

December 2, 2010

Ms. April Cathcart
Director
Empowering, Inc. Services
PO Box 8318
Spokane, WA 99203

Dear Ms. Cathcart,

As Co-Chairs of the Transformation Design Committee, we would like to take this opportunity to respond to your letter dated November 8, 2010 and provide background and clarification on several of the points you have made.

First, we would like to provide a brief background on the implementation of the two main components of the law enacted by the Legislature in 2009 (HB2106) and amended in 2010, as it has been presented to the Transformation Design Committee (TDC). The TDC was created to provide consultation and input for:

Part 1: Conversion to Performance-Based Contracting

- Current contracts used by the DSHS Children's Administration (CA) to purchase services for children and families engaged in our child welfare system will be converted to performance-based contracts designed to focus on targeted outcomes relating to child safety, permanency, and well-being.
- The total number of contracts that CA manages and monitors will be reduced.
- New contracts must be executed by July 1, 2011, followed by an appropriate period for transitioning to the new model of contracting and building capacity in areas where needed services are now scarce or inaccessible.

Part 2: Selection of Two Demonstration Sites

- Case management duties will be added to the performance-based contracts in two locations, one on the east side and one on the west side of the state, beginning in December 2012. Sites will be selected jointly by CA and the multidisciplinary committee established by 2SHB 2106, the Child Welfare Transformation Design Committee (TDC).
- The Washington State Institute for Public Policy (WSIPP) will evaluate whether and to what extent child and family outcomes are improved through a contracted case management approach as compared to the current model of case management done exclusively by state caseworkers.
- Based on the WSIPP's evaluation, the Governor will determine, by June 2015, whether to terminate or expand the demonstration sites.

During Part 1 of 2SHB2106, CA maintains responsibility for case management. Private agencies will be providing services. During Part 2, private agencies will also be taking on case management in two demonstration sites, one on the western side of the state and one on the eastern side of the state.

The law leaves to the agency (DSHS) the development of the particular contracting model. The Master Contactor model is intended to allow for the economies of scale needed to assure a single contractor has responsibility for coordinating the full array of services in the region and that those services will be available and accessible throughout the region (something that does not happen today).

This approach is consistent with and fulfills the requirements of HB 2106. It also is consistent with the overall goal of assuring children and families have access to appropriate and relevant services regardless of their geographic location so that children can remain safely in their own home whenever possible, and that children have permanency in a more timely manner when out-of-home care is needed.

While it is true that Master Contractors will be responsible for making all required services and supports available throughout each region, it is understood that they will be subcontracting many of those services. CA has updated the TDC at each meeting and asked for input throughout the last year's planning process. They have continually taken comments and input into consideration throughout the process. CA has also convened multiple meetings in each region and met with providers on an ongoing basis to obtain input and respond to questions.

DSHS has stated that it expects to award one Master Contract per region, but it reserves the right to award more than one contract per region if it is in the best interest of the State, CA, and children and families to do so. In that event, clearly defined geographic boundaries for each MC in the region will be determined during contract negotiation.

Below, you will find specific action items that you propose with responses on steps that either have already been taken or will be taken:

- Uphold CA's promise to accept and include the input of providers on the RFP.

Thus far, CA has accepted and used input from providers in the RFP design process. CA has made it clear that they will be sending out the draft RFP and will consider any and all comments provided. The draft RFP was released on Monday, November 22.

- Require a fair process for selection of the RFP selection committee members.

CA asked TDC members at the June 2010 meeting for input on: (1) who should score the RFP and (2) what qualifications people scoring the RFP should have. TDC members broke into work groups that reported back to the committee as a whole. This information was taken back to the planning team within CA. The TDC agreed with CA that scorers should be an independent group outside with limited representation from CA, and they shouldn't have a real or perceived conflict of interest. CA has also asked TDC members and members of the public to send any recommendations of specific people/names to them for consideration. They will be asking for additional names when they send the draft RFP out to all providers.

