

MILWAUKEE COUNTY
Inter-Office Memorandum

DATE: May 24, 2013

TO: Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors

FROM: Héctor Colón, Director, Department of Health and Human Services
Prepared by Geri L. Lyday, Administrator, Disabilities Services Division

SUBJECT: Report from the Director, Department of Health and Human Services, requesting authorization to increase and extend 2013 Disabilities Services Division purchase of service contracts for Birth-To-Three agencies

Issue

Section 46.09 of the Milwaukee County Code of General Ordinances requires County Board approval for the purchase of human services from non-governmental vendors. Per Section 46.09, the Director of the Department of Health and Human Services (DHHS) is requesting authorization to increase 2013 purchase of service (POS) contracts for the Birth-To-Three provider agencies within the Disabilities Services Division (DSD).

Background and Rationale

The Birth-To-Three program is an entitlement in Milwaukee County and provides critical early intervention services to children age zero to three years who demonstrate developmental delays. Provided services are critical to the identification of early intervention strategies that can assist children to reach their maximum potential and actively participate in their communities. Services delivered by this program are provided by nine contracted community-based agencies that have expertise in working in this area and have been the providers of Birth-To-Three services in this community for some time. Birth-To-Three services continue to be invaluable to families who have a child with a developmental delay. Provider agencies are key partners in the process through the delivery of effective early intervention services in partnership with families and Milwaukee County.

In December 2012, the County Board authorized DSD to enter into 2013 contracts with the Birth-To-Three agencies for a six-month period. At the time, the Division did not recommend full year funding pending review of financial information in order to achieve a more performance-based contracting approach. Over the last year, DSD has been moving toward performance-based contracting focused on Federal indicators, review of unit rates and provision of services in the natural environment. DSD worked collaboratively with contract agencies and performed a review of program and fiscal data during 2012. In order to allocate new funding available in a manner consistent with agency performance, it was determined that

DSD would begin a new data reporting methodology during 2013. In addition, in 2013 DSD identified additional financial resources for Birth-To-Three services to address the ongoing budget imbalance caused by steadily increasing agency costs, increased number of referrals and number of children served and limited or no funding increases from State or Federal funding. However, allocation of the additional financial resources was tied to the implementation of a new reporting requirement that would be able to compare agency financial performance data across agencies. This was critical in order to allocate new funding based upon agency performance-based criteria.

New Data Reporting Methodology

New reporting requirements were implemented in 2013 to allow for more detailed service information that could be utilized to compare agency performance and service volume. DSD has been working with Contract Administration and the Birth To Three agencies to institute the new requirements as well as provide training so that agencies were clear about the new requirements. DSD has just completed several trainings but needs more time to fully implement the new reporting requirements. DSD anticipates utilizing the second quarter 2013 results from the agencies to base the allocation of new funding. This will enable the Division to analyze several months of financial performance data and provide a more solid support of the new allocations. It was important for the agencies to at least have knowledge of what a full year’s budget would be in order to plan for staffing and programing. Therefore, we wanted to award a 12 month allocation at this time and then allocate the new funding after we have at least three months of consistent program information from the agencies.

It is therefore recommended that Birth-To-Three contracts be increased by the same amount the agencies received in the first six months of 2012 and extended through December 31, 2013 to reflect 12-months of funding. DSD will report back to the Board with recommendations for the remaining funding after the new agency data has been analyzed.

Recommendations for 2013 contract increase allocations are based on the first six months of funding which reflected 2012 allocations. The following contract increases are being recommended:

Agency	2013 Contract	2013 Recommended Increase	New 2013 Contract Amount
Center for Communication, Hearing & Deafness	\$40,794	\$40,794	\$81,588
Curative	\$614,923	\$614,923	\$1,229,846
Easter Seals	\$272,701	\$272,701	\$545,401
Lutheran Social Services	\$123,266	\$123,266	\$246,531

Milwaukee Center for Independence	\$194,485	\$194,485	\$388,970
Next Door	\$78,890	\$78,890	\$157,779
Penfield	\$587,799	\$587,799	\$1,175,597
St. Francis	\$229,585	\$229,585	\$459,169
Vision Forward	\$41,360	\$41,360	\$82,719
Total	\$2,183,803	\$2,183,803	\$4,367,600

It should be noted that agencies will need to continue to maintain compliance with Federal Indicators, to keep pace with the high number of new referrals and continue to perform well on quality Birth To Three measures including the annual parental survey and family outcomes. Collectively, all of this information folds into our ability to award allocations based on performance.

Recommendation

It is recommended that the County Board of Supervisors authorize the Director, DHHS, or his designee, to increase and extend purchase-of-service contracts with Birth-To-Three provider agencies per the narrative above and in the amounts specified in the above table and detailed on the attached resolution.

Fiscal Effect

Funding for these POS contract increases is included in DSD's 2013 Adopted Budget. There is no additional tax levy impact associated with this request. A fiscal note form is attached.



Héctor Colón, Director
Department of Health and Human Services

Attachments

cc: County Executive Chris Abele
Raisa Koltun, County Executive's Office
Kelly Bablitch, County Board
Don Tyler, Director, DAS
Josh Fudge, Interim Fiscal & Budget Administrator, DAS
CJ Pahl, Assistant Fiscal & Budget Administrator, DAS
Matthew Fortman, Fiscal & Management Analyst, DAS
Jennifer Collins, Analyst, County Board Staff
Jodi Mapp, Committee Clerk, County Board Staff