

E2SHB 2264 - S AMD 193
By Senator Hargrove

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature finds that:

4 (a) The state of Washington and several Indian tribes in the state
5 of Washington assume legal responsibility for abused or neglected
6 children when their parents or caregivers are unable or unwilling to
7 adequately provide for their safety, health, and welfare;

8 (b) Washington state has a strong history of partnership between
9 the department of social and health services and contracted service
10 providers who currently serve children and families in the child
11 welfare system. The department and its contracted service providers
12 have responsibility for providing services to address parenting
13 deficiencies resulting in child maltreatment, and the needs of children
14 impacted by maltreatment;

15 (c) Department caseworkers and contracted service providers each
16 play a critical and complementary role in the child welfare system. A
17 2007 Washington state children's administration workload study found
18 significant gaps in the number of case-carrying social workers relative
19 to the demands of their workload;

20 (d) The current system of contracting for services needed by
21 children and families in the child welfare system is fragmented,
22 inflexible, and lacks incentives for improving outcomes for children
23 and families.

24 (2) The legislature intends:

25 (a) To reform the delivery of certain services to children and
26 families in the child welfare system by creating a flexible,
27 accountable community-based system of care that utilizes
28 performance-based contracting, maximizes the use of evidence-based,
29 research-based, and promising practices, and expands the capacity of

1 community-based agencies to leverage local funding and other resources
2 to benefit children and families served by the department;

3 (b) To achieve improved child safety, child permanency, including
4 reunification, and child well-being outcomes through the collaborative
5 efforts of the department and contracted service providers and the
6 prioritization of these goals in performance-based contracting; and

7 (c) To implement performance-based contracting under this act in a
8 manner that supports and complies with the federal and Washington state
9 Indian child welfare act.

10 NEW SECTION. **Sec. 2.** For purposes of this chapter:

11 (1) "Case management" means convening family meetings, developing,
12 revising, and monitoring implementation of any case plan or individual
13 service and safety plan, coordinating and monitoring services needed by
14 the child and family, caseworker-child visits, family visits, and the
15 assumption of court-related duties, excluding legal representation,
16 including preparing court reports, attending judicial hearings and
17 permanency hearings, and ensuring that the child is progressing toward
18 permanency within state and federal mandates, including the Indian
19 child welfare act.

20 (2) "Child" means:

21 (a) A person less than eighteen years of age; or

22 (b) A person age eighteen to twenty-one years who is eligible to
23 receive the extended foster care services authorized under RCW
24 74.13.031.

25 (3) "Child-placing agency" has the same meaning as in RCW
26 74.15.020.

27 (4) "Child welfare services" means social services including
28 voluntary and in-home services, out-of-home care, case management, and
29 adoption services which strengthen, supplement, or substitute for,
30 parental care and supervision for the purpose of:

31 (a) Preventing or remedying, or assisting in the solution of
32 problems which may result in families in conflict, or the neglect,
33 abuse, exploitation, or criminal behavior of children;

34 (b) Protecting and caring for dependent, abused, or neglected
35 children;

36 (c) Assisting children who are in conflict with their parents, and

1 assisting parents who are in conflict with their children, with
2 services designed to resolve such conflicts;

3 (d) Protecting and promoting the welfare of children, including the
4 strengthening of their own homes where possible, or, where needed;

5 (e) Providing adequate care of children away from their homes in
6 foster family homes or day care or other child care agencies or
7 facilities.

8 (5) "Department" means the department of social and health
9 services.

10 (6) "Evidence-based" means a program or practice that is cost-
11 effective and includes at least two randomized or statistically
12 controlled evaluations that have demonstrated improved outcomes for its
13 intended population.

14 (7) "Network administrator" means an entity that contracts with the
15 department to provide defined services to children and families in the
16 child welfare system through its provider network, as provided in
17 section 3 of this act.

18 (8) "Performance-based contracting" means structuring all aspects
19 of the procurement of services around the purpose of the work to be
20 performed and the desired results with the contract requirements set
21 forth in clear, specific, and objective terms with measurable outcomes
22 and linking payment for services to contractor performance.

23 (9) "Promising practice" means a practice that presents, based upon
24 preliminary information, potential for becoming a research-based or
25 consensus-based practice.

