

Senate Bill 350

By: Senators Unterman of the 45th, Millar of the 40th, Beach of the 21st, Shafer of the 48th,  
and Sims of the 12th

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 2 of Title 49 of the Official Code of Georgia Annotated, relating to the  
2 Department of Human Services, so as to provide for the bidding out of child welfare services  
3 state wide through contracts with community based providers; to provide for definitions; to  
4 provide for qualifications for contractors; to provide for contract standards; to provide for a  
5 review; to provide for procedures; to provide for related matters; to provide for a contingent  
6 effective date; to provide for an effective date; to repeal conflicting laws; and for other  
7 purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Chapter 2 of Title 49 of the Official Code of Georgia Annotated, relating to the Department  
11 of Human Services, is amended by adding a new article to read as follows:

12 "ARTICLE 3

13 49-2-30.

14 (a) As used in this article, the term:

15 (1) 'Applicant' means a faith based or community based organization that seeks to  
16 provide child welfare services under this article.

17 (2) 'Child welfare services' means adoption, family preservation, independent living,  
18 emergency shelter, residential group care, foster care, therapeutic foster care, intensive  
19 residential treatment, foster care supervision, case management, post-placement  
20 supervision, permanent foster care, and family reunification.

21 (3) 'Division' means the Division of Family and Children Services.

22 (4) 'Lead agency' means a faith based or community based agency selected under this  
23 article to manage and provide child welfare services.

24 (b) The division shall submit a plan to the Governor and General Assembly to  
 25 competitively bid the provision of child welfare services through fixed price contracts with  
 26 a limited number of lead agencies. Each lead agency shall represent a community equal  
 27 to one or more service regions of the division. The plan shall be developed with local  
 28 community participation, including, but not limited to, input from community based  
 29 providers, foster parents, members of the faith community, and child advocacy  
 30 organizations that are currently under contract with the division to furnish foster care and  
 31 adoption services.

32 (c) The plan shall be submitted by January 1, 2015, and shall be phased in over a two-year  
 33 period beginning July 1, 2015.

34 (d) No later than April 1, 2014, the division shall seek approval of a child welfare  
 35 demonstration project through the federal Administration for Children and Families to  
 36 implement and receive fixed funding to accomplish the purposes of this article.

37 49-2-31.

38 (a) To qualify to seek a contract under this article, an applicant shall have:

39 (1) The ability to manage and directly provide, or contract for through a local network  
 40 of providers, all necessary child welfare services. The lead agency shall directly provide  
 41 no more than 35 percent of all child welfare services provided in the region;

42 (2) The ability to ensure continuity of care from entry to exit for all children referred  
 43 from the protective investigation and court systems;

44 (3) The capability and willingness to accept and demonstrate accountability for meeting  
 45 the outcomes and performance standards related to child welfare services established by  
 46 the General Assembly;

47 (4) The capability and willingness to serve all children referred from the protective  
 48 investigation and court systems;

49 (5) The willingness to ensure that each individual who provides child welfare services  
 50 completes the training required by the division; and

51 (6) The ability to assist the division in maintaining the state's eligibility to receive all  
 52 federal child welfare funds currently being used by the division.

53 (b) Such contract shall be for five years, after which the division shall competitively rebid  
 54 the contract. The division may extend the contract for an additional three-year period.

55 49-2-32.

56 (a) The contract between the division and lead agencies shall require the following:

57 (1) Recording of lead agency activities in client case records for all cases;

58 (2) Use of procedures by the parties to resolve differences in interpreting the contract or  
59 to resolve disputes as to the adequacy of the parties' compliance with their respective  
60 obligations under the contract;

61 (3) Payment by the division to the lead agency of a reasonable monthly administrative  
62 rate to operate the lead agency and a case rate per child calculated as the monthly average  
63 number of children served in the prior fiscal year divided by the total appropriated funds  
64 allocated for child welfare services during the same fiscal year. The case rate shall be  
65 paid in equal monthly payments over a period of time no greater than six months, starting  
66 the month the lead agency takes the child into care. Children who return to the lead  
67 agency's system of care within 12 months of achieving permanency, either through  
68 reunification, permanent guardianship, or adoption, shall be served by the lead agency  
69 but shall not be eligible for the rate per child per month reimbursement. The method of  
70 payment in the contract shall provide for a two-month advance payment of the monthly  
71 administrative rate at the beginning of each fiscal year and equal monthly payments  
72 thereafter;

73 (4) Adherence to nationally recognized child welfare performance outcome measures;

74 (5) Inclusion of a case transfer process to determine the date that the lead agency will  
75 initiate services for a child and family. At the point of case transfer, the division shall  
76 provide a complete summary of its involvement with the child to include the reasons for  
77 referral to the lead agency; and

78 (6) Authorization for the lead agency or a lead agency subcontractor with case  
79 management responsibilities to act as the child's guardian for the purposes of enrolling  
80 in school and seeking emergency medical treatment for a child who has been sheltered  
81 or found to be dependent; provided, however, that if the child's parent's rights have been  
82 terminated, such lead agency or lead agency subcontractor shall act as the guardian of the  
83 child in all circumstances.

84 (b) In contracting for the delivery of child welfare services, the division shall retain  
85 responsibility for the quality of contracted services and programs and shall ensure that  
86 services are delivered in accordance with applicable federal and state statutes and  
87 regulations.

