Approved: January 29, 1996
Date

MINUTES OF THE HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES.

The meeting was called to order by Chairperson Carlos Mayans at 1:30 p.m. on January 24, 1996 in Room 423-S of the State Capitol.

All members were present except: Representative Goodwin
Representative O'Connor

Committee staff present: Norman Furse, Revision of Statutes
Francie Marshall, Committee Secretary

Conferees appearing before the committee:
Gary Brunk, Families First

Others attending: See Guest List, Attachment 1.

Chairperson Mayans opened the meeting by introducing Gary Brunk, representing Families First. With anticipation of pending legislation to remove barriers for the implementation of the Families First project, Chairperson Mayans invited Gary Brunk to speak to the committee.

Gary Brunk reported that the legislature asked the Corporation for Change to develop a comprehensive plan that would reform the delivery of services to children and families (see Attachment 2). He stated that the direction the plan sets will shape the delivery system in the future. He noted that there are details to be refined and areas to be improved. Dialogue is necessary for changes to occur regarding issues on kids and families.

A question and answer period followed the presentation. Representative Landwehr asked about the studies. Mr. Brunk said he would provide the committee a list of 40 studies and reports performed by different agencies in Kansas. Regarding the fate of existing agencies, he stated that the plan does not seek to re-invent successful programs, but foresees that at the conclusion of the transition period, state agencies like SRS would be smaller.

Discussion followed regarding both non profit and profit service providers. Issues regarding the relationship of volunteer and governing officials were addressed. When asked about failure of the plan, Mr. Brunk replied that if the system is left like it is, we can expect more failures.

As to the concerns of SRS employees losing their jobs, Mr. Brunk stated that many workers would be employed by the private service providers. Several members expressed concerned that the new Secretary of SRS Rochelle Chronister should be given an opportunity to revamp the agency.

With this plan, questions were answered regarding accountability, policy setting, governing, and increased bureaucracy. The Iowa Plan was discussed, and Mr. Brunk was asked to furnished the committee with the recent evaluation of the Iowa Decategorization Plan. Questions were asked regarding the test locations for the pilot plan. Mr. Brunk stated that test locations would be in both rural and urban communities. He reported the response from the communities regarding the pilot program have been very favorable. He continued saying if pilot sites are funded, the Corporation for Change would provide the technical assistance to communities in order for them to assume the responsibilities. Mr. Brunk requested the committee to look at the plan on its merits and believes that this is a plan worth implementing.

Representative Landwehr commented on turf issues and stated Secretary of SRS Rochelle Chronister has good ideas and should be given a chance to improve the existing system.

Chairperson Mayans expressed appreciation to Mr. Brunk on his presentation to the committee.

Chairperson Mayans announced that there will be a meeting tomorrow for possible final action on **HB 2164**.

The meeting was adjourned at 2:55 p.m.

The next meeting is scheduled for January 25, 1996

House Health & Human Services COMMITTEE GUEST LIST

DATE January 24, 1996

NAME	REPRESENTING
Shannon Manzanares	SRS / Children & Family
Bob Hamilton	Self
Rich Guthrie	Health Midwest
Dick Brummett	KU Dept of Family Medicine
KEITH R. LANDIS	CHRISTIAN SCIENCE COMMITTEE ON PUBLICATION FOR KANSAS
Karen Lowery	KAOB
JILL CRUMPACKER	GOVERNOR'S OFFICE
Karrie Ann Brown	KHA
Melissa Wangemann	Hein, Ebert & Weir

H. & H.S. Comm.
1-24-96
Attn #1

House Committee on Health and Human Services
January 24, 1996

Briefing on
Families First: A Plan to Reform Services for Families and Children

Gary Brunk, Executive Director
The Corporation for Change

Kansas must create a more accessible and accountable system to deliver services to children and families. That is the essence of *Families First: A Plan to Reform Services for Children and Families* that the Corporation for Change, at the directive of the Kansas legislature, has developed. I will begin with a broad overview of the reform plan and then go into more detail.

A Broken System

For two decades, study after study has revealed the failure of the way Kansas provides services to our children.

The bottom line is that in many communities the system does not work. It should be delivering services to families and children as effectively and efficiently as possible. It does not. Because it does not work well for children and families it also does not work well for taxpayers.