26 (10) "Provider network" means those service providers who contract
27 with a network administrator to provide services to children and
28 families in the geographic area served by the network administrator.

29 (11) "Research-based" means a program or practice that has some
30 research demonstrating effectiveness, but that does not yet meet the
31 standard of evidence-based practices.

32 NEW SECTION. **Sec. 3.** (1) No later than December 1, 2013, the
33 department shall enter into performance-based contracts for the
34 provision of family support and related services. The department may
35 enter into performance-based contracts for additional services, other
36 than case management, in future procurements.

1 (2) Beginning December 1, 2013, the department may not renew its
2 current contracts with individuals or entities for the provision of the
3 child welfare services included in performance-based contracts under
4 this section for services in geographic areas served by network
5 administrators under such contracts, except as mutually agreed upon
6 between the department and the network administrator to allow for the
7 successful transition of services that meet the needs of children and
8 families.

9 (3) The department shall conduct a procurement process to enter
10 into performance-based contracts with one or more network
11 administrators for family support and related services. As part of the
12 procurement process, the department shall consult with department
13 caseworkers, the exclusive bargaining representative for employees of
14 the department, tribal representatives, parents who were formerly
15 involved in the child welfare system, youth currently or previously in
16 foster care, child welfare services researchers, and the Washington
17 state institute for public policy to assist in identifying the array of
18 family support and related services that will be included in the
19 procurement. In identifying services, the department must review
20 current data and research related to the effectiveness of family
21 support and related services, and prioritize those services that are
22 most critical to the mitigation of child safety concerns and are
23 evidence-based or research-based. Expenditures for family support and
24 related services purchased under this section must remain within the
25 levels appropriated in the operating budget.

26 (4)(a) Network administrators shall, directly or through
27 subcontracts with service providers:

28 (i) Assist caseworkers in meeting their responsibility for
29 implementation of case plans and individual service and safety plans;
30 and

31 (ii) Provide the family support and related services included in a
32 child or family's case plan or individual service and safety plan
33 within funds available under contract.

34 (b) While the department caseworker retains responsibility for case
35 management, nothing in this act limits the ability of the department to
36 continue to contract for the provision of case management services by
37 child-placing agencies, behavioral rehabilitation services agencies, or

1 other entities that provided case management under contract with the
2 department prior to July 1, 2005.

3 (5) In conducting the procurement, the department shall actively
4 consult with other state agencies with relevant expertise, such as the
5 health care authority, and with philanthropic entities with expertise
6 in performance-based contracting for child welfare services. The
7 director of the office of financial management must approve the request
8 for proposal prior to its issuance.

9 (6) The procurement process must be developed and implemented in a
10 manner that complies with applicable provisions of intergovernmental
11 agreements between the state of Washington and tribal governments and
12 must provide an opportunity for tribal governments to contract for
13 service delivery through network administrators.

14 (7) The procurement and resulting contracts must include, but are
15 not limited to, the following standards and requirements:

16 (a) The use of family engagement approaches to successfully
17 motivate families to engage in services and training of the network's
18 contracted providers to apply such approaches;

19 (b) The use of parents and youth who are successful veterans of the
20 child welfare system to act as mentors through activities that include,
21 but are not limited to, helping families navigate the system,
22 facilitating parent engagement, and minimizing distrust of the child
23 welfare system;

24 (c) The establishment of qualifications for service providers
25 participating in provider networks, such as appropriate licensure or
26 certification, education, and accreditation by professional accrediting
27 entities;

28 (d) Adequate provider capacity to meet the anticipated service
29 needs in the network administrator's contracted service area. The
30 network administrator must be able to demonstrate that its provider
31 network is culturally competent and has adequate capacity to address
32 disproportionality, including utilization of tribal and other ethnic
33 providers capable of serving children and families of color or who need
34 language-appropriate services;

35 (e) Fiscal solvency of network administrators and providers
36 participating in the network;

37 (f) The use of evidence-based, research-based, and promising

1 practices, where appropriate, including fidelity and quality assurance
2 provisions;

3 (g) Network administrator quality assurance activities, including
4 monitoring of the performance of providers in their provider network,
5 with respect to meeting measurable service outcomes;

6 (h) Network administrator data reporting, including data on
7 contracted provider performance and service outcomes; and

8 (i) Network administrator compliance with applicable provisions of
9 intergovernmental agreements between the state of Washington and tribal
10 governments and the federal and Washington state Indian child welfare
11 act.

