

## **OUT-OF-HOME CARE REFORM - INPUT AND NEXT STEPS**

**November 6, 2008**

### **BACKGROUND**

On July 1, 2008, the Department of Health and Human Services, Division of Children and Family Services, (CFS) began the process of improving the manner in which services for child welfare clients are purchased by the State of Nebraska. On that day, contracts were implemented with 5 lead agencies for the provision of In-Home and Safety Services to clients. Under this new arrangement, the number of contractors directly responsible for providing these services dropped from over 100 to 5, the contracts contained incentives to encourage exceptional performance, and contractor performance was tied directly to outcomes shown to help provide safety, permanency and well-being for children.

On September 5, 2008, CFS announced the next step in its ongoing efforts to improve services to children and their families. A very high level plan was released to the public outlining the intention of CFS to expand the lead agency, performance-based approach to contracting to include all non-treatment care in child welfare cases and to require lead agencies responsible for that care to also provide limited coordination of the services provided to child welfare clients. This step forward is a departure from the past relationships between CFS and its contractors, so the Division also asked for feedback from any interested members of the public about the plan.

To gather information and suggestions, CFS publicized an email address to receive comments electronically and scheduled fourteen public forums at ten different locations around the state as well as meetings with CFS staff. The Director of the Division of Children and Family Services, Todd Landry, first wants to thank members of the public, providers, staff, and others who provided input. A great deal of information has been received, reviewed, and considered, and has proven to be very helpful as CFS moves forward with the reform of child welfare and juvenile services.

### **INPUT AND RESPONSE**

Feedback about the CFS plan for contracting non-treatment care focused primarily on timeframes, role definition, financial considerations, contract considerations, and an overarching theme of ensuring that this plan fit the unique characteristics of Nebraska. The result has been that CFS has made some changes in its plan.

Timeframe: The original CFS plan anticipated full implementation of the non-treatment care contracts on July 1, 2009. The overwhelming feedback provided regarding the timeframe was to express concern about whether the process of selecting providers, negotiating contracts, training CFS and provider staff, and transitioning cases could be done effectively within the time allowed. One of the primary goals of CFS is to implement these contracts without disrupting the children and families we serve. Keeping that goal in mind, the concerns raised about the proposed timeframe have caused CFS to expand the timeline for contract implementation from the proposed date of July 1, 2009 to the new full implementation date of January 1, 2010.

Clarification of Roles: The need to clarify the proposed roles of CFS staff and contractor staff related to the limited service coordination expectation was also the subject of a significant portion of the feedback received by CFS. The need to be very clear with potential contractors about CFS expectations under this plan for coordinating services and clear about those roles in relationship

to the juvenile court system is critical to an effective contractor selection process and successful implementation of the reform. As a result, CFS is in the process of providing additional details about those roles so we can further define the distinctions proposed between CFS and contractor staff. CFS will now release a more detailed version of its plan on November 25, 2008.

Financing: Feedback provided to CFS about the financial considerations of the plan and other contract considerations has been considered and have led to the determination that the process of selecting contractors and negotiating the contracts should be different than processes used by CFS in the past. CFS now intends to employ a modified contractor qualifying process to select potential contractors followed by a direct negotiation process to make final decisions about the contractors to be selected and the details of the contracts to be entered into with each contractor. This will also provide an opportunity for potential contractors to receive detailed information regarding the financial implications of agreeing to enter into this relationship with CFS.

Nebraska Specific: Finally, CFS is in full agreement that reform of non-treatment care provided to child welfare clients in Nebraska must be specifically tailored to fit the State of Nebraska. The model ultimately adopted by the Department will draw on the strengths of what has been done elsewhere, learn from what has not worked as well, and recognize that the success of any system requires focus, commitment, and strong oversight. The Nebraska plan will meet the unique needs of our state.

## **NEXT STEPS**

November 25, 2008: The modified timeline for this reform project begins on November 25, 2008, when CFS will release a final, detailed version of its reform plan. This reform will combine all in-home, safety, and out-of-home non-treatment needs of child welfare clients into one system of care, including assistance from contractors with coordination of services to clients and recommendations for critical case decisions. Certain aspects of that plan will be decided by CFS and will not be negotiable but some items will be left open for negotiation either entirely or among limited options.

November 30, 2008 – January 15, 2009: Next, on November 30, 2008, CFS intends to release a Request for Qualifications (RFQ) with the response due on January 15, 2009. Those responses will be reviewed by CFS, which will issue RFQ awards on January 31, 2009. Then, on January 31, 2009, CFS will ask the selected qualified, interested bidders to provide a detailed plan for providing the non-treatment services and service coordination needed to meet the outcomes identified by CFS for its clients. This “Statement of Business Requirements” along with CFS’ plan will form the basis for contract negotiations, which will take place from February 1, 2009 to April 30, 2009. On May 1, 2009, CFS will enter into long-term contract arrangements with selected providers.

May 1 – September 30, 2009: Between May 1 and September 30, 2009, CFS and selected contractors will work together to train staff, create transition plans, and prepare to implement the contracts.

October 1, 2009 – Jan 1, 2010: Implementation will begin on October 1, 2009, and will be fully realized no later than January 1, 2010.

Thanks once again to all who have provided suggestions and feedback about this CFS plan. Your input has been invaluable and has improved this process for the benefit of the child welfare clients of Nebraska. The revised timeline for this reform effort accompanies this announcement.