

HOUSE BILL REPORT

SB 6407

As Reported by House Committee On:
Early Learning & Human Services
Appropriations

Title: An act relating to private case management of child welfare services.

Brief Description: Concerning private case management of child welfare services.

Sponsors: Senator Darneille; by request of Department of Social and Health Services.

Brief History:

Committee Activity:

Early Learning & Human Services: 2/16/18, 2/20/18 [DPA];
Appropriations: 2/24/18, 2/26/18 [DPA(APP w/o ELHS)].

**Brief Summary of Bill
(As Amended by Committee)**

- Eliminates the requirement that child welfare services be provided by supervising agencies such as private nonprofit entities starting on December 30, 2019.
- Requires that the Department of Children, Youth, and Families (DCYF) issue a request for proposal by September 30, 2018, to expand network administrator coverage on the east side of the Cascade Mountains by January 30, 2019, if a qualified organization responds.
- Requires that the DCYF submit a recommendation by September 1, 2020, regarding further expansion of network administrator coverage to additional regions of the state.
- Makes other changes to network administrator requirements.

HOUSE COMMITTEE ON EARLY LEARNING & HUMAN SERVICES

Majority Report: Do pass as amended. Signed by 13 members: Representatives Kagi, Chair; Senn, Vice Chair; Dent, Ranking Minority Member; McCaslin, Assistant Ranking Minority Member; Eslick, Frame, Goodman, Griffey, Kilduff, Klippert, Lovick, Muri and Ortiz-Self.

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.

Staff: Luke Wickham (786-7146).

Background:

Supervising Agencies Performing Child Welfare Services.

Child welfare services must be provided in certain demonstration sites by supervising agencies that the Department of Children, Youth, and Families (DCYF) has entered into performance-based contracts by December 30, 2019. Supervising agencies are defined as agencies licensed to care for children on a 24-hour basis that have entered into performance-based contracts with the DCYF to provide child welfare services.

In these demonstration sites, the DCYF is only responsible for:

- monitoring the quality of services for which the DCYF contracts;
- ensuring the services are provided in accordance with state and federal law;
- providing child protection functions including intake and investigation of allegations of child abuse or neglect, emergency shelter care functions, and referrals to appropriate providers; and
- issuing licenses for foster homes.

In the demonstration sites, the DCYF may provide child welfare services only:

- for the limited purpose of establishing a control group, with input from the Washington State Institute for Public Policy (WSIPP), for research comparison purposes; or
- in an emergency or as a provider of last resort.

The demonstration sites for providing child welfare services through supervising agencies were identified by the Child Welfare Transformation Design Committee (CWTDC). The CWTDC included representatives from the Children's Administration of the Department of Social and Health Services (DSHS), other state agencies, private agencies, stakeholders, the Indian Policy Advisory Committee, and superior court judges. The CWTDC first met in 2009 and selected two demonstration sites in 2011. The Western Washington demonstration sites selected were in Everett, Lynnwood, Sky Valley, Smokey Point, and two offices in Seattle. The Eastern Washington demonstration sites selected were in Clarkston, Colfax, Moses Lake, and Spokane.

Children whose cases are managed by a supervising agency remain under the care and placement authority of the state.

The DCYF must give primary preference for performance-based contracts to private nonprofit entities, including federally recognized Indian tribes located in the state.

The WSIPP must provide a report to the Governor and the Legislature regarding the outcomes of the supervising agencies by April 1, 2023. No later than June 1, 2023, the Governor must determine whether to expand the demonstration sites to the rest of the state or terminate them based on the WSIPP report.

Network Administrators.

A network administrator is an entity that contracts with the DSHS and, after July 1, 2018, the DCYF to provide family and support services to children and families in the child welfare service system through its provider network.

Network administrators must assist caseworkers in meeting their responsibility for implementation of case plans and provide the family support services within the categories of contracted services that are included in a child or family's case plan.

The Family Impact Network (FIN) was selected as a network administrator serving eight counties in Eastern Washington including Spokane, Whitman, Stevens, Grant, Adams, Lincoln, Pend Oreille, and Ferry. The FIN began administering contracts for child welfare parent-child visitation in 2015 and has expanded to administer other family support services since then.

Summary of Amended Bill:

Supervising Agencies Performing Child Welfare Services.

The requirement that child welfare services be provided by supervising agencies such as private nonprofit entities in demonstration sites beginning December 30, 2019, is eliminated. The WSIPP report on the outcomes related to supervising agencies is eliminated. The requirement that the Governor determine whether to expand the demonstration sites is also eliminated.

References to supervising agencies are removed from statute.

Network Administrators.

The DCYF must conduct one or more procurement processes to expand the geographic coverage of network administrators for family support and related services. A procurement process that encompasses all areas of the state must be concluded as soon as possible, but not later than July 1, 2021. The requests for proposal for expanded additional network administrator coverage must be issued by December 30, 2018, to expand the coverage area of the existing network administrator or expand the number of network administrators so that there is network administrator coverage on the west and east sides of the crest of the Cascade mountain range. Expanded implementation of network administrators must begin no later than March 30, 2019, if a qualified organization responds to the procurement process, and the expansion of network administrators must be fully implemented by July 1, 2021, if a qualified organization responds to the procurement process.

