

COUNTY OF MILWAUKEE
Delinquency and Court Services Division (DHHS)
INTER-OFFICE COMMUNICATION

DATE: November 14, 2011

TO: Lee Holloway, Chairman, Milwaukee County Board of Supervisors

FROM: Héctor Colón, Acting Director, Department of Health and Human Services
Prepared by Eric Meaux, Administrator/ Chief Intake Officer – DCSD

SUBJECT: **Report from the Acting Director, Department of Health and Human Services, requesting authorization to enter into 2012 Purchase of Service Contracts for programs within the Delinquency and Court Services Division.**

Issue

In accordance with section 46.09 of the County Ordinances the Acting Director of the Department of Health and Human Services (DHHS) is requesting approval to enter into various 2012 purchase of service contracts for the Delinquency and Court Services Division (DCSD).

Background

Since 1970, DHHS has supported a social service delivery system comprised of both directly provided and purchased services using a combination of State, grant, and local tax funds. Partnerships with community providers have allowed DHHS to cooperate and collaborate with various community agencies and resources. These partnerships further the opportunities for community participation and leverage resources and or community expertise regarding our community response to delinquency.

The top priority for the juvenile justice system and partnering youth serving systems is stopping repeat offenses and reducing crime. Police referrals to the Children's Court have decreased by 50% over the past ten years. Further, the number of youth that are referred to the Children's Court for multiple repeat offenses has decreased by over 6% in the past four years. These positive trends are in part due to the partnerships developed over the years involving community providers and the continuously evolving "systems of care" model.

In addition to Section 46.09 of the County Ordinances, the Department conforms to the DHHS request for proposal (RFP) process to ensure objectivity and fairness in the awarding of purchase of service contracts. The Department relies on these objective reviews by community panels and DHHS contract administration/ quality assurance to guide award recommendations. In addition to the DHHS panel scoring process, the Department may consider other salient factors in order to best meet the needs of the juvenile court and youth served including the financial stability of applicants to ensure the continuity of services, the minimization of service disruption, provider alignment with emerging strategies or changing system demands, opportunities for further resource leveraging and information sharing, and maximization of

resources.

Using authority granted by the County Board, DCSD has contracts that allow for second and third-year contracts without a Request for Proposals based on an agency's performance during the previous year.

Discussion

In consideration of the proposed contracts below, the Department was notified by the State Department of Corrections that further reductions were imminent for 2012 beyond the \$3.6 million cut in Youth Aids and the estimated \$1 million in deficit reduction surcharge contained in the 2011-2013 State Budget. Statewide Youth Aids reductions are estimated to reach 15 – 19% based on information learned from the Department of Corrections.

In this context, the Department has taken a very thoughtful and prospective approach to contract recommendations and allocations in 2012 that would best position the Department to respond to emerging challenges and the pending revenue reductions. In addition to proposing some immediate allocation reductions based on current service utilization trends, the Department is proposing 6-month contracts at a commensurate pro-rated amount for the majority of expense-based contracts. This will position the Department to address the revenue reductions from the Department of Corrections and alerts service providers that further contract adjustments may become necessary as a result of the State actions. In addition to this, Department-wide strategies to offset the anticipated revenue reductions will be considered including the use of 2011 surplus funds should such funds materialize.

The contracts allowing for second and third-year contracts are presented first followed by those for which the Department solicited requests for proposals.

For 2012, the Department is requesting approval to purchase services with the providers listed below for the identified service/ program, contract amounts and time period. Where applicable, an explanation as to any increase or decrease in the proposed amount is provided. All providers were previously awarded the listed program areas contracts in either 2010 or 2011 as part of a three-year contract cycle process.

Service	Provider	2012 Proposed Allocation and Term
Re-entry Coordination Services	St. Charles Youth and Family Services	\$45,000 for the period of 1/1/2012-6/30/2012. This is a pro-rated \$60,000 decrease from 2011 due to a shift from sole contract provided to shared responsibility with County personnel.

