

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 SUBCOMMITTEE RECOMMENDATION  
4 FOR

5 HOUSE BILL NO. 3258

6 By: Blackwell

7 SUBCOMMITTEE RECOMMENDATION

8 An Act relating to children; requiring the Department  
9 of Human Services to develop plan to outsource foster  
10 care services; defining term; specifying that a  
11 nonprofit agency shall serve as the lead agency in  
12 implementing plan; providing deadline for submission  
13 of plan; providing deadline for implementation of  
14 plan; providing for collaboration in the development  
15 of plan; specifying methodology for development of  
16 plan; requiring explanation and alternatives if plan  
17 cannot be implemented statewide; providing for an  
18 independent evaluator; specifying duties of  
19 evaluator; specifying custody and care  
20 responsibilities of private agencies; specifying that  
21 Department retains permanency outcomes  
22 responsibility; directing Department to develop  
23 certain requirements for participating private  
24 agencies; providing for the creation of alternative  
plans for certain underserved parts of state;  
requiring independent evaluator to provide certain  
report; providing for the creation of a quality  
assurance program; specifying standards for quality  
assurance program; providing for certain independent  
audits; providing for codification; and providing an  
effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

1           SECTION 1.           NEW LAW           A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1-9-123 of Title 10A, unless  
3 there is created a duplication in numbering, reads as follows:

4           A. The Department of Human Services shall develop a plan to  
5 outsource the provision of foster care and related services  
6 statewide. As used in this section, the term "outsource" means the  
7 Department shall contract with competent private social services  
8 agencies for the provision of services. The Department shall submit  
9 a plan to accomplish outsourcing statewide, through a competitive  
10 process, no later than July 1, 2011. The plan shall provide for the  
11 selection of a nonprofit agency to serve as the lead agency in  
12 implementing the plan. Implementation of the plan shall be  
13 completed no later than July 1, 2013.

14           B. The plan shall be developed with local community  
15 participation, including, but not limited to, input from community-  
16 based providers that are currently under contract with the  
17 Department to furnish community-based services as well as agencies  
18 expressing an interest in the outsourcing opportunity and with  
19 experience in outsourcing these services from other states or within  
20 the state; and shall include a methodology for determining and  
21 transferring all available funds, including federal funds that the  
22 selected provider is eligible for and agrees to earn. The  
23 methodology shall provide for the transfer of funds appropriated and  
24 budgeted for all services and programs that have been incorporated

1 into the project, including all management, capital (including  
2 current furniture and equipment), and administrative funds to  
3 accomplish the transfer of these programs. This methodology shall  
4 address expected workload and at least the three (3) previous years'  
5 experience in expenses and workload. With respect to any portion of  
6 the state, not to exceed, cumulatively, twenty-five percent (25%) of  
7 the current child welfare population, in which outsourcing cannot be  
8 accomplished within the two-year time frame, the Department shall  
9 clearly state in its plan the reasons the time frame cannot be met  
10 and the efforts that shall be made to remediate the obstacles, which  
11 shall include alternatives to total outsourcing, such as public-  
12 private partnerships. An independent evaluator recommended by the  
13 Department and approved by the Legislature shall evaluate the  
14 Department's assessment with respect to any portion of the state in  
15 which outsourcing cannot be accomplished within the time frame and  
16 report their findings along with the Department's plan.

17 C. A private agency with case management responsibilities  
18 transferred from the state under this section may act as the child's  
19 guardian for the purpose of registering the child in school if a  
20 parent or guardian of the child is unavailable and whereabouts of  
21 the parent or guardian cannot reasonably be ascertained. The  
22 private agency may also seek emergency medical attention for such a  
23 child, but only if a parent or guardian of the child is unavailable,  
24 the whereabouts of the parent or guardian cannot reasonably be

1 | ascertained, and a court order for emergency medical services cannot  
2 | be obtained because of the severity of the emergency or because it  
3 | is after normal working hours. However, the provider may not  
4 | consent to sterilization, abortion, or termination of life support.  
5 | If parental rights have been terminated, the agency shall act as  
6 | guardian of the child in all circumstances. Provided, however, that  
7 | the permanency outcomes for the child remain the responsibility of  
8 | the Department.

9 |       D. The Department shall develop requirements and criteria a  
10 | private agency must meet in order to participate in the outsourcing  
11 | program. In addition, the Department shall not transfer services to  
12 | a private agency unless the agency has demonstrated readiness and  
13 | ability to carry out all of the outsourcing tasks, achieve the  
14 | stated outcomes and is prepared to be accountable for a child or  
15 | children.

16 |       E. In communities where economic or demographic constraints  
17 | make it impossible or not feasible to competitively contract with a  
18 | lead agency, the Department shall develop an alternative plan in  
19 | collaboration with the local community, which may include  
20 | establishing innovative geographical configurations or consortia of  
21 | agencies. The independent evaluator shall include an assessment of  
22 | these identified communities and an opinion as to the feasibility to  
23 | competitively contract with a lead agency in their report that shall  
24 | accompany the Department's plan. The plan shall detail how the

1 community will continue to implement community-based care through  
2 competitively procuring either the specific components of foster  
3 care and related services or comprehensive services for defined  
4 eligible populations of children and families from qualified  
5 licensed agencies as part of its efforts to develop the local  
6 capacity for a community-based system of coordinated care. The plan  
7 shall ensure local control over the management and administration of  
8 the service provision in accordance with the intent of this section  
9 and may include recognized best business practices, including some  
10 form of public or private partnerships.

11 F. The Department, in consultation with the community-based  
12 agencies that are undertaking the outsourced projects, shall  
13 establish a quality assurance program for privatized services. The  
14 quality assurance program shall be based on standards established by  
15 the federal Adoption and Safe Families Act (Public Law 105-89) as  
16 well as by a national accrediting organization such as the Council  
17 on Accreditation of Services for Families and Children, Inc. (COA)  
18 or CARF - the Rehabilitation Accreditation Commission. Each program  
19 operated under contract with a community-based agency shall be  
20 evaluated annually by the Department. The Department shall, to the  
21 extent possible, use independent financial audits provided by the  
22 community-based care agency to eliminate or reduce the ongoing  
23 contract and administrative reviews conducted by the Department.

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1 The Department may suggest additional items to be included in such  
2 independent financial audits to meet the Department's needs.

3 SECTION 2. This act shall become effective November 1, 2010.

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