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GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING

MAURA D. CORRIGAN
DIRECTOR

January 10, 2014

The Honorable Bruce Caswell, Chair
Senate Appropriations Subcommittee on DHS
Michigan State Senate
Lansing, Michigan 48933

The Honorable Peter MacGregor, Chair
House Appropriations Subcommittee on DHS
Michigan House of Representatives
Lansing, Michigan 48933

Dear Senator Caswell and Representative MacGregor:

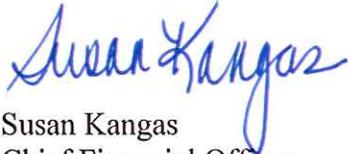
This report is provided pursuant to the Department of Human Services' (DHS') Fiscal Year 2014 Appropriations Act, PA 59 of 2013, Article X, Section 532(1). This section requires that DHS submit a report detailing revisions and improvements in the annual licensing and contract review process focused on alleviating administrative burdens, including the identification of duplicative activities and information sought from agencies during the previous fiscal year.

During FY 2013, the review tools were reviewed and modified to make sure all references were accurate. The review tools contain the rule language and hyperlinks to the modified settlement agreement, and to the child placing agencies and child caring institutions contracts to ensure that any findings are consistent with the written requirements. All forms are available online for agencies/institutions to utilize for self-review and to ensure transparency in the review process. Also during FY 2013, the department's licensing authority, the Bureau of Children and Adult Licensing (BCAL) surveyed all agencies and facilities that BCAL is statutorily responsible for regulating. The purpose of the survey was to get feedback from the organizations in order to improve the review process. A copy of the results of the survey is attached to this letter.

Meetings are scheduled in January 2014 between BCAL and the DHS Office of Contracts and Purchasing, to discuss how contracts are generated. The focus of the discussion will be on eliminating redundant language in the contracts and the possibility of issuing a single contract with multiple terms for each license. DHS will engage with contracted providers prior to implementing any changes.

If you have any questions, please contact Steve Yager, director, Children Services Administration, at (517) 241-9859.

Sincerely,



Susan Kangas
Chief Financial Officer

Attachment: BCAL Combined Inspection Survey Data

cc: Senate and House Appropriations Subcommittees on DHS
Senate and House Fiscal Agencies
Senate and House Policy Offices
State Budget Director

BCAL Combined Inspection Survey Data 2012-2013

- 411 surveys were sent out, 294 were received, 72% participated
- 46% of the participants were contracted agencies
- Types of Inspections:
 - Original-2%
 - Renewal-60%
 - Interim-32%
 - Complaint-6%
 - Other-1%
- 86% of the agencies reported having received an entrance conference.
 - 96% of those agencies found the entrance conference to be helpful or very helpful
 - 4% found it to be not helpful or very unhelpful
- 89% of the agencies reported that the consultant provided them with information to prepare for their inspection.
 - 96% of those agencies found the information they received to be sufficient for their preparation
 - 2% reported it was not sufficient
 - 2% did not respond
- 95% of the agencies reported that they either agreed or strongly agreed that they felt treated with courtesy and dignity by the consultant.
 - 4% neither agreed or disagreed
 - 0% disagreed or strongly disagreed
 - 1% did not respond
- 97% of the agencies reported that they either agreed or strongly agreed that they felt the consultant stayed in continuous communication with the appropriate staff during the inspection.
 - 1% neither agreed or disagreed
 - 1% disagreed
 - 0% strongly disagreed
 - 1% did not respond
- 94% of the agencies reported that they either agreed or strongly agreed that they felt the inspection process produced an accurate assessment of their compliance with the rules, laws, policies and contract requirements.
 - 4% neither agreed or disagreed
 - 1% disagreed
 - 0% strongly agreed
 - 1% did not respond

- 80% of the agencies reported having received technical assistance to assist with avoiding future violations.
- 83% of the agencies reported having received consultation on best practice.
- 94% of the agencies reported that they were given an opportunity to correct or clarify incorrect or missing information.
- 4% of the agencies reported that they had disagreements that were elevated to the consultant's supervisor.
 - 37% of those resulted in a better understanding of the violation
 - 27% resulted in a revision of the violation
 - 0% went unresolved
 - 18% did not respond
 - 18% other
- 79% of the contracted agencies reported that they either agreed or strongly agreed with preferring the new inspection process (one inspection) over the previous inspection method (multiple inspections).
 - 8% neither agreed or disagreed
 - 1% disagreed
 - 0% strongly disagreed
 - 12% did not respond