Corrections, April 1, 2013

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

Committee Activity: Human Services & Corrections: 3/28/13, 4/01/13 [DPA].

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: Do pass as amended.

Signed by Senators Pearson, Vice Chair; Darneille, Ranking Member; Harper and Padden.

Staff: Joan Miller (786-7784)

Background: Child Welfare Measurements. In 1998, a lawsuit was filed against Washington State and the Department of Social and Health Services (DSHS) on behalf of 13 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, 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 (Panel), consisting of five independent members who were to create an implementation plan to improve outcomes in these areas and to oversee DSHS's progress in making reforms.

The Panel's monitoring report for the first half of 2012 shows that DSHS made significant progress in improving many aspects of the state's foster care system, but there are still benchmarks that have not been met, including the rate of sibling visitation, social worker caseloads, caregiver training, and educational needs of children.

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.

In October 2011, the parties entered into a revised settlement agreement that acknowledged DSHS's progress but also recognized that many key outcomes had not been met. The revised agreement extended the Panel's oversight operations only until December 31, 2012.

Performance-Based Contracts. In 2012, the Legislature added a new chapter to the Revised Code of Washington regarding performance-based contracts under which DSHS was required to enter into performance-based contracts for family support and related services no later than December 1, 2013. Beginning on December 1, 2013, DSHS is prohibited from renewing its current contracts with individuals or entities for child welfare services included in performance-based contracts for areas served by network administrators, unless DSHS and the network administrator mutually agree to do so to allow for the successful transition of services. DSHS was required to issue Requests for Proposals (RFPs) for performance-based contracts no later than December 31, 2012 and must notify the successful bidders by June 30, 2013.

Demonstration Sites. In 2009, the Legislature required DSHS to set up two demonstration sites to compare child welfare case management by private agencies with child welfare case management by employees of DSHS. The Child Welfare Transformation Design Committee (TDC) was established and charged with selecting the two demonstration sites to be used for the comparison. TDC was also required to develop performance outcomes to be included in performance-based contracts. Initially, 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, TDC must report twice per year. The implementation dates for these demonstration sites have been periodically extended. In 2012, the Legislature extended the implementation date to December 30, 2015.

Summary of Bill (Recommended Amendments): Child Welfare Measurements. The goals of safety, permanency, and well-being of children should be measured so that the public and the Legislature understand how the child welfare system is performing.

In collaboration with other stakeholders, a university-based child welfare research entity and DSHS must develop measurements in the areas of safety, permanency, and well-being using existing and available data. Measurements must be calculated from data used in the routine work of the state agencies' data and information technology departments. Data must be shared subject to applicable federal and state law, but the measurements may not require state agencies to provide individually identifiable information. The measurements must use a methodology accepted by the scientific community and, whenever possible, must address any disproportionate racial and ethnic inequality. The initial measurements must be developed by December 1, 2013.

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

The research entity's choice to use a specific measurement or baseline or to compare any measure to a baseline is not admissible as evidence of negligence by DSHS.

Performance-Based Contracts. The time by which DSHS must enter into performance-based contracts for family support and related services is extended to July 1, 2014. The time by which DSHS must issue RFPs is extended to December 31, 2013. 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 that prohibits DSHS from renewing its current contracts for child welfare services, when 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 to December 30, 2016. The provisions setting forth the duties of TDC are suspended until December 1, 2015.

EFFECT OF CHANGES MADE BY HUMAN SERVICES & CORRECTIONS COMMITTEE (Recommended Amendments): New language mandates that DSHS and a university-based child welfare research entity develop child welfare measurements rather than specifically codifying the University of Washington (UW) and Partners for Our Children (POC). The date by which DSHS must enter into performance-based contracts is amended to July 1, 2014, and the title is amended to include the performance-based contracting and demonstration site sections that were adopted on the House floor.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony Engrossed Substitute House Bill: PRO: Many parties work together within the child welfare system to try to deliver services to parents so that reunification can occur. We all work diligently and compassionately, but at the end of the day, we need to know how well we did and whether the system could have achieved permanency sooner. We are hoping that by partnering with UW and POC, we will develop some standards and measurements that will tell the child welfare system how well it is performing. Right now, we just do not know. This bill focuses on the development of measures that will give us a better understanding of how children and families in the child welfare system are doing. Many of the current measures and indicators that the federal government requires do not address the outcomes; rather, they are often process measures. What we really want to know is whether children are safe and achieving permanency, and how well they are doing. This bill would be a good collaboration between DSHS and stakeholders to answer these questions. The Washington Federation of State Employees (WFSE) offers its full support. This bill reflects a remarkable collaboration between DSHS, POC, and other stakeholders. We are greatly encouraged by the direction the new administration is taking. We have high confidence in the direction and steps that this bill takes in guiding not just DSHS and the Legislature but also the nation as a whole in developing better child welfare practices. We have a unique opportunity with POC to have a nationally recognized research entity in Washington.

OTHER: The amendment language included in this bill extends the implementation date of performance-based contracting and the timeframe for the case management demonstration sites. These amendments are very important to DSHS because it had to rescind its RFP due to limited interest from the private sector. The additional time will allow DSHS to set up meetings with contractors and others from around the state to better develop an RFP.

Persons Testifying: PRO: Representative Freeman, prime sponsor; Laurie Lippold, POC; Jeanine Livingston, WFSE.

OTHER: Randy Hart, DSHS Children's Administration.