

## HOUSE BILL No. 2556

By Committee on Appropriations

3-6

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AN ACT enacting the Kansas children and family services accountability reform act; prescribing certain duties and responsibilities for the secretary of social and rehabilitation services and the department of social and rehabilitation services; providing for certain studies and reports.

*Be it enacted by the Legislature of the State of Kansas:*

Section 1. (a) This act shall be known and cited as the Kansas children and family services accountability reform act.

(b) The purpose of this act is to ensure both financial accountability and child well-being accountability for children, family services and the child welfare system.

Sec. 2. As used in this act, "child welfare system" means the system of services for children placed in the custody of the secretary of social and rehabilitation services and specifically includes family preservation services, foster care services, adoption services and other necessary services.

Sec. 3. (a) The purposes and goals of the child welfare system administered by the secretary of social and rehabilitation services are to achieve for each child who is placed in the custody of the secretary of social and rehabilitation services permanency in a safe and stable environment with quality programs as quickly as possible.

(b) From the time that a child is placed in the custody of the secretary of social and rehabilitation services, the secretary of social and rehabilitation services is responsible for all aspects of the child's life and is responsible to achieve permanency as quickly as possible for the child in a safe and stable environment with quality programs as prescribed by this act and by other statutes. The secretary of social and rehabilitation services may provide by contract for services to be provided for children placed in the custody of the secretary, but the responsibility for funding contractor and subcontractor services, as well as financial accountability and child well-being accountability remains with the secretary of social and rehabilitation services to provide family preservation, foster care, adoption and other necessary services for each child placed in the custody of the secretary and to ensure that all provisions of state or federal statutes, rules and regulations, and policies and procedures of the department

1 of social and rehabilitation services are complied with and adhered to  
2 with respect to the health, safety and welfare of such child.

3 Sec. 4. (a) In order to assist in ensuring financial accountability in  
4 the child welfare system and to provide the basis for the most accurate  
5 and complete reporting of the current costs of family preservation serv-  
6 ices, foster care services and adoption services and to provide uniform  
7 and consistent data from which to estimate future costs of such services,  
8 the secretary of social and rehabilitation services shall design and pre-  
9 scribe a cost center methodology for all privatized services under the child  
10 welfare system that is substantially modeled after and prescribes collec-  
11 tion of the same information in the same form as Form MS-2004 for  
12 Nursing Facilities, or, if the same information or the same form is inap-  
13 propriate, that prescribes collection of information that is the direct and  
14 appropriate analogue of the data reported by nursing facilities on such  
15 form. The cost centers shall include, but not be limited to:

- 16 (1) Administration, including central and field offices;
- 17 (2) plant facilities, including all buildings and facilities;
- 18 (3) operation, including central and field offices;
- 19 (4) room and board;
- 20 (5) health care, including health care provided directly and health  
21 care provided through service providers; and
- 22 (6) social services, including social services provided directly and so-  
23 cial services provided through service providers.

24 (b) The data collected through the cost center methodology pre-  
25 scribed by this section shall be reported each calendar quarter to the  
26 division of the budget for use and review by the governor and to the  
27 legislative research department for use and review by the legislature.

28 Sec. 5. (a) In order to assist in ensuring planning and child well-being  
29 accountability, the secretary of social and rehabilitation services shall de-  
30 velop, complete and maintain a case plan for each child receiving foster  
31 care services or adoption services. Each case plan shall clearly indicate  
32 the entity responsible for discharging the case plan for the child receiving  
33 services in accordance with such plan. Planning compliance shall be re-  
34 ported on a planning accountability form entitled "Number of CINC  
35 Children in Need of Care with Completed Case Plans" that lists each  
36 area office along and down the left side of the form and which provides  
37 three vertical columns to the right of the list of area offices. The vertical  
38 column on the left shall be entitled "Number Complete." The column in  
39 the center shall be entitled "Number Incomplete." The column on the  
40 right shall be entitled "Comments." The planning accountability report  
41 shall be submitted at least once each calendar quarter to the division of  
42 the budget for use and review by the governor and to the legislative  
43 research department for use and review by the legislature.

1 Sec. 6. (a) In order to assist in ensuring child well-being accounta-  
2 bility, the secretary of social and rehabilitation services shall develop a  
3 portfolio for each child receiving foster care services or adoption services  
4 to provide a readily available documentary record containing a compre-  
5 hensive health, social, educational and developmental record of the child  
6 which shall include, but is not limited to, each of the following:

7 (1) Complete health history, including immunization and dental  
8 records;

9 (2) mental health history;

10 (3) early periodic, screening, diagnostic and treatment report;

11 (4) results of psychological and educational testing;

12 (5) development scales results;

13 (6) educational placement and achievement level;

14 (7) availability of health insurance or other health care coverage or  
15 resources;

16 (8) involvement with law enforcement;

17 (9) records of substance abuse;

18 (10) employment information for each of the parents; and

19 (11) income resources available to provide support for the child.