I want to underscore my conviction that there are in Kansas pockets of excellence, communities where extraordinary efforts have been made to integrate services and improve the system. While we need to learn from and build on those efforts, the fact remains that in most communities we have a long way to go.

Let's take a minute to look at the system from the perspective of a family seeking services. The family will first have trouble even finding information to help them identify what is available and where they need to go to.

If a family is successful at identifying where to go, the family has to then go to several sites to obtain services, undergo repetitive intake and assessment procedures to gain those services, and deal with many different government and private agency employees for each service needed. Families with a variety of needs may end up having ten or more staff persons assigned to them.

If the family gets this far in the system, the services will often prove ineffective because the funding has too many strings attached and the system proves to be unresponsive to the family's real needs.

H. + H.S. Comm.
1-24-96
attm #2

As long as key decisions about services are made in Washington, D.C. and in Topeka, and as long as we have multiple streams of funding, funding multiple programs, with multiple rules and regulations, this reality will not change.

We Need a System that is Accessible and Accountable

To alter this picture, several basic changes must be made. A key change is that decisions on how services are delivered to families and children must be moved to where the families and the taxpayers are: the local level.

Two fundamental needs shaped the development of the *Families First* proposal:

- **Accessibility** - Services must be moved closer to the Kansans who use them.
- **Accountability** - Services must yield positive, visible results.

From a family's perspective, how might a system that is accessible and accountable be different from the current system?

Let's start with a family interested in finding some information on parenting. They might go to their local one-stop family resource center, perhaps located in the neighborhood elementary school, and borrow a couple videos.

Another family may go to the one-stop family resource center and sign up for a class on parenting skills and maybe even join a parent support group.

And yet another family - say it's the family that currently has ten staff people working with them - may go to the same one-stop resource center and meet with a family advocate. After meeting with the family advocate and deciding they are interested in receiving services they go through a single intake and assessment process. The family advocate then works with the family to develop a plan for services that fits the needs of this particular family. While the family will be referred to other community-based service providers, they do not need to go through additional intake and assessment procedures and the family advocate continues in the role of coordinator and supporter.

How Do We Get There?

The centerpiece of the *Families First* plan is the creation of a statewide network of community-based Family and Children Trusts. The state will create flexible pools of funding that it will make available to the Trusts, and each Trust will enter into a contract with the state to produce positive results for families and children.

The Family and Children Trust will not provide direct services, but will contract with local and regional providers for services. Today, a family seeking help must sift through 100 separate programs funded by twelve different state entities. The Trusts would end the confusion by creating public-private partnerships that will move the decision-making to the local level.

The Trusts will ultimately assume the responsibility for administering all results-based services for children and families. There will be a three-tiered transition for the Trusts to follow. The first level will be to monitor how services are being offered in their community. The second level will allow the Trusts to begin to administer a limited number of programs. The final level will give the local Trusts major responsibility for positive results for children and families in their community.

I want to emphasize that the *Families First* plan does not propose any new programs. In fact, after full implementation of the plan, many existing programs will be eliminated. The plan will have a neutral impact on the state budget when it is complete.

Why Was the Plan Developed?

Before going into more detail, let's step back a bit and ask: why have we been working on developing this plan?

The 1995 Kansas Legislature directed the Corporation for Change to "develop a specific plan of service delivery system reform and present the plan to the 1996 Legislature." The Legislature noted in its directive that the plan should "be a bold and radical approach to system reform, while not putting the state's children at risk."

The Board of Directors of the Corporation for Change enthusiastically embraced the Legislature's directive because Board members believe that anything less than bold and radical reform <u>will</u> put growing numbers of children at risk.

Why will growing numbers of children be at risk? There are many reasons, but some current very salient reasons include:

1. Because federal block grants will result in significantly less resources available to support essential services.

2. Because widespread public dissatisfaction with government at all levels will mean increasing pressures to cut back on spending.

3. Because growing strains on the state budget, in part the result of federal cutbacks, will make state funding more scarce than it already is.

The Process for Developing the Plan

The *Families First* plan is the result of a process that begun in the Spring of 1995 and that has involved the Board of Directors of the Corporation for Change, stakeholders from across the state, and individuals working on state reform efforts in other parts of the country.