12 (8) Performance-based payment methodologies must be used in network
13 administrator contracting. Performance measures should relate to
14 successful engagement by a child or parent in services included in
15 their case plan, and resulting improvement in identified problem
16 behaviors and interactions. For the initial three-year period of
17 implementation of performance-based contracting, the department may
18 transfer financial risk for the provision of services to network
19 administrators only to the limited extent necessary to implement a
20 performance-based payment methodology, such as phased payment for
21 services. However, the department may develop a shared savings
22 methodology through which the network administrator will receive a
23 defined share of any savings that result from improved performance. If
24 the department receives a Title IV-E waiver, the shared savings
25 methodology must be consistent with the terms of the waiver. If a
26 shared savings methodology is adopted, the network administrator shall
27 reinvest the savings in enhanced services to better meet the needs of
28 the families and children they serve.

29 (9) The department must actively monitor network administrator
30 compliance with the terms of contracts executed under this section.

31 (10) The use of performance-based contracts under this section must
32 be done in a manner that does not adversely affect the state's ability
33 to continue to obtain federal funding for child welfare-related
34 functions currently performed by the state and with consideration of
35 options to further maximize federal funding opportunities and increase
36 flexibility in the use of such funds, including use for preventive and
37 in-home child welfare services.

1 NEW SECTION. **Sec. 4.** (1) For those services included in contracts
2 under section 3 of this act, the service providers must be chosen by
3 the department caseworker from among those in the network
4 administrator's provider network. The criteria for provider selection
5 must include the geographic proximity of the provider to the child or
6 family, and the performance of the provider based upon data collected
7 and provided by the network administrator. If a reasonably qualified
8 provider is not available through the network administrator's provider
9 network, at the request of a department caseworker, a provider who is
10 not currently under contract with the network administrator may be
11 offered a provisional contract by the network administrator, pending
12 that provider demonstrating that he or she meets applicable provider
13 qualifications to participate in the administrator's provider network.

14 (2) The department shall develop a dispute resolution process to be
15 used when the network administrator disagrees with the department
16 caseworker's choice of a service provider due to factors such as the
17 service provider's performance history or ability to serve culturally
18 diverse families. The mediator or decision maker must be a neutral
19 employee of the department who has not been previously involved in the
20 case. The dispute resolution process must not result in a delay of
21 more than two business days in the receipt of needed services by the
22 child or family.

23 (3) The department and network administrator shall collaborate to
24 identify and respond to patterns or trends in service utilization that
25 may indicate overutilization or underutilization of family support and
26 related services, or may indicate a need to enhance service capacity.

27 NEW SECTION. **Sec. 5.** (1) On an annual basis, beginning in the
28 2015-2017 biennium, the department and contracted network
29 administrators shall:

30 (a) Review and update the services offered through performance-
31 based contracts in response to service outcome data for currently
32 contracted services and any research that has identified new evidence-
33 based or research-based services not included in a previous
34 procurement; and

35 (b) Review service utilization and outcome data to determine
36 whether changes are needed in procurement policies or performance-based

1 contracts to better meet the goals established in section 1 of this
2 act.

3 (2) In conducting the review under subsection (1) of this section,
4 the department must consult with department caseworkers, the exclusive
5 bargaining representative for employees of the department, tribal
6 representatives, parents who were formerly involved in the child
7 welfare system, youth currently or previously in foster care, child
8 welfare services researchers, representatives of child welfare service
9 providers, and the Washington state institute for public policy.

10 NEW SECTION. **Sec. 6.** (1) To achieve the service delivery
11 improvements and efficiencies intended in sections 1, 3, 4, and 7 of
12 this act and in RCW 74.13.370, and pursuant to RCW 41.06.142(3),
13 contracting with network administrators to provide services needed by
14 children and families in the child welfare system, pursuant to
15 sections 3 and 4 of this act, and execution and monitoring of
16 individual provider contracts, pursuant to section 3 of this act, are
17 expressly mandated by the legislature and are not subject to the
18 processes set forth in RCW 41.06.142 (1), (4), and (5).