Adolescent Sex Offender Treatment Program	Pathfinders	\$11,243 for the period of 1/1/2012 – 1/31/2012. This is a \$123,669 decrease from 2011 to accommodate a shift from expense base to fee-for-service purchase utilizing existing network of service providers. Actual utilization over the past two years has been below 50%, which is consistent with sex offense referral trends. Estimated \$75,000 net savings.
Level 2 In-Home Monitoring Services	Southwest Key Programs	\$332,345 for the period of 1/1/2012 – 6/30/2012. This is same pro-rated amount as 2011 pro-rated amount.
Level 2 In-Home Monitoring Services	St. Charles Youth and Family Services	\$240,373 for the period of 1/1/2012 – 6/30/2012. This is same pro-rated amount as 2011 pro-rated amount.
Targeted Monitoring Program	Running Rebels Community Organization	\$762,972 for the period of 1/1/2012 – 6/30/2012. This is same pro-rated amount as 2011 pro-rated amount plus an additional \$37,500 due to expansion in Sept 2011 as approved by the County Board in August 2011 to target youth involved Burglary.
Shelter Care - Girls	New Horizon Center	\$624,045 for the period of 1/1/2012 – 12/31/2012. This is the same amount as the 2011.
Shelter Care - Boys	St. Charles Youth and Family Services	\$1,604,438 for the period of 1/1/2012 – 12/31/2012. This is a \$50,000 increase from 2011 due to staffing needs of separate male and female facilities.

For 2012, the Department issued requests for proposals (RFPs) for the following programs and is requesting approval to purchase the identified services.

Day Treatment (Alternative Court Ordered School)

A community panel and member of DHHS contract administration/quality assurance reviewed and scored the applicant proposals. In an effort to improve the panel review process, the Department involved a Milwaukee Public Schools representative on the panel because of MPS' fiscal and programmatic partnership in this service area.

DCSD would like to purchase these services from St. Charles Youth and Family Services in the

amount of \$244,533 for 30 seats, Wisconsin Community Services in the amount of \$244,533 for 30 seats, and Lad Lake in the amount of \$122,267 for 15 seats. The panel ranked these applicants first, second, and third. All contracts would be for the period of 1/1/12 – 6/30/2012. These are the same pro-rated amounts as compared to 2011 pro-rated amounts.

First Time Youthful Offender Program – Tracking and Community Education Services

This service primarily provides tracking services for first time offenders on a fee-for-service basis. In an effort to minimize overhead costs, improve program sustainability due to reduced enrollments, and improve program continuity, applicants were also requested to incorporate a weekend community education program tailored appropriately for first time offenders.

A community panel and member of DHHS contract administration/ quality assurance reviewed and scored the applicant proposals.

DCSD would like to purchase services from Community Relations - Social Development Commission (CR-SDC) for north side youth and that Milwaukee Christian Center continue to provide these services for the south side youth. The panel ranked these applicants first and fourth. DCSD believes that increased first time offender prevention efforts could expand with a transition to CR-SDC. CR-SDC has operated the Youth Services Division for a number of years and has a standing relationship with the municipal courts. Emerging discussions have recently developed involving the need to “bridge” the relationship between Milwaukee municipal court and the Milwaukee County Juvenile Probation Department with the overarching concept of assisting with intervention prior to involvement with the Children’s Court Center. Further, the Department has partnered with CR-SDC in the past using grant funds to develop gender specific services for females.

DCSD, to the greatest extent possible, desires a smooth transition to minimize both client and system disruption. It is recommended that the Department continue to purchase tracking services from the current provider, New Concept Self Development, in an amount not to exceed \$59,483 through 6/30/2012 to service youth up until a referral for service end date of 12/31/2011 is implemented. The Department would begin to direct youth to CR-SDC under a fee-for-service agreement for the period of 2/1/2012 – 12/31/2011. This arrangement has a not-to-exceed allocation amount of \$165,517, but it is not a guaranteed amount since it is fee-for service. In order to ensure continuity of service and a successfully management of the transition above, the Department will continue to purchase these services from Milwaukee Christian Center (MCC) using a fee-for-service agreement for the period of 1/1/2012 – 12/31/2012. This arrangement has a not-to-exceed allocation amount of \$225,000, but it is not a guaranteed amount since it is fee-for service.