After defining an initial set of goals and principles, the Board of Directors invited a broad group of stakeholders from across the state to participate in the development of a proposal for reform. Over 100 persons accepted the invitation and participated in one of four work groups. Members of the work groups included advocates, family members, service providers, local officials, agency staff, citizens involved in local planning councils, United Way staff, and university faculty, as well as members of the Corporation's Board.

The stakeholders met over a three month period, both in meetings of the individual work groups and in meetings of all the stakeholders. As their recommendations on the goals and principles and on the reform plan took shape, the recommendations were presented to the full Board of the Corporation.

In mid-November a draft of the plan was presented at seven community meetings across the state. Over 350 persons participated in those meetings and their comments were considered by the Board when it discussed the final version of the plan.

Before going on I want to note that the accomplishment of significant comprehensive reform will require three distinct sets of activities.

The first set is the focus of this plan, and it is the creation of a community level infrastructure to decentralize and localize services and supports for children and families.

The second set of activities is linking children and families with services and supports. That cannot be proposed by this plan because it will be up to individual communities to develop the configuration of services and supports that make the most sense for the community.

The third set has to do with the state level activities needed to support the decentralization and localization of services and supports. That will include a fiscal analysis that can be the basis for the creation of pooled and flexible funding, the removal of state level barriers, the development of inter-agency agreements, and negotiations with the federal government on waivers. I will return to this issue later, but the reform plan does not deal in detail with those issues because we believe they are the responsibility of the governor and the cabinet secretaries.

Goals for Children and Families

Any effort to really transform the current system of services needs to start by asking what it is we want for children and families in Kansas. The *Families First* plan proposes the following goals as an initial list we believe most citizens of Kansas would agree are worthy of support.

1. Healthy births
2. Safe children and stable families
3. Children ready for school
4. Children living in families that are economically self-sufficient
5. Children avoiding high risk behavior
6. Children succeeding in elementary, middle (junior high), and high school

Principles for Service Delivery

Once we have established the goals we will seek through the reform of the service delivery system, it is important to define a set of principles that should guide the reform effort.

A Family Strength Focus. Services should be provided on the assumption that every family has strengths and that every family is capable of acting responsibly; and should provide opportunities - including the skills and resources - for families to exercise responsibility.

Results-Oriented Accountability. Resources are scarce. They must be focused on programs with a high likelihood of demonstrably enhancing life prospects of children and families. Improved results for children and families should be the measure of performance; not the number and kind of services delivered.

Community-Based Decision-Making. The needs of children and families vary significantly from community to community. Communities and families should determine the kind of program that best meet their individual needs.

Open Access to Comprehensive Integrated Services and Supports. Common intake, eligibility determination, and individual family service planning should connect separate services so that each family's entire range of needs is addressed. Service delivery should reflect full use of informal, voluntary, private and public resources in communities.

Prevention Focus. The system should be geared toward preventing problems rather than reacting to them. Developmental and preventive services should receive the bulk of resources, reducing the need for more costly crisis-intervention and treatment services.

Respect for Differences. Services should reflect the belief that membership in a group with a specific history and set of values and traditions is a source of strength, and that there are many kinds of differences deserving of respect.

Responsibilities and Roles of Local Communities

Defining features of the reform plan are a significant increase of responsibility, results-based accountability, and authority by local communities. The end result will be that responsibility for meeting expected results for children and families will be shared by local communities and the State.

To accomplish that shift communities will form Family and Children Trusts. The long term vision is that at the end of the transition period, local communities, through their Family and Children Trusts, will have the major responsibility for achieving most of the goals that I outlined earlier.

Stating that local communities have "major responsibility" does not mean they have sole responsibility. The state has a vital role in providing the supports that will be needed by local communities if they are to assume these new responsibilities. It does mean that when goals are not achieved we will look first to the local community to provide the initiative to develop solutions.

What Does the Family and Children Trust Do?

Family and Children Trusts will enter into a contract with the state, and will be monitored and held accountable for meeting the goals I described earlier. The contract will be re-negotiated annually, and will be based on a comprehensive plan and budget submitted by the Trust.