19 (2) The express mandate in subsection (1) of this section is
20 limited to those services and activities provided in sections 3 and 4
21 of this act. If the department includes services customarily and
22 historically performed by department employees in the classified
23 service in a procurement for network administrators that exceeds the
24 scope of services or activities provided in sections 3 and 4 of this
25 act, such contracting is not specifically mandated and will be subject
26 to all applicable contractual and legal obligations.

27 NEW SECTION. **Sec. 7.** For the purposes of the provision of child
28 welfare services by provider networks, when all other elements of the
29 responses to any procurement under section 3 of this act are equal,
30 private nonprofit entities, federally recognized Indian tribes located
31 in this state, and state employees must receive primary preference over
32 private for-profit entities.

33 **Sec. 8.** RCW 74.13.360 and 2010 c 291 s 4 are each amended to read
34 as follows:

35 (1) (~~No later than July 1, 2011, the department shall convert its~~

1 ~~current contracts with providers of child welfare services into~~
2 ~~performance based contracts. In accomplishing this conversion, the~~
3 ~~department shall decrease the total number of contracts it uses to~~
4 ~~purchase child welfare services from providers. The conversion of~~
5 ~~contracts for the provision of child welfare services to performance-~~
6 ~~based contracts must be done in a manner that does not adversely affect~~
7 ~~the state's ability to continue to obtain federal funding for child~~
8 ~~welfare related functions currently performed by the state and with~~
9 ~~consideration of options to further maximize federal funding~~
10 ~~opportunities and increase flexibility in the use of such funds,~~
11 ~~including use for preventive and in home child welfare services.~~

12 ~~(2))~~ No later than December 30, ~~((2012))~~ 2015:

13 (a) In the demonstration sites selected under RCW 74.13.368(4)(a),
14 child welfare services shall be provided by supervising agencies with
15 whom the department has entered into performance-based contracts.
16 Supervising agencies may enter into subcontracts with other licensed
17 agencies; and

18 (b) Except as provided in subsection ~~((4))~~ (3) of this section,
19 and notwithstanding any law to the contrary, the department may not
20 directly provide child welfare services to families and children
21 provided child welfare services by supervising agencies in the
22 demonstration sites selected under RCW 74.13.368(4)(a).

23 ~~((3))~~ (2) No later than December 30, ~~((2012))~~ 2015, for families
24 and children provided child welfare services by supervising agencies in
25 the demonstration sites selected under RCW 74.13.368(4)(a), the
26 department is responsible for only the following:

27 (a) Monitoring the quality of services for which the department
28 contracts under this chapter;

29 (b) Ensuring that the services are provided in accordance with
30 federal law and the laws of this state, including the Indian child
31 welfare act;

32 (c) Providing child protection functions and services, including
33 intake and investigation of allegations of child abuse or neglect,
34 emergency shelter care functions under RCW 13.34.050, and referrals to
35 appropriate providers; and

36 (d) Issuing licenses pursuant to chapter 74.15 RCW.

37 ~~((4))~~ (3) No later than December 30, ~~((2012))~~ 2015, for families

1 and children provided child welfare services by supervising agencies in
2 the demonstration sites selected under RCW 74.13.368(4)(a), the
3 department may provide child welfare services only:

4 (a) For the limited purpose of establishing a control or comparison
5 group as deemed necessary by the child welfare transformation design
6 committee, with input from the Washington state institute for public
7 policy, to implement the demonstration sites selected and defined
8 pursuant to RCW 74.13.368(4)(a) in which the performance in achieving
9 measurable outcomes will be compared and evaluated pursuant to RCW
10 74.13.370; or

11 (b) In an emergency or as a provider of last resort. The
12 department shall adopt rules describing the circumstances under which
13 the department may provide those services. For purposes of this
14 section, "provider of last resort" means the department is unable to
15 contract with a private agency to provide child welfare services in a
16 particular geographic area or, after entering into a contract with a
17 private agency, either the contractor or the department terminates the
18 contract.

19 ~~((+5))~~ (4) For purposes of this chapter, on and after September 1,
20 2010, performance-based contracts shall be structured to hold the
21 supervising agencies accountable for achieving the following goals in
22 order of importance: Child safety; child permanency, including
23 reunification; and child well-being.

