

1 ENGROSSED HOUSE  
2 BILL NO. 3258

By: Blackwell and Pittman of  
the House

3 and

4 Newberry of the Senate  
5

6  
7 ( children - Department of Human Services - foster  
8 care services - private agencies - report - quality  
9 assurance program - independent audits -  
10 codification -

11 effective date )  
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14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

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

18 A. The Department of Human Services shall develop a plan to  
19 outsource the provision of foster care and related services  
20 statewide. As used in this section, the term "outsource" means the  
21 Department shall contract with competent private social services  
22 agencies for the provision of services. The Department shall submit  
23 a plan to accomplish outsourcing statewide, through a competitive  
24 process, no later than July 1, 2011. The plan shall provide for the

1 selection of a nonprofit agency to serve as the lead agency in  
2 implementing the plan. Implementation of the plan shall be  
3 completed no later than July 1, 2013.

4 B. The plan shall be developed with local community  
5 participation, including, but not limited to, input from community-  
6 based providers that are currently under contract with the  
7 Department to furnish community-based services as well as agencies  
8 expressing an interest in the outsourcing opportunity and with  
9 experience in outsourcing these services from other states or within  
10 the state; and shall include a methodology for determining and  
11 transferring all available funds, including federal funds that the  
12 selected provider is eligible for and agrees to earn. The  
13 methodology shall provide for the transfer of funds appropriated and  
14 budgeted for all services and programs that have been incorporated  
15 into the project, including all management, capital (including  
16 current furniture and equipment), and administrative funds to  
17 accomplish the transfer of these programs. This methodology shall  
18 address expected workload and at least the three (3) previous years'  
19 experience in expenses and workload. With respect to any portion of  
20 the state, not to exceed, cumulatively, twenty-five percent (25%) of  
21 the current child welfare population, in which outsourcing cannot be  
22 accomplished within the two-year time frame, the Department shall  
23 clearly state in its plan the reasons the time frame cannot be met  
24 and the efforts that shall be made to remediate the obstacles, which

1 shall include alternatives to total outsourcing, such as public-  
2 private partnerships. An independent evaluator recommended by the  
3 Department and approved by the Legislature shall evaluate the  
4 Department's assessment with respect to any portion of the state in  
5 which outsourcing cannot be accomplished within the time frame and  
6 report their findings along with the Department's plan.

7 C. A private agency with case management responsibilities  
8 transferred from the state under this section may act as the child's  
9 guardian for the purpose of registering the child in school if a  
10 parent or guardian of the child is unavailable and whereabouts of  
11 the parent or guardian cannot reasonably be ascertained. The  
12 private agency may also seek emergency medical attention for such a  
13 child, but only if a parent or guardian of the child is unavailable,  
14 the whereabouts of the parent or guardian cannot reasonably be  
15 ascertained, and a court order for emergency medical services cannot  
16 be obtained because of the severity of the emergency or because it  
17 is after normal working hours. However, the provider may not  
18 consent to sterilization, abortion, or termination of life support.  
19 If parental rights have been terminated, the agency shall act as  
20 guardian of the child in all circumstances. Provided, however, that  
21 the permanency outcomes for the child remain the responsibility of  
22 the Department.

23 D. The Department shall develop requirements and criteria a  
24 private agency must meet in order to participate in the outsourcing

1 program. In addition, the Department shall not transfer services to  
2 a private agency unless the agency has demonstrated readiness and  
3 ability to carry out all of the outsourcing tasks, achieve the  
4 stated outcomes and is prepared to be accountable for a child or  
5 children.

6 E. In communities where economic or demographic constraints  
7 make it impossible or not feasible to competitively contract with a  
8 lead agency, the Department shall develop an alternative plan in  
9 collaboration with the local community, which may include  
10 establishing innovative geographical configurations or consortia of  
11 agencies. The independent evaluator shall include an assessment of  
12 these identified communities and an opinion as to the feasibility to  
13 competitively contract with a lead agency in their report that shall  
14 accompany the Department's plan. The plan shall detail how the  
15 community will continue to implement community-based care through  
16 competitively procuring either the specific components of foster  
17 care and related services or comprehensive services for defined  
18 eligible populations of children and families from qualified  
19 licensed agencies as part of its efforts to develop the local  
20 capacity for a community-based system of coordinated care. The plan  
21 shall ensure local control over the management and administration of  
22 the service provision in accordance with the intent of this section  
23 and may include recognized best business practices, including some  
24 form of public or private partnerships.

1 F. The Department, in consultation with the community-based  
2 agencies that are undertaking the outsourced projects, shall  
3 establish a quality assurance program for privatized services. The  
4 quality assurance program shall be based on standards established by  
5 the federal Adoption and Safe Families Act (Public Law 105-89) as  
6 well as by a national accrediting organization such as the Council  
7 on Accreditation of Services for Families and Children, Inc. (COA)  
8 or CARF - the Rehabilitation Accreditation Commission. Each program  
9 operated under contract with a community-based agency shall be  
10 evaluated annually by the Department. The Department shall, to the  
11 extent possible, use independent financial audits provided by the  
12 community-based care agency to eliminate or reduce the ongoing  
13 contract and administrative reviews conducted by the Department.  
14 The Department may suggest additional items to be included in such  
15 independent financial audits to meet the Department's needs.

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

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