Trusts will assess community and family needs and monitor the community's success in achieving expected results for children and families. In order to avoid conflicts of interest, a Family and Children Trust will not be a provider of services.

Who Provides Services?

Services will be provided largely by community-based service providers. Those could be existing and new providers and providers established by local units of government (such as health departments). The plan recognizes that some communities may not be

able to provide services for a small group of children with hard to meet needs. Those communities will be allowed to contract with regional service providers.

The Need for a Transition Period

Because most communities in Kansas are not prepared to assume immediate responsibility for meeting the goals for children and families, there is a need for a transition period that allows for a gradual and planned shift in responsibilities from the state to the Trusts. The transition process must be flexible, recognizing that communities across Kansas differ considerably in their readiness to take on those responsibilities.

In order to accommodate those differences, communities will gradually assume one of three levels of responsibilities, with each level having increased authority for monitoring results, community planning, and directing the use of public resources. Each level will require certification by, and a different contractual relationship with, the state entity responsible for children and families. Because the State cannot afford to run two parallel systems indefinitely, the plan sets dates by which all communities will be expected to assume certain responsibilities.

Boundaries and Governance of Family and Children Trusts

The plan proposes that by February 1, 1998 all areas of the State will be part of a Family and Children Trust. The area covered by a Trust will be either a county or a cluster of counties.

Communities will have several options for the composition of the governing Board of the Trust, including the designation of an existing coordinating group such as a Local Planning Council or a 3113 Council as the core of the Board. All the options require a Board whose membership includes elected public officials representing local governments and school boards as well as representatives of local collaborations working to improve the lives of children and families, of judicial districts, and of state agencies.

Upon approval of the governance plan by the Governor or his or her designee, the Board will become the Family and Children Trust of the designated county. I should note that the plan calls for the funding of three to five model sites as the initial phase of its implementation.

Responsibilities and Roles of the State

Under the proposed plan, the role of the State is radically redefined. The State is no longer in the business of providing services. Instead, its role is to monitor the progress of communities in meeting the goals described earlier and to provide support that

will aid communities in their efforts toward meeting these goals. To meet those responsibilities the Governor or his or her designee will need to carry out several vital functions, including:

1. In consultation with local communities, establish goals for children and families, appropriate indicators of success in achieving those goals, state policies to reach those goals, and minimum standards for the protection and well-being of children. Goals and standards will be uniform across the state, in order to assure that the well-being of a child in one county will not be materially different from the well-being of a child in any other county.

2. Develop guidelines for the formation of Family and Children Trusts, and, upon receipt of an acceptable governance plan, approve their formation.

3. Monitor the performance of the Trusts.

4. Monitor fairness and equity.

5. Report annually to the public, Trusts, and the Legislature.

6. Make available to communities pooled and flexible funding that is tied to success in achieving goals and minimum standards.

7. Provide guidelines and fiscal incentives that will focus community efforts on results and prevention services.

8. Provide technical assistance and training to local communities.

9. Maintain the right to assume responsibility of the operation of a local service delivery system if a local community fails to meet contractual obligations.

What State-Level Reforms Are Needed to Enable the State to Carry Out the New Roles?

There are several paths Kansas could take to state level reform, and none of them in isolation is the "right" path. In systems change, structure matters less than strategy. Other states have created "children and families sub-cabinets," and/or new sub-units such as a Governor's Office for Children and Families, and/or have consolidated programs in one agency, and/or have developed inter-agency agreements. Kansas could chose any one or a combination of those models.

Whatever the choice, it needs to fit into the broader state government reorganization efforts and it needs to be consistent with the principles guiding this plan.

Corporation for Change

The plan sunsets the Corporation for Change by July 1, 1997.

In Summary:

- This plan moves the decision making where it belongs: back to the community. This will increase efficiency and effectiveness because it's only at the local level that we can link federal, state, county, city, and private sector resources.

- This plan allows Kansas to govern for results for children and families.

- It will take today's confusing and complicated system and create in its place a system more accessible for Kansas families and more accountable to all Kansans.

- At full implementation this plan will be budget neutral.

- It will strengthen our state's position as the federal government moves ahead with welfare reform and changes in federal block grants.

- It will help make Kansas a leader in the nation.