24 ~~((+6))~~ (5) A federally recognized tribe located in this state may
25 enter into a performance-based contract with the department to provide
26 child welfare services to Indian children whether or not they reside on
27 a reservation. Nothing in this section prohibits a federally
28 recognized Indian tribe located in this state from providing child
29 welfare services to its members or other Indian children pursuant to
30 existing tribal law, regulation, or custom, or from directly entering
31 into agreements for the provision of such services with the department,
32 if the department continues to otherwise provide such services, or with
33 federal agencies.

34 **Sec. 9.** RCW 74.13.370 and 2009 c 520 s 9 are each amended to read
35 as follows:

36 (1) Based upon the recommendations of the child welfare
37 transformation design committee, including the two sets of outcomes

1 developed by the committee under RCW 74.13.368(4)(b), the Washington
2 state institute for public policy is to conduct a review of measurable
3 effects achieved by the supervising agencies and compare those
4 measurable effects with the existing services offered by the state.
5 The report on the measurable effects shall be provided to the governor
6 and the legislature no later than April 1, (~~(2015)~~) 2018.

7 (2) No later than (~~June 30, 2011~~) December 1, 2014, the
8 Washington state institute for public policy shall provide the
9 legislature and the governor an initial report on the department's
10 conversion to the use of performance-based contracts as provided in
11 (~~RCW 74.13.360(1)~~) sections 3 and 4 of this act. No later than June
12 30, (~~(2012)~~) 2016, the Washington state institute for public policy
13 shall provide the governor and the legislature with a second report on
14 the (~~department's conversion of its contracts to performance-based~~
15 ~~contracts~~) extent to which the use of performance-based contracting
16 has resulted in:

17 (a) Increased use of evidence-based, research-based, and promising
18 practices; and

19 (b) Improvements in outcomes for children, including child safety,
20 child permanency, including reunification, and child well-being.

21 (3) The department and network administrators shall respond to the
22 Washington institute for public policy's request for data and other
23 information with which to complete these reports in a timely manner.

24 (4) The Washington state institute for public policy must consult
25 with a university-based child welfare research entity to evaluate
26 performance-based contracting.

27 **Sec. 10.** RCW 74.13.368 and 2010 c 291 s 2 are each amended to read
28 as follows:

29 (1)(a) The child welfare transformation design committee is
30 established, with members as provided in this subsection.

31 (i) The governor or the governor's designee;

32 (ii) Four private agencies that, as of May 18, 2009, provide child
33 welfare services to children and families referred to them by the
34 department. Two agencies must be headquartered in western Washington
35 and two must be headquartered in eastern Washington. Two agencies must
36 have an annual budget of at least one million state-contracted dollars

1 and two must have an annual budget of less than one million state-
2 contracted dollars;

3 (iii) The assistant secretary of the children's administration in
4 the department;

5 (iv) Two regional administrators in the children's administration
6 selected by the assistant secretary, one from one of the department's
7 administrative regions one or two, and one from one of the department's
8 administrative regions three, four, five, or six;

9 (v) The administrator for the division of licensed resources in the
10 children's administration;

11 (vi) Two nationally recognized experts in performance-based
12 contracts;

13 (vii) The attorney general or the attorney general's designee;

14 (viii) A representative of the collective bargaining unit that
15 represents the largest number of employees in the children's
16 administration;

17 (ix) A representative from the office of the family and children's
18 ombudsman;

19 (x) Four representatives from the Indian policy advisory committee
20 convened by the department's office of Indian policy and support
21 services;

22 (xi) Two currently elected or former superior court judges with
23 significant experience in dependency matters, selected by the superior
24 court judges' association;

25 (xii) One representative from partners for our children affiliated
26 with the University of Washington school of social work;

27 (xiii) A member of the Washington state racial disproportionality
28 advisory committee;

29 (xiv) A foster parent;

30 (xv) A youth currently in or a recent alumnus of the Washington
31 state foster care system, to be designated by the cochairs of the
32 committee; and

33 (xvi) A parent representative who has had personal experience with
34 the dependency system.

35 (b) The president of the senate and the speaker of the house of
36 representatives shall jointly appoint the members under (a)(ii), (xiv),
37 and (xvi) of this subsection.

