



Commission on Improving the Status of Children in Indiana

Committee/Task Force:		Child Services Oversight Committee	
Date of Meeting: (MM/DD/YYYY)	11/22/2021	Time:	12:00 PM
Minutes Prepared By:	Matt LoPrete	Location:	State Library
1. Meeting Objective(s)			
Follow up on workforce discussion; presentation on permanency options; DCS update on rate setting; review of 2016 rate setting initiative			
2. Standing Members			
Name	Organization	In Attendance (X indicates present)	
Rep. Edward Clere (Co-Chair)	Indiana General Assembly	X	
Rep. Carolyn Jackson	Indiana General Assembly	X	
Rae Feller	Indiana CASA/GAL	X (virtually)	
Hon. Dana Kenworthy	Grant Superior Court	X	
Sean McCrindle	Bashor Children's Home	X	
Sen. Jon Ford	Indiana General Assembly	X	
Michael Moore	Indiana Public Defender Council	X	
Sen. Frank Mrvan	Indiana General Assembly	X (Virtually)	
Jim Oliver	Prosecuting Attorneys Council		
Joan Smith	Department of Education	X	
Director Terry Stigdon	Department of Child Services	X	
3. Staff/Guests			
Name	Organization		
Matt LoPrete	Legislative Assistant, Rep. Clere		
Julie Whitman	Executive Director, Commission on Improving the Status of Children in Indiana (CISC)		
Chris Daley	Executive Director, IARCA		
Shoshanna Everhart	DCS Ombudsman		
William Young	Legislative Director, DCS		
Aaron Atwell	Chief Financial Officer, DCS		
Todd Fandrei	Deputy CFO, DCS		
4. Updates/Old Business			
Topic	Main Points	Recommendations/Decisions	
Approval of minutes from previous meeting	No questions, comments, or revisions	Judge Kenworthy motioned to approve; Seconded by Rep. Jackson; Motion approved unanimously	
5. New Business/Presentations			
Topic	Main Points	Recommendations/Decisions	
Welcome and Introductions	Rep. Clere welcomed all to the meeting, including those who were participating virtually.	N/A	
Follow up on workforce discussion from last week	The committee reviewed a memo assembled by Chris Daley summarizing recommendations brought forth by child services providers at the last meeting. The recommendations include easing the background check process; restoring the operating margin for nonprofits; instituting an annual cost of living adjustment for community-based rates; and improving the current cost-report assessment process.	Rep. Clere stated that the legislature can potentially help maintain case-by-case waivers for background checks through legislation following the end of the state of emergency. Will Young stated that there are federal waivers on background checks at the federal level that could impact funding at the state level. DCS is looking into it.	

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Alternative permanency options	<p>Michael Moore presented on the alarming trend in increased time toward permanency and lack of use of certain permanency options. The number of CHINS cases has declined, but there has recently been an increase in time to permanency. Mr. Moore has been working on figuring out why this is the case. In addition to reunification, there are other "alternative" permanency options that are underutilized. These include adoption, guardianship, relative placement, or another planned permanent living arrangement (APPLA). Recommendations to improve this situation include establishing concurrent jurisdiction for juvenile courts to commence and modify custody actions when parties agree; modifying the paternity statute to clarify that DCS or Title IV-D office may commence paternity action; funding for representation of parties in guardianships or 3rd party custodianships who do not qualify for GAP assistance; viewing guardianships and 3rd party custodian agreements as appropriate permanency options when the parties agree; and implementing bridge orders that survive CHINS/TPR matters.</p>	<p>Mr. Moore proposed a legislative fix to the paternity statute that would allow DCS or a Title IV-D office to commence paternity action even if paternity of a child has not been established. Will Young stated that DCS has established a workgroup examining permanency with the goal of proposing legislative changes. They were unable to put together any official proposals and are looking at 2023 for legislation. Rep. Clere stated that he will work with the legislators on the committee on the paternity language with the goal of passing the legislation during the next legislative session.</p>	
DCS presentation on rate setting	<p>Aaron Atwell presented on how DCS approaches setting reimbursement rates for providers. The presentation, which will be available on the CISC website, contained an overview of the process; historical numbers, utilization of the rates; and overall takeaways. Director Stigdon added that DCS is working with a consulting firm to review rate setting with the goal of implementing rates that incentivize outcomes.</p>	<p>Mr. McCrindle asked DCS to examine how service standards interfere with caps for caseloads. Additionally, he brought awareness to the fact that a decrease in current staff could impact occupancy cost limits in two years and asked if DCS would implement a review process for that. Mr. Atwell responded that DCS will be happy to work with providers on those issues. Rep. Clere emphasized that there may be certain costs for nonprofits that may be overlooked when comparing nonprofit and for-profit agencies to considering the operating margin. Rep. Clere asked why there is a 50% withdrawal rate for appeals. Todd Fandrei said there is not really a clear reason for the appeal. 20% of appeals are ultimately settled. Mr. McCrindle said that the 13-page tool that provides an estimated rate to providers at the time of submission is useful. Rep. Jackson stated she is concerned at only 1% of appeals are approved and asked what why an appeal generally is approved. Mr. Atwell stated it usually has to do with whether the proper process was followed when setting the rate.</p>	

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Discussion of 2016 rate setting initiative	Chris Daley went over the 2016 report that was assembled by DCS and stakeholders. The report contained collaborative solutions to the unintentional consequences that resulted from the rate setting rules. One of the key takeaways is that nonprofits cannot operate completely based off rates that only take into account clear costs. There are various other factors in addition to pre-determined identifiable costs that come into play when running operations. The suggested changes in the report pertain to Rules 16 and 17 and were broken down into the following categories: simplifying costs; adjustments; annual comments and independent review; staffing; mid-year review and enhanced rates. These changes would make implementing the rules more practicable based on the everyday needs or unexpected circumstances that face provider agencies, which would be made more available to DCS through reviews of rates. Mr. Daley stressed that no one wanted to throw out the cost report mechanism. DCS and partner agencies had found some issues that needed to be corrected, which is understandable given that the rules were implemented in 2012. This report and these changes ultimately were not brought to fruition, partly due to the change in administration.	Director Stigdon emphasized that prior to her arrival in 2018 DCS was spending large amounts of money, and the changes listed in the report would have been even more costly. She assured the committee that DCS is willing and desiring to work with stakeholders to improve the rate setting process.	
Public Comment	None		
Committee Discussion	Mr. Moore stated that there are some outdated federal references in administrative code that should be addressed.		
6. Action Items (Include recommendations/queries for Executive Committee)			
Action	Responsibility		Due Date
Post the DCS rate setting presentation and 2016 findings on the CISC website.	Julie Whitman		ASAP
7. Adjournment			
Action			Time
Rep. Clere ended the meeting.			1:51 PM
8. Next Meeting			
Date: (MM/DD/YYYY)	12/07/2021	Time:	12:00 PM
		Location:	State Library
Topics/Objective(s):	Youth Advisory Board update; Birth Parent Advisory Board update; DCS Ombudsman report; Family First presentation		