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Department of Family
and Protective Services

House Appropriations Subcommittee Article II

DFPS Contracting

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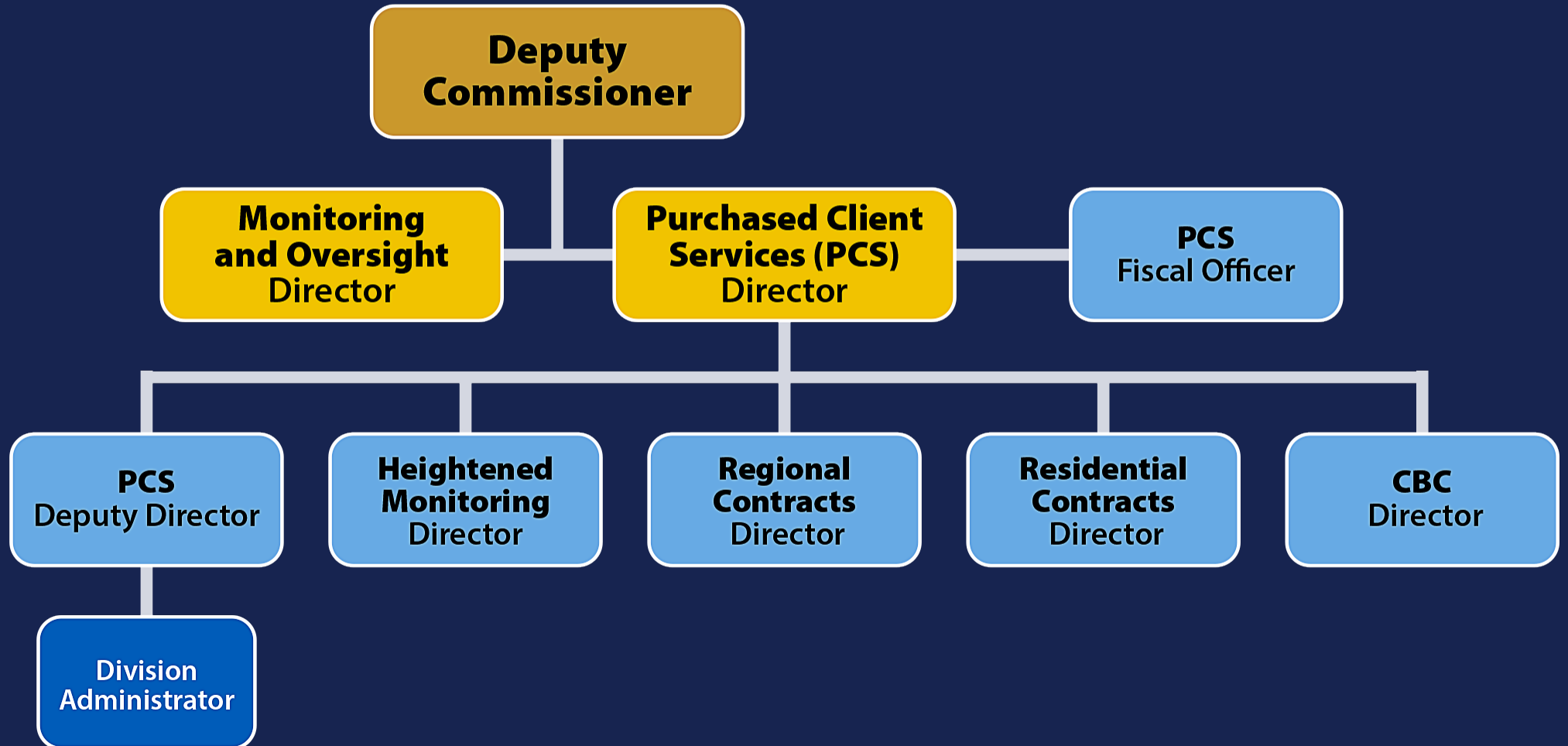
March 3, 2021



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DFPS Contracts Division





DFPS Purchased Client Services (PCS)

Purchased Client Services is responsible for:

- Working with DFPS programs (CPS and APS) to plan the purchasing of contracted services, establish the qualifications, service deliverables, develop reporting and documentation requirements, and determine a payment methodology and performance measures for each service;
- Development of the contract;
- Contract administration and management;
- Contract monitoring and accountability; and
- Resolution of contracting issues.