88 (c) The division shall adopt written policies and procedures for monitoring the contract for  
89 delivery of services by lead agencies. Such policies and procedures shall address, at a  
90 minimum, the following:

91 (1) Evaluation of fiscal accountability and program operations, including lead agency  
92 achievement of performance standards, lead agency monitoring of subcontractors, and  
93 timely follow-up of corrective actions for significant monitoring findings related to lead  
94 agencies and subcontractors;

- 95 (2) Reduction of the duplication of the division's program monitoring activities both  
 96 internally and with other agencies, to the extent possible; and  
 97 (3) Communication of the written findings, conclusions, and recommendations from  
 98 monitoring the contract for services of lead community based providers to the director  
 99 of the lead agency, as expeditiously as possible.  
 100 (d) Persons employed by the division in the provision of child welfare services whose  
 101 positions are being privatized under this article shall be given hiring preference by the lead  
 102 agency if the employee meets the lead agency's qualifications.

103 49-2-33.

104 (a) The division shall not transfer services to a lead agency until the division, in  
 105 consultation with the local community, has determined and certified in writing to the  
 106 Governor and General Assembly that the lead agency is prepared to deliver and be  
 107 accountable for such services. In making such determination, the division shall conduct  
 108 a readiness assessment of the region and lead agency. The assessment shall evaluate the  
 109 operational readiness of the region and lead agency based on:

110 (1) A set of uniform criteria developed in consultation with currently operating faith  
 111 based and community based organizations and reflecting national accreditation standards,  
 112 which evaluate programmatic, financial, technical assistance, training, and organizational  
 113 competencies; and

114 (2) Criteria reflective of the priorities of the local community.

115 (b) A joint team of region and lead agency staff with direct experience with the start up  
 116 and operation of a community based service program and representatives from the  
 117 appropriate local community shall conduct the readiness assessment.

118 (c) Upon completion of a readiness assessment, the assessment team shall conduct an exit  
 119 conference with the region and lead agency staff responsible for the transition.

120 (d) Within 30 days following the exit conference with staff of each region and lead agency,  
 121 the division shall certify in writing to the Governor and General Assembly that both the  
 122 region and lead agency are prepared to begin the transition of service provision based on  
 123 the results of the readiness assessment and exit conference. The document of certification  
 124 shall include specific evidence of readiness on each element of the readiness instrument  
 125 utilized by the assessment team as well as a description of each element of readiness  
 126 needing improvement and strategies being implemented to address each such element.

127 (e) The Department of Audits and Accounts, in consultation with experts, shall review and  
 128 assess the division's process for determining region and lead agency readiness. The review  
 129 shall, at a minimum, address the appropriateness of the readiness criteria and instruments  
 130 applied, the appropriateness of the qualifications of participants on each assessment team.

131 the degree to which the division accurately determined each region and lead agency's  
132 compliance with the readiness criteria, the quality of the technical assistance provided by  
133 the division to a lead agency in correcting any weaknesses identified in the readiness  
134 assessment, and the degree to which each lead agency overcame any identified weaknesses.  
135 (f) Reports of such reviews shall be submitted to the General Assembly on January 1 and  
136 July 1 of each year until full transition to community based care has been accomplished  
137 state wide, beginning on January 1, 2016. The perspectives of all participants in the review  
138 process shall be included in each report. Within the review, the Department of Audits and  
139 Accounts shall allow each lead agency to submit for inclusion responses to findings.

140 49-2-34.

141 (a) The division, in consultation with the lead agencies, shall establish a quality assurance  
142 program for competitively bid services. The quality assurance program shall be based on  
143 nationally recognized standards.

144 (b) The division shall report to the public on a monthly basis each lead agency's  
145 performance on federal outcome measures and outcome measures established by the  
146 General Assembly. In addition, the report shall include data on the number of families  
147 served by the lead agencies in prevention programs, education outcomes of students in  
148 foster care, and key health measures for children in foster care. The report shall be made  
149 available, at a minimum, in a conspicuous location on the division's website.

150 (c) The division shall, to the extent possible, use independent financial audits provided by  
151 the lead agency to eliminate or reduce the ongoing contract and administrative reviews  
152 conducted by the division. If the division determines that such independent financial audits  
153 are inadequate, other audits may be conducted as necessary by the division. Nothing in this  
154 article shall abrogate the requirements of Chapter 20 of Title 50.

155 (d) The division may competitively bid programmatic, administrative, or fiscal oversight  
156 of lead agencies. The division shall accept the findings of existing evaluations, reports, and  
157 assessments provided by accrediting entities in lieu of requiring a state assessment if such  
158 assessments did not find any significant issues.

159 (e) The division shall submit an annual report regarding quality performance, outcome  
160 measure attainment, and cost efficiency to the Governor and General Assembly no later  
161 than January 31 of each year for each lead agency in operation during the preceding fiscal  
162 year. The division shall allow lead agencies to submit comments for inclusion into such  
163 report regarding the findings and recommendations contained in the report.

164 (f) Lead agencies shall be permitted to submit all programmatic, administrative, and fiscal  
165 materials in digital format.

166 49-2-35.

167 This article shall become effective only if the Administration for Children and Families of  
168 the United States Department of Health and Human Services approves a federal title IV-E  
169 waiver demonstration project and the resulting fixed funding is received for the purposes  
170 of this article. If such approval and funding is received, then this article shall become  
171 effective on the date on which such approval and funding becomes effective."

172 **SECTION 2.**

173 This Act shall become effective upon its approval by the Governor or upon its becoming law  
174 without such approval.

175 **SECTION 3.**

176 All laws and parts of laws in conflict with this Act are repealed.