

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: November 13, 2024

To: Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

From: Shakita LaGrant-McClain, Director, Department of Health and Human Services

Subject: A report from the Director, Department of Health and Human Services, requesting authorization to retroactively amend 2024 purchase of service contracts with Birth to 3 community vendors for Children, Youth and Family Services

File Type: Action File

REQUEST

The Director of the Department of Health and Human Services (DHHS) is requesting authorization to amend 2024 purchase of service contracts for the Children, Youth and Family Services (CYFS).

POLICY

Per Wisconsin Statutes, the Director of the Department of Health and Human Services is requesting authorization to increase a variety of CYFS purchase of service contracts.

Wisconsin State Statutes:		59.52(31)
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BACKGROUND

The Birth to 3 Program, authorized under Part C of the federal Individuals with Disabilities Education Act (IDEA), supports children with developmental delays or disabilities under the age of three and their families. The program is a federal entitlement which utilizes state, federal, and local funds to enhance the development of children with developmental disabilities, minimizes the need for special education, and decreases rates of institutionalization. Counties are responsible for administering the program based on state and federal guidelines. Specific county responsibilities include establishing a comprehensive system to identify, locate, and evaluate children who may be eligible for the program.

Milwaukee County's Birth to 3 Network

CYFS contracts with three agencies to provide services to families to enhance their child's development. These services may include the following:

- Screening & Evaluation
- Related Health Services

- Family Education Development & Education Services
- Communication Services
- Occupational, Speech & Physical Therapy
- Case Management Services

For the last several years, the state’s allocation for the Birth to 3 program has remained flat while the number of children being served and associated costs have grown. The state’s Birth to 3 contracts with counties cover only about 25 percent of Birth to 3 costs. Counties contribute the majority of funding through levy and community aids with the balance being covered by Medicaid, private insurance and parental cost share.

To address the growing program and stagnant funding, DHHS, its contracted partners and other counties and partners across Wisconsin have facilitated and engaged in advocacy efforts seeking additional Birth to 3 funding from the State of Wisconsin. DHHS’s three contracted providers – Curative, Penfield and St. Francis Children’s Center – have remained committed to this program despite collectively incurring deficits that have averaged about \$1.5 million over the last several years with a combined projected deficit expected to exceed \$2 million in 2024.

This financial situation is unsustainable and DHHS has made concerted efforts with its partners and other statewide stakeholders to prioritize this issue for the upcoming 2025-2027 State Budget.

To help mitigate the anticipated deficits faced by the providers, which collectively serve around 1,300 children each month, DHHS is proposing to utilize a portion of its projected 2024 surplus. Specifically, it is requesting amendments totaling \$500,000 to the 2024 provider contracts, as outlined in the table below. These amendments have been determined based on the average number of children served by each agency in 2023.

Service	Provider	2024 Allocation	2024 Proposed Increase	Total 2024 Allocation
Birth to 3 Early Intervention	Curative Care Network	\$2,347,288	\$300,000	\$2,647,288
Birth to 3 Early Intervention	Penfield Children’s Center	\$1,599,451	\$115,000	\$1,714,451
Birth to 3 Early Intervention	St. Francis Children’s Center	\$828,261	\$85,000	\$913,261
	Total	\$4,775,000	\$500,000	\$5,275,000

ALIGNMENT TO STRATEGIC PLAN

CYFS is committed to ensuring that the most vulnerable children and their families in Milwaukee County have access to and are enrolled in the Birth to 3 program in an equitable manner. DHHS will continue to work together with system and statewide partners to engage in a larger strategic plan to address the funding gaps in the program on a long-term basis.

RECOMMENDATION

It is recommended that the Milwaukee County Board of Supervisors authorize the Director, Department of Health and Human Services, or her designee, to retroactively amend Birth to 3 purchase of service contracts in a total amount of \$500,000 for the services identified in the accompanying resolution. The effective date of the contract amendments would be the period of January 1, 2024, to December 31, 2024.

FISCAL EFFECT

A fiscal note is attached.

TERMS

The purchase of service contracts are effective from January 1, 2024 to December 31, 2024.

VIRTUAL MEETING INVITES

Shakita LaGrant-McClain, DHHS Director
Kelly Pethke, CYFS Administrator
Clare O'Brien, DHHS Budget & Policy Director

PREPARED BY:

Kelly Pethke, CYFS Administrator

APPROVED BY:

Shakita LaGrant-McClain

Shakita LaGrant-McClain, DHHS Director

ATTACHMENTS:

cc: County Executive David Crowley
Sup. Willie Johnson Jr., Chair, Finance Committee
Sup. Shawn Rolland, Chair, Health Equity, Human Needs, & Strategic Planning Committee
Liz Sumner, Comptroller, Office of the Comptroller

Mary Jo Meyers, Chief of Staff, County Executive's Office
Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors
Joseph Lamers, Director, Office of Strategy, Budget and Performance
Steve Cady, Research & Policy Director, Office of the Comptroller
Madeline Fruehe, Budget & Management Analyst, SBP