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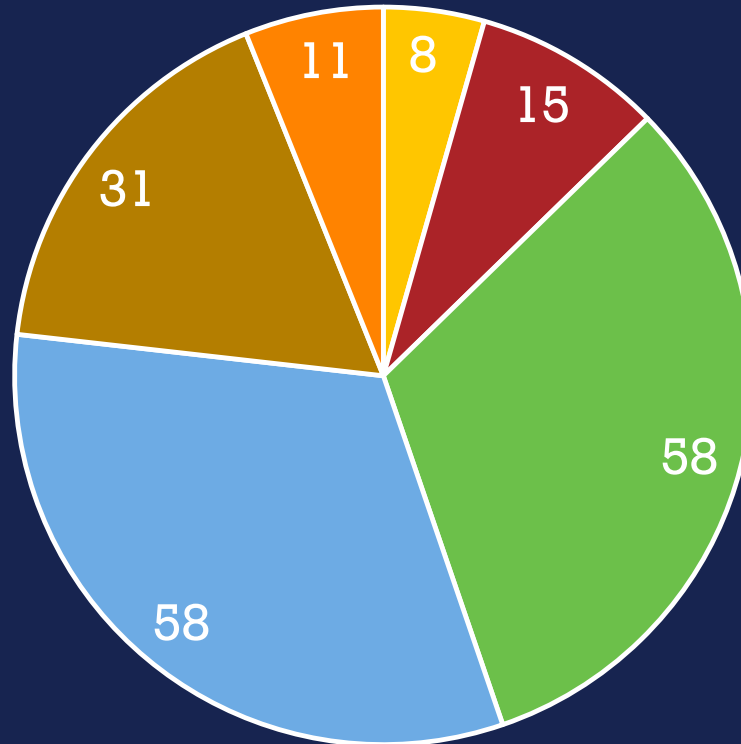
PCS By the Numbers

| Purchased Client Services | Contract Count* | FY20 Expenditures |
|--|------------------------|--------------------------|
| Adult Protective Services (APS) | 112 | \$5,771,288.08 |
| Child Protective Services (CPS) | 1,378 | \$70,708,844.91 |
| Community Based Care (SSCC) | 4 | \$186,273,735.23 |
| Residential Child Care (RCC) | 388 | \$341,275,885.34 |
| State Office | 50 | \$13,392,533.23 |
| Grand Total | 1,932 | \$617,422,286.79 |



DFPS Purchased Client Services

PCS Staff (181 Total)



■ CBC Contracts

■ Regional APS

■ Regional CPS

■ RCC

■ Heightened Monitoring

■ State Office



Recent PCS Actions

The Overnight Unit was created to ensure overnight supervision of children placed at facilities caring for more than six total children.

The Residential Heightened Monitoring Unit was created to administer and implement Heightened Monitoring as ordered by the district court in the foster care litigation.

Working closely with IT, PCS has worked within existing resources to develop a robust system to automate processes, track compliance, and share information with providers. These systems allow Contract Managers to conduct more comprehensive monitoring and make it easier for providers to input critical information.

- PACES – As provided by Senate Bill 11 (85R), DFPS is able to monitor the effectiveness of residential child-care services by specifying performance outcomes and assessing financial incentives and remedies based on performance. The system serves as a portal and communication system between DFPS and contractors, providing access and allowing the automated monitoring of performance outcomes related to incentives and remedies. The system includes real-time reporting capability at the contractor and global-level with additional functionality being added each quarter in an effort to further refine and streamline processes.
- AWAKE – With a planned rollout in April 2021, the system will automate much of the data processing and tracking used to ensure contractors provide awake night supervision.



Contract Oversight and Support (COS)

COS supports and oversees processes to comply with state and federal contracting rules and regulations.

Objectives include:

- Implementing legislation and policies that safeguard against unethical behaviors and sound contract management business operations;
- Promoting risk mitigation and monitoring activities through continuous process improvements, robust training, and cross divisional coordination;
- Fulfilling legislatively mandated reporting, as well as strengthening decision making through using contracting and procurement data;
- Supporting informed process improvement through continued quality assurance; and
- Administration of the agency's HUB Program.



