

Provider Readiness

What does your Provider Organization need to know and get ready for DFCS Opportunities?

Outline of Workshop for Provider Organizational Readiness

- Brief review of performance-based contracting principles
- What risk or challenges will these present for Provider Organizations based on lessons learned from providers in other states?
- Questions for a Provider Organization to consider to determine readiness for the DFCS opportunities?
- Questions and Answers

PBC Principles

- Capacity to track and measure outcomes in addition to standards
- Financial risk is shared more equitably between the seller and the buyer
- Begin with the end in mind – successful outcomes planning starts on the day of admission
- Fully understand the rules before you begin the contract
- Understand how performance-based contracting impacts your relationship with the buyer and make the adjustment

Lessons Learned

What risk or challenges do these opportunities present for a provider organization based on lessons learned over 15 years from other states with similar contract opportunities?

These contracts present a new level of risk for provider organizations. This risk has to be managed internally and present a need for programmatic and clinical infrastructure to support the risk of the new contracts or that of "Risk Management".

Lessons Learned:

Providers did not recognize or did not understand the risk inherent in the new contracts and therefore did not institute a risk management approach:

- Terms of the contract---risk exposure over a length of time
- What services to the child and family were included
- Not medically oriented (DSM IV, Medication Knowledge or Implications)
- Did not understand the child welfare legal system and effect on planning

Lessons Learned:

- Providers did not have the infrastructure to support the risk of new contracts or that of Risk Management. They did not have an internal utilization review process which tied treatment outcomes to financial parameters.
- Providers lacked information and control over their own organization:
 - Lacked the information to manage risk
 - Couldn't or wouldn't control staff performance
 - Poor MIS reports and systems

Lessons Learned:

Treatment in many provider organizations was:

- Too long with the planning process complicated,
- Intake was too complicated,
- Treatment or service goals were not consistent with the new philosophy of the public agency,
- Too much focus on the child as the identified client vs. the family as the client, and
- Services were too bed based and not in-home oriented and community based.

Lessons Learned:

- Providers were not ready philosophically for the new role their organization needed to assume.
- They had a hard time shifting and did not realize the difference in the new business from the old.
- Recognize that virtually every part of your organization will change, and should change
- Agency plans...You made them and you can change them...flexibility is crucial and innovation should be encouraged.

Lessons Learned:

- Providers were not able to generate staff commitment to the new philosophy and lacked staff training.
- Roles change...some have to give up control and adopt new roles and realize the greatest challenge to the new system will come from those who benefited the most from the old system.
- Some providers did not understand business practices and generally were not concerned with "profit and loss" and in some cases the nonprofit board structure held organizations back from embracing new opportunities due to mission statements.

Lessons Learned:

Providers had inadequate MIS systems:

- did not understand their own unit costs.
 - did not have reports or data to support risk taking
 - could not track clients through a continuum of care
 - did not have the ability to interface with the public child welfare IS system
- ...Become a data driven organization.

Lessons Learned:

- Some provider organizations did not have an internal Continuous Quality Improvement and therefore did not have experience with gathering outcomes data, evaluating their service planning and process...had a hard time "self-correcting."
- Some providers had Quality Assurance plans and policy but these were not implemented into procedure.

Lessons Learned:

- Because some of the contracts were competitively procured, providers did not always have enough experience in the competitive market RFP writing process or contract negotiation process.
- Providers had an adversarial relationship with the public agency and therefore did not see the opportunity in a public-private partnership.

What's next for Providers responding to new DFCS Opportunities and Contracts?

The following questions can be used by a provider agency to determine organizational readiness to deliver permanency services or to respond to a contract using a performance based agreement.

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Readiness Questions for Provider Organizations:

- Can your agency provide an array of services to youth and their families with a reunification permanency goal to include family centered and community based services?
- If your agency is not able to provide a full array of services indicated above, do you have the ability to develop and implement a written network development and management plan?
- Does your agency provide case management services for either internal service delivery or services delivered by other agencies? If your organization provides case management of external services does your agency have a system to track service utilization, render timely approval of services, including analysis of actual and budgeted utilization?

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Readiness Questions for Provider Organizations:

- Does your agency have a mechanism for tracking the child and family case plan?
- Does your agency have the resources to participate in DFCS family team conferences?
- Does your agency have the ability to complete a psycho-social for all youth and family members associated with the identified placement to ensure the appropriateness of the placement?
- Does your agency have the ability to develop an individualized reunification and permanency plan based on the assessment results and the youth, families and DFCS Case Manager's input?

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Readiness Questions for Provider Organizations:

Does your agency have the ability to provide services that will meet the following minimum standards?

- staff to client ratio of no greater than 1:6 with staff possessing a masters degree or bachelors degree plus two years experience working with emotionally troubled youth and their families
- supervisor to staff ratio of no greater than 1:4 with supervisors possessing a masters degree or bachelors degree plus three years working with emotionally troubled youth and their families
- a licensed clinical professional to provide consultative oversight to all therapeutic services provided to the family
- no fewer than two face to face contacts per week while the youth is in the home

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Readiness Questions for Provider Organizations:

- Does your agency have the ability to provide 24/7 on-call availability for your clients?
- Does your agency have the ability to develop a cost allocation plan that aligns financing with a capitated payment and service design to support a performance based contract?
- Does your agency have the operating procedures which could be implemented to support the cost allocation plan?
- Does your agency have the financial reserves or access to a line of credit to support a risk based performance based contract?

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Readiness Questions for Provider Organizations:

Does your agency have the MIS ability to provide a monthly report which outlines raw data related to the population being served and outlines progress made and/or barriers to reunification? At a minimum, the report should contain the following data on the number of children:

- receiving reunification services and their current placement (RBWO, home with family, home with relative, etc)
- successfully transitioned to permanency during the month
- successfully discharged from the program during the month
- returning to out-of-home care during the month
- unsuccessfully discharged from the program during the month

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Readiness Questions for Provider Organizations:

- Does your agency have the hardware and software to connect with DFCS SHINES?
- Next Steps for my organization?

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•Questions?

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