The requirement that the DCYF actively consult with other state agencies with relevant expertise and with philanthropic entities in conducting the procurement of network administrators is removed. The requirement that the Director of the Office of Financial Management (OFM) approve the network administrator request for proposal is removed.

Each network administrator is required to: (a) manage the entire family support and related service array within the geographic boundaries of a given network; and (b) have the authority

to redistribute funding within the network based on provider performance and to add services as funding is available.

The DCYF:

- is required to: (a) share all relevant data with the network administrators; and (b) make all performance data available to the public;
- must not require existing network administrators to reapply to provide network administrator services in the coverage area of the existing network administrator on the effective date of the bill;
- is required to annually submit to the Oversight Board for the DCYF (Oversight Board) and the appropriate committees of the Legislature a report detailing the status of the network administrator procurement and implementation process; and
- is required to consider the value of the existing data platform for child welfare services and not assume future costs in developing the existing child welfare data platform in determining the cost estimate for expanded network administrator implementation.

Amended Bill Compared to Original Bill:

The amended bill requires the DCYF to conduct one or more procurement processes to expand the geographic coverage of network administrators for family support and related services. A procurement process that encompasses all areas of the state must be concluded as soon as possible, but not later than July 1, 2021. The requests for proposal for expanded additional network administrator coverage must be issued by December 30, 2018, to expand the coverage area of the existing network administrator or expand the number of network administrators so that there is network administrator coverage on the west and east sides of the crest of the Cascade mountain range. Expanded implementation of network administrators must begin no later than March 30, 2019, if a qualified organization responds to the procurement process, and the expansion of network administrators must be fully implemented by July 1, 2021, if a qualified organization responds to the procurement process.

The amended bill removes the requirement that the DCYF actively consult with other state agencies with relevant expertise and with philanthropic entities in conducting the procurement of network administrators. The requirement that the Director of the OFM approve the network administrator request for proposal is removed.

Each network administrator is required to: (a) manage the entire family support and related service array within the geographic boundaries of a given network; and (b) have the authority to redistribute funding within the network based on provider performance and to add services as funding is available.

The DCYF:

- is required to: (a) share all relevant data with the network administrators; and (b) make all performance data available to the public;
- must not require existing network administrators to reapply to provide network administrator services in the coverage area of the existing network administrator on the effective date of the bill;

- is required to annually submit to the Oversight Board and the appropriate committees of the Legislature a report detailing the status of the network administrator procurement and implementation process; and
- is required to consider the value of the existing data platform for child welfare services and not assume future costs in developing the existing child welfare data platform in determining the cost estimate for expanded network administrator implementation.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed, except sections 3, 8, 13, 20, 33, 36, and 66, relating to statutes that will be modified following the assumption of child welfare duties by the DCYF, which take effect July 1, 2018.

Staff Summary of Public Testimony:

(In support) Since the law went into effect in 2009 requiring the use of supervising agencies, there have been major changes made to the child welfare system, paramount among them the creation of the DCYF.

The supervising agency demonstration site requirement has been delayed many times and is no longer necessary.

It would be helpful to get rid of the demonstration sites which have been hanging over the heads of social workers for many years. Implementing demonstration sites would cost approximately \$1.9 million.

(Opposed) None.

Persons Testifying: Senator Darneille, prime sponsor; Laurie Lippold, Partners for Our Children; and David Del Villar Fox, Department of Social and Health Services.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on Appropriations and without amendment by Committee on Early Learning & Human Services. Signed by 33 members: Representatives Ormsby, Chair; Robinson, Vice Chair; Chandler, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Stokesbary, Assistant Ranking Minority Member; Bergquist, Buys, Caldier, Cody, Condotta, Fitzgibbon, Graves, Haler, Hansen, Harris, Hudgins, Jinkins, Kagi, Lytton, Manweller, Pettigrew, Pollet, Sawyer, Schmick, Senn, Springer, Stanford, Sullivan, Taylor, Tharinger, Vick, Volz and Wilcox.

Staff: Mary Mulholland (786-7391).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Early Learning & Human Services:

The stated goal of the Legislature is to expand the coverage area of network administrators to encompass the entire state. The requirement that a procurement process for network administrators that encompasses all areas of the state be concluded by July 1, 2021, is removed.

The expansion of the network administrator coverage area is modified to limit the expansion to the east side of the Cascade Mountains. A request for proposal for this expansion must be issued by September 30, 2018, rather than December 30, 2018, and expanded implementation must begin by January 30, 2019, rather than March 30, 2019, if a qualified organization responds.

The Department of Children, Youth, and Families (DCYF) must submit a recommendation to the Oversight Board and the appropriate committees of the Legislature by September 1, 2020, regarding the timeframe for expansion of network administrator coverage to additional regions of the state beyond the east side of the Cascade Mountains.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed, except sections 3, 8, 13, 20, 33, 36, and 66, relating to statutes that will be modified following the assumption of child welfare duties by the DCYF, which take effect July 1, 2018.

Staff Summary of Public Testimony:

(In support) The deadlines for two demonstration sites in current statute have been delayed for many years. Many of the original reasons for the demonstration sites are now folded into the creation of the DCYF. It is time to focus on the quality implementation of the DCYF. The expansion of network administrator coverage promises to achieve great outcomes.

(Opposed) None.

Persons Testifying: Laurie Lippold, Partners for Our Children.

Persons Signed In To Testify But Not Testifying: None.