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COS Specifics

DFPS received three FTEs for FY 2020-2021 to assume LBB and VPTS reporting responsibilities from HHSC, and to further promote and increase contract data analysis, risk identification and mitigation, financial analysis, and to establish the DFPS HUB program.

DFPS established agency policies and compliance standards; partnerships with LBB and CPA staffers; and developed quarterly compliance dashboards.



Vendor Performance Tracking System (VPTS)

State agencies are required to submit vendor performance to the Texas Comptroller of Public Accounts Vendor Performance Tracking System (VPTS) to report positive and negative vendor performance.

| LBB Report | Submission Data | Q1 Compliance |
|---------------------|-----------------|---------------|
| New Contracts | 191 | 100% |
| Contract Changes | 642 | 100% |
| Attestation Letters | 24 | 100% |

| VPTS Reporting Contracts | Submission to Comptroller | Q1 Compliance |
|--|---------------------------|---------------|
| Q1: All submissions were satisfactory for reporting period | 74 | 100% |



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DFPS HUB Program

During the 87th Interim, DFPS established its own Historically Underutilized Businesses (HUB) program. DFPS has successfully:

- Implemented agency policies ensuring compliance with mandated reporting;
- Strengthened presence with vendor relations and outreach efforts;
- Proactively invited TAAACC and TAMACC members to all Pre-proposal HUB Trainings;
- Provided networking opportunities for HUBs to connect with potential primes;
- Increased respondent's HUB Subcontracting Plan passing rate from 27% to 93%; and
- Established three HUB Mentor Protégé relationships.



SB 20 84th Legislation Implementation

DFPS implemented SB 20 Legislation in two ways. First by establishing or furthering agency policies on:

- Commissioner's Signature Authority for \$1M Contracts;
- Vendor Performance Tracking System Requirements and Reporting;
- Revolving Door;
- Certification processes for Non-disclosure and Conflict of Interest;
- Contracting and Procurement Ethics Training;
- Department of Information Resources;
- Enhanced Contract Monitoring; and
- 7- Years Records Retention.



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SB 20 84th Legislation Implementation

DFPS established reporting structures to implement SB 20 Legislative reporting requirements for:

- Posting the agency's Contract Handbook through Texas Comptroller of Public Accounts;
- VPTS reporting (assumed from HHSC September 2018);
- LBB reporting, including establishing a collaborative partnership with LBB staff (assumed from HHSC January 2019); and
- Publishing and maintaining active contracts on the DFPS public website.



Oversight Innovations

Use of Data - DFPS has transitioned from a time-intensive, annual qualitative narrative assessment to using data analysis to identify potential emerging risks. Being provided this data analysis eliminates the time-intensive manual information gathering in multiple systems, harnesses trend information, draws upon real-time qualitative inputs and overall focusing resources on residential contractors identified needing additional support and coordinating action plans when indicated.

Early Identification -DFPS is focusing resources on early identification, early in the contracting process, and early as potential risks emerge. Early identification can trigger increased monitoring and technical assistance to improve quality as well as compliance.

On-going Efforts - DFPS will continue to conduct annual contract risk assessment and risk based specialized contract monitoring protocols with modifications based on system-wide trends and patterns. DFPS continues intensive multi-disciplinary team assessments and reviews to manage high risk situations.



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Heightened Monitoring

Heightened Monitoring is required by the remedial orders of the District Court in the federal foster care lawsuit. It is a coordinated effort between DFPS and HHSC to address a pattern of deficiencies and/or concerns relating to residential child-care operations serving youth in the permanent managing conservatorship of DFPS.

Teams from DFPS and HHSC Child Care Regulation conduct an in-depth assessment of every operation on the heightened monitoring list and develop an individualized and customized plan addressing the patterns that led to the operation being placed on heightened monitoring.

While DFPS is using the validated list of operations to place on heightened monitoring, it is important to remember that DFPS continues to have multiple enforcement avenues aside from heightened monitoring.