1 (c) The representative from partners for our children shall convene
2 the initial meeting of the committee no later than June 15, 2009.

3 (d) The cochairs of the committee shall be the assistant secretary
4 for the children's administration and another member selected by a
5 majority vote of those members present at the initial meeting.

6 (2) The committee shall establish a transition plan containing
7 recommendations to the legislature and the governor consistent with
8 this section for the provision of child welfare services by supervising
9 agencies pursuant to RCW 74.13.360.

10 (3) The plan shall include the following:

11 (a) A model or framework for performance-based contracts to be used
12 by the department that clearly defines:

13 (i) The target population;

14 (ii) The referral and exit criteria for the services;

15 (iii) The child welfare services including the use of evidence-
16 based services and practices to be provided by contractors;

17 (iv) The roles and responsibilities of public and private agency
18 workers in key case decisions;

19 (v) Contract performance and outcomes, including those related to
20 eliminating racial disparities in child outcomes;

21 (vi) That supervising agencies will provide culturally competent
22 service;

23 (vii) How to measure whether each contractor has met the goals
24 listed in RCW 74.13.360(~~(+5)~~) (4); and

25 (viii) Incentives to meet performance outcomes;

26 (b) A method by which the department will substantially reduce its
27 current number of contracts for child welfare services;

28 (c) A method or methods by which clients will access community-
29 based services, how private supervising agencies will engage other
30 services or form local service networks, develop subcontracts, and
31 share information and supervision of children;

32 (d) Methods to address the effects of racial disproportionality, as
33 identified in the 2008 Racial Disproportionality Advisory Committee
34 Report published by the Washington state institute for public policy in
35 June 2008;

36 (e) Methods for inclusion of the principles and requirements of the
37 centennial accord executed in November 2001, executed between the state
38 of Washington and federally recognized tribes in Washington state;

1 (f) Methods for assuring performance-based contracts adhere to the
2 letter and intent of the federal Indian child welfare act;

3 (g) Contract monitoring and evaluation procedures that will ensure
4 that children and families are receiving timely and quality services
5 and that contract terms are being implemented;

6 (h) A method or methods by which to ensure that the children's
7 administration has sufficiently trained and experienced staff to
8 monitor and manage performance-based contracts;

9 (i) A process by which to expand the capacity of supervising and
10 other private agencies to meet the service needs of children and
11 families in a performance-based contractual arrangement;

12 (j) A method or methods by which supervising and other private
13 agencies can expand services in underserved areas of the state;

14 (k) The appropriate amounts and procedures for the reimbursement of
15 supervising agencies given the proposed services restructuring;

16 (l) A method by which to access and enhance existing data systems
17 to include contract performance information;

18 (m) A financing arrangement for the contracts that examines:

19 (i) The use of case rates or performance-based fee-for-service
20 contracts that include incentive payments or payment schedules that
21 link reimbursement to outcomes; and

22 (ii) Ways to reduce a contractor's financial risk that could
23 jeopardize the solvency of the contractor, including consideration of
24 the use of a risk-reward corridor that limits risk of loss and
25 potential profits or the establishment of a statewide risk pool;

26 (n) A description of how the transition will impact the state's
27 ability to obtain federal funding and examine options to further
28 maximize federal funding opportunities and increased flexibility;

29 (o) A review of whether current administrative staffing levels in
30 the regions should be continued when the majority of child welfare
31 services are being provided by supervising agencies;

32 (p) A description of the costs of the transition, the initial
33 start-up costs and the mechanisms to periodically assess the overall
34 adequacy of funds and the fiscal impact of the changes, and the
35 feasibility of the plan and the impact of the plan on department
36 employees during the transition; and

37 (q) Identification of any statutory and regulatory revisions
38 necessary to accomplish the transition.

1 (4)(a) The committee, with the assistance of the department, shall
2 select two demonstration sites within which to implement chapter 520,
3 Laws of 2009. One site must be located on the eastern side of the
4 state. The other site must be located on the western side of the
5 state. Neither site must be wholly located in any of the department's
6 administrative regions.