20 (b) The secretary of social and rehabilitation services shall prepare  
21 and submit an educational accountability report on the educational de-  
22 velopment as of each June 1 of each child who is receiving foster care  
23 services or adoption services by completing and submitting such report  
24 on a form entitled "Number of CINC Children Who Have Completed  
25 & Passed to next Grade (June 1 Report)" that lists each area office along  
26 and down the left side of the form and which provides three vertical  
27 columns to the right of the list of area offices. The vertical column on the  
28 left side shall be entitled "No. Complete." The column in the center shall  
29 be entitled "No. Incomplete." The column on the right shall be entitled  
30 "No. Failed." The educational accountability report shall be submitted  
31 prior to June 30 of each year to the division of the budget for use and  
32 review by the governor and to the legislative research department for use  
33 and review by the legislature.

34 Sec. 7. In order to assist in providing permanency accountability, the  
35 secretary of social and rehabilitation services shall develop, complete and  
36 maintain permanency status information for each child receiving foster  
37 care services or adoption services. The methodology for collecting this  
38 information shall include the completion and maintenance of work papers  
39 which show type of placement setting and the age and gender of each  
40 child. Permanency accountability shall be reported on a permanency ac-  
41 countability form entitled "Number of CINC Children by Length of Stay"  
42 that lists each area office along and down the left side of the form and  
43 which provides eight vertical columns to the right of the list of area offices.

1 The first seven of such columns shall be progressively entitled "0-7," "8-  
2 15," "16-21," "22," "23-30," "31-36," and "37-." The eighth column on  
3 the right shall not have a title and may be used for comments or an  
4 additional reporting column. The permanency accountability report shall  
5 be submitted at least once each calendar quarter to the division of the  
6 budget for use and review by the governor and to the legislative research  
7 department for use and review by the legislature.

8 Sec. 8. With respect to children receiving foster care services and  
9 adoption services, the secretary of social and rehabilitation services shall:

10 (a) Conduct contract negotiations with current and potential service  
11 providers for the child welfare system to include reasonable and anticipated  
12 costs, the number and types of children projected to be in the  
13 system, the number and types of placements that such children will need,  
14 the number and types of services such children will need, the expected  
15 and acceptable caseloads of the social workers employed by contractors,  
16 and other reasonably anticipated costs and other factors that must be  
17 considered and provided for to achieve the purposes and goals of the  
18 child welfare system;

19 (b) maintain a timely, itemized and accurate accounting of the total  
20 costs of the child welfare system which includes any financial losses ex-  
21 perienceed or debts incurred by contractors and subcontractors in provid-  
22 ing services under the system, including reporting differences between  
23 subcontractor service costs and reimbursement rates;

24 (c) prepare and submit a report by August 1 of each year to the com-  
25 mittee on appropriations of the house of representatives, the committee  
26 on ways and means of the senate, the legislative post audit committee  
27 and the joint committee on children's issues which sets forth in detail the  
28 debt incurred by each entity contracting with the secretary to provide  
29 foster care services or adoption services, or both, and the debt incurred  
30 by the subcontractors of such foster care service providers and which  
31 presents recommendations on methods by which the state could appro-  
32 priately and effectively participate in reducing such debts;

33 (d) direct contractors providing foster care services or adoption serv-  
34 ices, or both, to provide contact information for the foster care helpline  
35 administered by Kansas legal services, inc., to each child and foster parent  
36 in the child welfare system receiving foster care services;

37 (e) require each contractor providing foster care services or adoption  
38 services to have a subcontract with the local licensed community mental  
39 health centers within the geographic areas served by the contractor to  
40 provide pre-hospitalization screening and approval for admission to in-  
41 patient psychiatric facilities and, under the same subcontract, to evaluate  
42 each child to determine if the child meets the criteria for classification as  
43 a child with a severe emotional disorder and the secretary of social and

1 rehabilitation services shall require and shall make provisions so that each  
2 child so identified as a child with a severe emotional disorder shall receive  
3 behavioral and health care services from a licensed community mental  
4 health center or a contracted affiliate of such center;

5 (f) organize and administer the provision of all mental health services,  
6 including substance abuse services, for children under the child welfare  
7 system, so that such services, like physical health services, are provided  
8 by qualified medicaid providers under the same procedures through the  
9 use of the child's medical card, with utilization review in accordance with  
10 the state medicaid plan, and such services are not provided through family  
11 preservation, foster care or adoption service provider contracts; and

12 (g) conduct contract negotiations with current and potential service  
13 providers for the child welfare system to include (1) reasonable and an-  
14 ticipated costs, (2) the number and types of children, including but not  
15 limited to the number of children with severe emotional disorders, pro-  
16 jected to be in the child welfare system, (3) the number and types of  
17 placements that such children will need, (4) the number and types of  
18 services such children will need, (5) the expected and acceptable case-  
19 loads of the social workers employed by contractors, and (6) other rea-  
20 sonably anticipated costs and other factors that must be considered and  
21 provided for to achieve the purposes and goals of the child welfare system.