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Performance-Based Contracting

Performance-Based Contracting vs. Performance Measures

Although not the traditional definition of performance-based contracts, which ties performance to compensation, DFPS practices a version of performance-based contracting in its use of performance measures. Performance-based contracting measures vary by type of DFPS contract: task-centric, information centric, condition-centric, or multi-systems products.

All DFPS client service contracts have performance measures; the more responsible a contractor is for client outcomes, the closer the contract gets to being truly performance-based.



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Performance-Based Contracting

| Data Collected by type of Contract Deliverable | | | | | |
|--|----------------------------|---|---|--|------------------------------|
| Data Categories (general) | Data Categories (specific) | Task-Centric Contracts (Hospital-Sitters) | Information-Centric Contracts (Psychological Evaluations) | Condition-Centric Contracts (Residential Child Care or Mental Health Services) | Multi-System Contracts (CBC) |
| Outputs | Population and Frequency | √ | √ | √ | √ |
| Real-Time Indicators | Critical Tasks | √ | √ | √ | √ |
| | Quality | √ | √ | √ | √ |
| Outcomes | Service-Specific Outcomes | | | √ | √ |
| | Case Outcomes | | | | √ |



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Performance-Based Contracting

Residential Child Care Contract Performance Measures

% of children safe in Foster Care (All)

% of timely Texas Health Steps Medical/Dental Checkup (All)

Sibling Group Placements in foster homes (CPA only)

Child remains in a least restrictive setting (IPTP and Treatment Foster Care only)

% of timely CANS assessments (All)

% of positive discharges (All)

% of youth completing PAL (All)

Older Youth Placements in Foster Homes (CPA only)

Discharge to a Family placement (GRO only)

Successful Discharge from IPTP (IPTP only)

Timely Entry and Exit CANS (Treatment Foster Care only)

Successful Transition from TFC (Treatment Foster Care only)



Performance-Based Contracting - CBC

Community-Based Care Performance Measures

% of children safe in care

Children/Youth obtain a Texas Health Steps exam timely

Children/Youth placed with their siblings

Children/Youth placed in a least restrictive setting

Children/Youth remain in their school of origin

Children/Youth placed in their home communities

Children/Youth placement stability

Youth turning 18 complete PAL training

Children/Youth placed with kin

Youth age 16 and older obtain driver's license or identification card

Children/Youth participate in service planning

Children/Youth attend court hearings

Caseworker turnover rate is maintain/improved



Incentives & Remedies for Performance Outcomes

Senate Bill 11 (85R) required the agency to monitor the effectiveness of residential child-care services through:

- Specifying performance outcomes;
- Financial penalties for failing to meet specified performance outcomes; and
- Financial incentives for exceeding any specified performance outcomes.

DFPS experienced improved performance in some targeted areas subject to liquidated damages (LD)*:

- EPSDT has marked improvement from 37% of Contracts with LD decreasing to 16%, and number of Contractors with instances of LD above 10 went from 6 to 0.
- Trauma-Informed Care Training: a small decrease in the number of LD from 4.1% to 4.0%, however the number of contractors with LD have decreased in the sample percentage from 17% to 15%.
- Background Check: There was a marked improvement from 9% of Contracts with LD decreasing to 1% and likewise a decrease in the number of LD from 3.3% to .2%.



Community-Based Care Contracts

CBC Stage I: The SSCC is responsible for placement of children in foster homes and other foster care settings as appropriate with a “no eject, no reject” clause and performance-based contract. Performance measures include keeping children safe in foster care, minimizing placement moves, and placing children close to home.

CBC Stage II: The SSCC is responsible for full case management and reunification services that move children to permanency. The SSCC additionally provides services to support kinship caregivers, adoption services and transitional living services for youth. Performance outcomes expand to include placing children with relative or kinship caregivers and maintaining or lowering caseworker turnover.

CBC Stage III: SSCC performance metrics include financial incentives and penalties for the time a child spends in foster care. Incentive money earned is equal to the general revenue amount that DFPS would have spent on foster care. DFPS begins tracking of foster care days for incentives and remedies in the fiscal year beginning September 1st of the year in which the SSCC implements Stage II. This aligns performance tracking for all SSCCs to the fiscal year schedule/intervals. Performance in Stage II is “hold harmless” but reported to understand trends.



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Thank you