7 (b) The committee shall develop two sets of performance outcomes to
8 be included in the performance-based contracts the department enters
9 into with supervising agencies. The first set of outcomes shall be
10 used for those cases transferred to a supervising agency over time.
11 The second set of outcomes shall be used for new entrants to the child
12 welfare system.

13 (c) The committee shall also identify methods for ensuring that
14 comparison of performance between supervising agencies and the existing
15 service delivery system takes into account the variation in the
16 characteristics of the populations being served as well as historical
17 trends in outcomes for those populations.

18 (5) The committee shall determine the appropriate size of the child
19 and family populations to be provided services under performance-based
20 contracts with supervising agencies. The committee shall also identify
21 the time frame within which cases will be transferred to supervising
22 agencies. The performance-based contracts entered into with
23 supervising agencies shall encompass the provision of child welfare
24 services to enough children and families in each demonstration site to
25 allow for the assessment of whether there are meaningful differences,
26 to be defined by the committee, between the outcomes achieved in the
27 demonstration sites and the comparison sites or populations. To ensure
28 adequate statistical power to assess these differences, the populations
29 served shall be large enough to provide a probability greater than
30 seventy percent that meaningful difference will be detected and a
31 ninety-five percent probability that observed differences are not due
32 to chance alone.

33 (6) The committee shall also prepare as part of the plan a
34 recommendation as to how to implement chapter 520, Laws of 2009 so that
35 full implementation of chapter 520, Laws of 2009 is achieved no later
36 than December 30, (~~2012~~) 2015.

37 (7) The committee shall prepare the plan to manage the delivery of

1 child welfare services in a manner that achieves coordination of the
2 services and programs that deliver primary prevention services.

3 (8) Beginning June 30, 2009, the committee shall report quarterly
4 to the governor and the legislative children's oversight committee
5 established in RCW 44.04.220. From June 30, 2012, until ((January 1))
6 December 30, 2015, the committee need only report twice a year. The
7 committee shall report on its progress in meeting its duties under
8 subsections (2) and (3) of this section and on any other matters the
9 committee or the legislative children's oversight committee or the
10 governor deems appropriate. The portion of the plan required in
11 subsection (6) of this section shall be due to the legislative
12 children's oversight committee on or before June 1, 2010. The reports
13 shall be in written form.

14 (9) The committee, by majority vote, may establish advisory
15 committees as it deems necessary.

16 (10) All state executive branch agencies and the agencies with whom
17 the department contracts for child welfare services shall cooperate
18 with the committee and provide timely information as the chair or
19 cochairs may request. Cooperation by the children's administration
20 must include developing and scheduling training for supervising
21 agencies to access data and information necessary to implement and
22 monitor the contracts.

23 (11) It is expected that the administrative costs for the committee
24 will be supported through private funds.

25 (12) Staff support for the committee shall be provided jointly by
26 partners for our children and legislative staff.

27 (13) The committee is subject to chapters 42.30 (open public
28 meetings act) and 42.52 (ethics in public service) RCW.

29 (14) This section expires July 1, ((2015)) 2016.

30 **Sec. 11.** RCW 74.13.372 and 2009 c 520 s 10 are each amended to
31 read as follows:

32 Not later than June 1, ((2015)) 2018, the governor shall, based on
33 the report by the Washington state institute for public policy,
34 determine whether to expand chapter 520, Laws of 2009 to the remainder
35 of the state or terminate chapter 520, Laws of 2009. The governor
36 shall inform the legislature of his or her decision within seven days

1 of the decision. The department shall, regardless of the decision of
2 the governor regarding the delivery of child welfare services, continue
3 to purchase services through the use of performance-based contracts.

4 **Sec. 12.** RCW 74.13.020 and 2011 c 330 s 4 are each reenacted and
5 amended to read as follows:

6 For purposes of this chapter:

7 (1) "Case management" means the management of services delivered to
8 children and families in the child welfare system, including permanency
9 services, caseworker-child visits, family visits, the convening of
10 family group conferences, the development and revision of the case
11 plan, the coordination and monitoring of services needed by the child
12 and family, and the assumption of court-related duties, excluding legal
13 representation, including preparing court reports, attending judicial
14 hearings and permanency hearings, and ensuring that the child is
15 progressing toward permanency within state and federal mandates,
16 including the Indian child welfare act.