22 Sec. 9. (a) (1) As part of each contract entered into by the secretary  
23 of social and rehabilitation services with a service provider providing fam-  
24 ily preservation services, foster care services or adoption services under  
25 the child welfare system, or any combination of such services, the sec-  
26 retary of social and rehabilitation services shall prescribe dispute resolu-  
27 tion procedures to resolve disputes between the secretary and the service  
28 provider and to resolve disputes between the service provider and any  
29 subcontractor providing all or part of such services. The secretary of social  
30 and rehabilitation services shall require the contracting service provider  
31 to include such dispute resolution procedures in each contract with a  
32 subcontractor.

33 (2) The secretary of social and rehabilitation services is hereby au-  
34 thorized and directed to develop and adopt appropriate guidelines for  
35 dispute resolution procedures required by this section. All such dispute  
36 resolution procedures incorporated into contracts between the secretary  
37 of social and rehabilitation services and service providers or between such  
38 service providers and subcontractors shall conform with guidelines  
39 adopted by the secretary of social and rehabilitation services and shall be  
40 subject to approval by the secretary of social and rehabilitation services.  
41 The dispute resolution procedures required by this section shall provide  
42 that any contract dispute which is between a service provider and a sub-  
43 contractor of the service provider and which is not resolved by the service

1 provider and the subcontractor in accordance with the dispute resolution  
2 procedures may be appealed by either party to the secretary of social and  
3 rehabilitation services for resolution and the determination of the secre-  
4 tary of social and rehabilitation services in resolving any such dispute shall  
5 be binding upon the service provider and the subcontractor.

6 (b) Each contract entered into by the secretary of social and reha-  
7 bilitation services with a service provider providing family preservation  
8 services, foster care services or adoption services under the child welfare  
9 system, or any combination of such services, shall require that the rate  
10 paid by such service provider to any subcontractor for the provision of  
11 any service under the child welfare system shall be not less than the rate  
12 received by the service provider for the provision of such service.

13 (c) Each contract entered into by the secretary of social and rehabil-  
14 itation services with a service provider providing family preservation serv-  
15 ices, foster care services or adoption services under the child welfare  
16 system, or any combination of such services, shall include the requirement  
17 that such service provider agrees to comply with the provisions of the  
18 Kansas prompt payment act, K.S.A. 75-6401 through 75-6407 and amend-  
19 ments thereto, as though such service provider was a state agency with  
20 regard to the timeliness of payments to such service provider's subcon-  
21 tractors as provided under this section. Under such provisions, each such  
22 service provider shall pay each subcontractor of the service provider the  
23 full amount for the services provided by the subcontractor on or before  
24 the 30th calendar day after receipt of the services or the date of the  
25 receipt of the subcontractor's bill for the services, whichever date is later,  
26 unless other provisions for payment are agreed to in writing by the service  
27 provider and the subcontractor. Service providers shall be subject to an  
28 interest penalty for late payments in substantially the same manner and  
29 under substantially the same conditions as state agencies are subject to  
30 an interest penalty for not paying for goods and services within the time  
31 prescribed under the Kansas prompt payment act. The secretary of social  
32 and rehabilitation services shall develop and adopt policies for the imple-  
33 mentation and administration of the provisions of this subsection.

34 (d) The secretary of social and rehabilitation services may adopt rules  
35 and regulations to administer the provisions of this section.

36 (e) The provisions of this section shall be applicable to all contracts  
37 entered into or renewed on or after the effective date of this act by the  
38 secretary of social and rehabilitation services with any service provider  
39 providing family preservation services, foster care services or adoption  
40 services under the child welfare system, or any combination of such serv-  
41 ices, and to all contracts entered into or renewed on or after the effective  
42 date of this act by any such service provider and a subcontractor providing  
43 all or part of such services.

1     Sec. 10. During the period from the effective date of this act until  
2 the first day of the regular session of the legislature commencing in 2005,  
3 the joint committee on children's issues shall monitor, review and make  
4 recommendations relating to the child welfare system and the programs  
5 and services thereunder of the department of social and rehabilitation  
6 services, specifically including, but not limited to, family preservation,  
7 foster care and adoption programs and shall prepare an annual report of  
8 findings and recommendations which shall be provided to the legislative  
9 coordinating council and to the legislature on or before the first day of  
10 the regular session of the legislature in 2002, 2003, 2004 and 2005 and  
11 may prepare such additional reports during such period as may be  
12 deemed appropriate by the joint committee on children's issues to the  
13 committee on appropriations of the house of representatives and the com-  
14 mittee on ways and means of the senate.

15     Sec. 11. This act shall take effect and be in force from and after its  
16 publication in the Kansas register.

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