

# Status of Performance-Based Contracting Model Fourth Quarter Report

(FY2016 Appropriation Act - Public Act 84 of 2015)

**September 30, 2016**

**Sec. 503 (6).** *The department, in conjunction with members from both the house of representatives and senate, private child placing agencies, the courts, and counties shall implement the recommendations that are described in the workgroup report that was provided in section 503 of article X of 2013 PA 59 to establish a performance-based funding for public and private child welfare services providers. The department shall provide a quarterly report on the status of the performance-based contracting model to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices.*



Michigan Department of  
Health & Human Services

RICK SNYDER, GOVERNOR  
NICK LYON, DIRECTOR

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The Michigan Department of Health and Human Services (MDHHS) continues to lead and utilize the Child Welfare Partnership Council to ensure stakeholder involvement in the development of a performance-based model. MDHHS has collaborated with Kent County MDHHS staff and the Kent County provider community involved in the West Michigan Partnership for Children (WMPC) to continue moving the Kent County pilot forward.

MDHHS and the WMPC have identified a phased implementation plan for the pilot in Kent County. Phase 1 began on July 1, 2016, and focuses on infrastructure building. The following goals are set for Phase 1:

- A MDHHS/WMPC contract will be negotiated and WMPC/PAFC subcontracts will be established.
- WMPC will fulfill the remaining Child Placing Agency license requirements. MDHHS will review for approval.
- WMPC will procure and implement a financial system.
- MDHHS will continue working toward approval of the pilot in Michigan's Title IV-E State Plan with the federal Administration for Children and Families.
- WMPC will hire a Chief Executive Officer.
- Drafting of requirements to integrate the model into MiSACWIS (Michigan Statewide Child Welfare Information System) will begin.

MDHHS and WMPC have identified three additional phases: operationalization, testing and service delivery. The anticipated timing of these phases will be identified as more information is gathered for technical requirements of the pilot.

MDHHS and the WMPC continue to progress toward the implementation of a successful pilot. Recent accomplishments include:

### WMPC Infrastructure Planning

- Developed training materials and schedule to begin using Pressley Ridge Foster Parent Training and components of PRIDE (Parent Resources for Information, Development and Education) training for adoptive families.
- Established WMPC bank account.
- Requested release of start-up funds.
- Completed a national Chief Executive Officer search.
- Drafted Placement Agency Foster Care subcontract(s) required for Child Placing Agency licensure.
- Drafted WMPC Child Placing Agency policies.
- Conducted community engagement activities.

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## MDHHS Contracting, Oversight, Claiming and State Plan

- Drafted and reviewed the child welfare continuum of care master contract to be used with WMPC.
- Held a kick-off meeting with contracted evaluators, WMPC board members, and members from the Child Welfare Partnership Council to review the proposed evaluation plan.
- Drafted a Data Sharing Agreement with Mindshare, the third party analytics vendor.
- Determined processes for extending current service contracts set to end before phased implementation is complete (ex: Family Reunification Program).
- Drafted local oversight processes for fiscal and child welfare program monitoring.
- Finalized the state oversight plan for contracting and licensing requirements.
- Drafted cost reporting, claiming processes and templates.
- Drafted MDHHS policy to support pilot activities.
- Identified MiSACWIS change control specific to the Kent County pilot and drafted charter identifying high level timeframes to implement requested changes.