DCSD utilizes community intervention and early intervention revenue dollars from the State Department of Juvenile Corrections for this program area.

Group Home Care

In an effort to contain costs, the Department is recommending to reduce the number of providers for boys to three and the overall number of beds on the purchase of service side. This will potentially result in both cost savings and programmatic improvement. In terms of cost savings, the Department has experienced a utilization rate of 61% in 2010. This rate has further declined in 2011. By maintaining a higher utilization rate (i.e. more beds filled on a daily basis) for the three remaining providers, the Department estimates a potential savings between \$75,000 and \$276,863 on an annual basis based upon the need to purchase additional fee-for-service beds. In addition to the potential cost savings, the Division has a desire to incorporate risk and needs level considerations into placement planning in 2012 which would result in the use of an extended pool of licensed providers for low risk youth in an effort to remove them from the negative affects of congregated high risk youth.

A community panel and member of DHHS contract administration/quality assurance reviewed and scored the applicant proposals.

DCSD would like to purchase services from Southeastern Youth and Families in the amount of \$302,032 for 8 beds, St. Charles Youth and Family Services in the amount of \$302,032 for 8 beds, and Nehemiah Project in the amount of \$302,032 for 8 beds. The panel ranked these applicants first, second, and third. All contracts would be for the period of 1/1/12 – 12/31/2012. These are the same amounts as in 2011. DCSD recommends a contract with Servant Manor in the amount of \$25,169 for the period of 1/1/2012 – 1/31/2012 in order to ensure continuity of service for any youth remaining in Servant Manor. Youth not transitioned to an alternative placement by the end of the contract would be allowed to remain at Servant Manor under the standard terms of a fee-for-service agreement similar to the means by which the Division currently purchases group home services for girls. In addition, the Division would begin the certification process to allow for future placements to Servant Manor under a fee-for-service agreement.

Recommendation

The Department recommends that the County Board of Supervisors authorize the Acting Director of Health and Human Services, or his designee, to execute purchase of service contracts for 2012 for a variety of services and programs for the time period of January 1 through December 31, 2012 (except as otherwise noted) with the providers listed and in the amounts specified in the attached resolution. The proposed recommendations will necessitate a continuous review of expenditures, service utilization and Youth Aids revenue projections in order to adapt and bring forward a continuing service plan following the first quarter of 2012 to avoid service disruptions. Approval of the recommended contract allocations will allow for the provision of identified high priority community-based services for youth being served by the Delinquency and Court Services Division.

In light of the imminent State revenue reductions discussed, the Department estimates an approximate \$210,000 – \$412,000 annual savings that would be available to offset the 2012 revenue reductions. This amount does not include any contract increases mentioned in the report as these were accounted for in the 2012 Budget.

Fiscal Impact

Sufficient funds have been allocated in the 2012 Budget to cover the proposed purchase of service contracts. A fiscal note form is attached.

A handwritten signature in black ink, appearing to read "Héctor Colón", is written over a horizontal line.

Héctor Colón, Acting Director
Department of Health and Human Services

cc: County Executive Chris Abele
Tia Torhorst, County Executive Staff
Terry Cooley, County Board Chief of Staff
Patrick Farley, Administrator - DAS
Pamela Bryant, Fiscal and Budget Administrator - DAS
CJ Pahl, Assistant Fiscal and Budget Administrator - DAS
Antoinette Thomas-Bailey, Fiscal & Management Analyst - DAS
Jennifer Collins, Analyst, County Board Staff
Honorable Marshall Murray, Children's Court Judge Presiding