- Require CA to direct funding to providers, who are necessary to maintain fragile care networks during ongoing and severe budget cuts.

We agree that budget cuts severely impact the children, youth and families that we serve. CA

continues to have to make very difficult and challenging decisions. They always strive to make these decisions in a manner that protects the most vulnerable children, always keeping children's safety as a top priority. Another priority is to continue to find ways to maximize federal, foundation, and philanthropic dollars as much as possible.

- Require CA to build in protections of programs Washington taxpayers already invested millions in (evidence-based programs).

The RFP process will reflect CA's ongoing commitment to support and expand evidence-based practices (EBPs). In the RFP, potential Master Contractors will have to demonstrate not only knowledge of EBPs and promising practices, but articulate how they would use these programs to meet the needs of the children and families they will serve. EBPs and promising practices will receive increased weight during evaluation scoring in response to the RFP.

- Require CA to more clearly define the roles of CA social workers and Master Contract Care Coordinators.

CA has been clear in previous presentations to the TDC that the Master Contractor care coordinators and CA caseworkers must forge and maintain effective working relationships that are grounded in the following partnership principle: CA holding Master Contractors accountable for achieving defined services outcomes for all children, and CA recognizing that Master Contractors must have sufficient flexibility and authority to achieve those results.

The RFP will provide detail to ensure roles and responsibilities are clear. During the Start-up phase, CA will work with the Master Contractors to fully develop the operational manual and procedures relative to roles and responsibilities in each area.

- Extend the timeline to reply to the RFP because providers still have no concrete fiscal information from CA to develop sustainable plans.

A data book was provided to potential Master Contractors in September. Additional data will be provided in the draft RFP and final RFP. The timeline for responding to the RFP is consistent with many other state and federal RFP processes. Once providers receive the draft RFP, they can begin developing their responses if they haven't already begun to do so. There may be slight modifications, but many things will not change.

- Require CA to formally and adequately educate internal staff and communities about the process.

CA has spent a great deal of time meeting with various stakeholders throughout the planning process. Multiple meetings have been held throughout the state sharing information and gathering perspectives/insights. These meetings have included foster parents, tribal representatives, providers, judges, etc. All TDC meetings are publicized and open to the public. There is always time allotted at each TDC meeting for public comment. This process of education will be ongoing through the entire implementation of performance-based contracting. Joint training will also be made available to social workers and Master Contractors to ensure that everyone understands the values and principles important to the partnership that is being developed.

CA will continue to educate internal staff and external partners. Substantial progress has been made in this area using in-person meetings, email, and website updates. All minutes from TDC and advisory subcommittees are posted on the www.joinhandsforchildren.org website, including presentations from CA.

- Develop an Oversight Committee that follows the entire Phase I and II processes.

There are currently two committees that are providing oversight to the work being done on Part 1 and Part 2 of 2SHB 2106: the TDC and the Children’s Legislative Oversight Committee. As per 2SHB 2106, the Transformation Design Committee will stay in place through 2015. The TDC will continually meet and discuss progress and report to the Governor and the Children’s Legislative Oversight Committee quarterly through June 2012 and semi-annually through January 2015. The Children’s Legislative Oversight Committee also meets quarterly to discuss progress and recommendations from the TDC.

Every member of the TDC understands that this transformation of Washington’s child welfare system is a large undertaking. The TDC, along with the Governor, the legislature, and DSHS have all made a commitment to ensure all stakeholders have a voice in the planning of 2SHB 2106. There are many challenges, but we must continue to work in partnership to ensure, as you state, “the safety and welfare of at-risk children has to remain a top priority.”

Thank you for the opportunity to share our responses and progress. As you will see, most of the issues identified in your letter are being addressed by the TDC.

Sincerely,

Judge Leonard Costello
Co-Chair, Transformation Design Committee

Denise Revels Robinson
Co-Chair, Transformation Design Committee