17 (2) "Child" means:

18 (a) A person less than eighteen years of age; or

19 (b) A person age eighteen to twenty-one years who is eligible to
20 receive the extended foster care services authorized under RCW
21 74.13.031.

22 (3) "Child protective services" has the same meaning as in RCW
23 26.44.020.

24 (4) "Child welfare services" means social services including
25 voluntary and in-home services, out-of-home care, case management, and
26 adoption services which strengthen, supplement, or substitute for,
27 parental care and supervision for the purpose of:

28 (a) Preventing or remedying, or assisting in the solution of
29 problems which may result in families in conflict, or the neglect,
30 abuse, exploitation, or criminal behavior of children;

31 (b) Protecting and caring for dependent, abused, or neglected
32 children;

33 (c) Assisting children who are in conflict with their parents, and
34 assisting parents who are in conflict with their children, with
35 services designed to resolve such conflicts;

36 (d) Protecting and promoting the welfare of children, including the
37 strengthening of their own homes where possible, or, where needed;

1 (e) Providing adequate care of children away from their homes in
2 foster family homes or day care or other child care agencies or
3 facilities.

4 "Child welfare services" does not include child protection
5 services.

6 (5) "Committee" means the child welfare transformation design
7 committee.

8 (6) "Department" means the department of social and health
9 services.

10 (7) "Extended foster care services" means residential and other
11 support services the department is authorized to provide to foster
12 children. These services include, but are not limited to, placement in
13 licensed, relative, or otherwise approved care, or supervised
14 independent living settings; assistance in meeting basic needs;
15 independent living services; medical assistance; and counseling or
16 treatment.

17 (8) "Measurable effects" means a statistically significant change
18 which occurs as a result of the service or services a supervising
19 agency is assigned in a performance-based contract, in time periods
20 established in the contract.

21 (9) "Out-of-home care services" means services provided after the
22 shelter care hearing to or for children in out-of-home care, as that
23 term is defined in RCW 13.34.030, and their families, including the
24 recruitment, training, and management of foster parents, the
25 recruitment of adoptive families, and the facilitation of the adoption
26 process, family reunification, independent living, emergency shelter,
27 residential group care, and foster care, including relative placement.

28 (10) "Performance-based contracting" means the structuring of all
29 aspects of the procurement of services around the purpose of the work
30 to be performed and the desired results with the contract requirements
31 set forth in clear, specific, and objective terms with measurable
32 outcomes. Contracts shall also include provisions that link the
33 performance of the contractor to the level and timing of reimbursement.

34 (11) "Permanency services" means long-term services provided to
35 secure a child's safety, permanency, and well-being, including foster
36 care services, family reunification services, adoption services, and
37 preparation for independent living services.

1 (12) "Primary prevention services" means services which are
2 designed and delivered for the primary purpose of enhancing child and
3 family well-being and are shown, by analysis of outcomes, to reduce the
4 risk to the likelihood of the initial need for child welfare services.

5 (13) "Supervising agency" means an agency licensed by the state
6 under RCW 74.15.090, or licensed by a federally recognized Indian tribe
7 located in this state under RCW 74.15.190, that has entered into a
8 performance-based contract with the department to provide case
9 management for the delivery and documentation of child welfare
10 services, as defined in this section. This definition is applicable on
11 or after December 30, 2015.

12 NEW SECTION. Sec. 13. Sections 1 through 7 of this act constitute
13 a new chapter in Title 74 RCW."

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By Senator

14 On page 1, line 2 of the title, after "system;" strike the
15 remainder of the title and insert "amending RCW 74.13.360, 74.13.370,
16 74.13.368, and 74.13.372; reenacting and amending RCW 74.13.020; adding
17 a new chapter to Title 74 RCW; and providing an expiration date."

EFFECT: With the extension of the deadline for the Phase 2 demonstration projects under 2SHB 2106 (2009), several other dates in current law had to be extended. A subsection of the intent section was removed because it referred to a provision that was removed several versions of the bill ago. Clarifies that the definition of "supervising agency" which pertains only to Phase 2 does not go into effect until December 30, 2015, which is the date by which Phase 2 must also go into effect. Extends the deadline for the Governor to decide whether Phase 2 should be implemented statewide.

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