



# Enhancing County and Provider Contract Discussions

JANUARY 16, 2025

# Background

- ▶ Rate Methodology Task Force (RMTF) 2019 identified a lack of transparency and communication between counties and providers during contract discussions.
- ▶ The Provider Needs Based Plan & Budget (NBPB) Tool was developed as an optional method providers and counties can utilize to share information during NBPB process. (tool is optional)
- ▶ A RMTF recommendation was to provide an annual conversation among counties and providers discussing effective ways of communicating concerns and funding needs. The following discussion includes:
  - ▶ Learning Goals
  - ▶ Challenges
  - ▶ Benefits and Enhancements to Process Since 2020
  - ▶ Timelines

# Learning Goals

- ▶ Create a collaborative environment for financial planning and contracting.
  - ▶ Discuss NBPB timelines incorporating Title IV-E and Act 148.
  - ▶ Understand the challenges from all perspectives.
  - ▶ Understand the value of providing justification for projected increased costs.
  - ▶ Learn the benefits of utilizing the Provider NBPB Tool.
  - ▶ Discuss the importance of partnership among counties and providers.
  - ▶ Provide technical support and information to providers and counties for NBPB and Title IV-E processes.

# Challenges

- ▶ Providers have been vague when providing documentation to counties for increased costs.
  - ▶ Programmatic enhancements/unexpected costs.
  - ▶ Increase in insurance costs.
  - ▶ Expanding cost of retaining and/or hiring employees.
  - ▶ Projecting budget information accordingly.
- ▶ Documentation submitted to counties supporting rate increases should encompass underlying cost drivers impacting the agency's entire operational budget.
- ▶ Providers are encouraged to incorporate detailed information that is associated with a county's specific programmatic needs.
  - ▶ Counties should request the specific documentation if not provided that is tailored to their specific needs.

# Challenges

- ▶ Federal/State Participation Level does not validate increase request of Contracted Rates.
- ▶ Federal/State Participation Level is determined based on Allowability of expenditures submitted within Placement Services Budget documentation.
- ▶ There has been a decrease in justification being provided outlining a reasonable increase in costs that vary based on logistics, provider or county specific needs.
- ▶ Title IV-E and NBPB are both part of the overall process of budgeting and contracting.

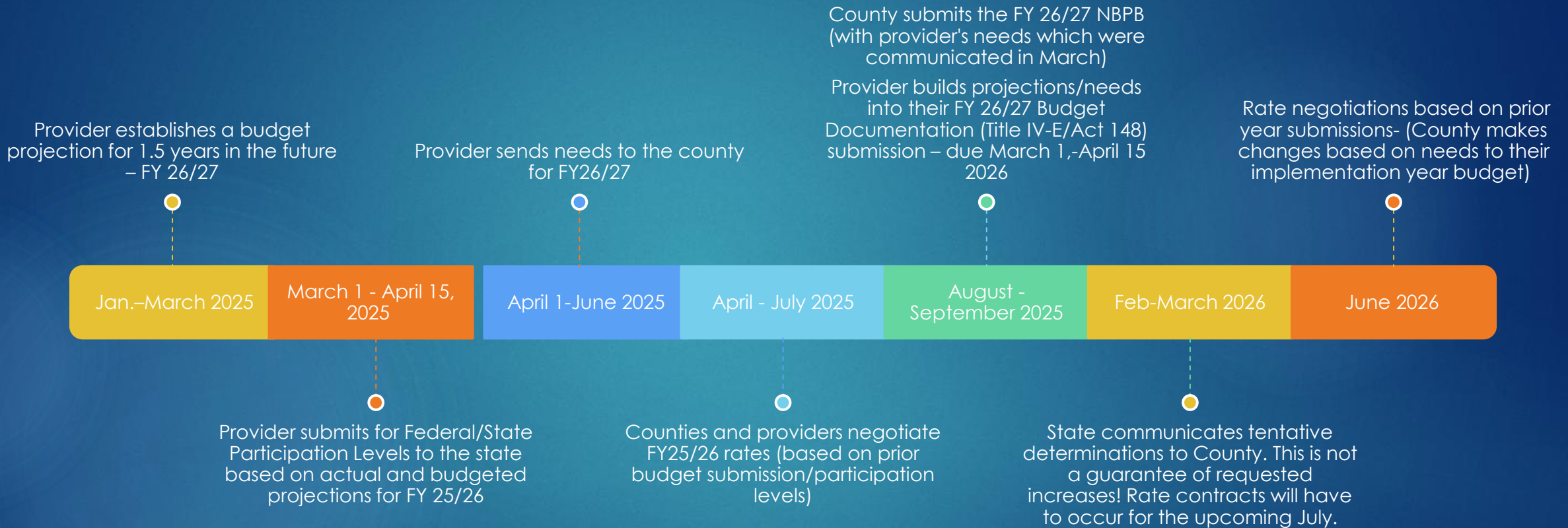
# Challenges

- ▶ The request for rate increases and accompanying financial information from providers did not always align with the county's process to project increases in NBPB allotment.
- ▶ The Provider NBPB Tool has not been utilized consistently and/or in entirety creating a challenge to obtain additional information to support the request for rate increases.
- ▶ Overall, there has been a decrease in counties receiving the Provider NBPB Tool.
- ▶ Lack of utilizing a mechanism to project increases creates a challenge to obtain additional information to support the request for rate increases.

# Challenges

- ▶ There is a perception that some counties are not incorporating a provider's justification and/or documentation when submitting NBPB.
- ▶ Continued increase in vacancy rates and operational costs among both county and provider agencies.
- ▶ Lack of timely claiming for previous years, hinders overall financial health.
- ▶ Approved increase should be utilized as intended.

# Timeline





# Benefits and Enhancements to Process Since 2020

- ▶ Providers submit Placement Services Budget documentation (Title IV-E/Act 148 budgets) between March 1 – April 15 to allow for counties to incorporate NBPB projections.
- ▶ PA Statewide Standardized Time Study process was implemented January 2021. The process assists providers report staff job category percentages for the next budget reporting period more accurately.
- ▶ The Provider NBPB Tool was revised to include Placement & Community-Based services.
- ▶ Utilizing the tool decreases the amount of time a provider and county spend on follow-up conversations.

# Benefits and Enhancements to Process Since 2020

- ▶ Decreased request for counties to submit additional documentation during NBPB process to support increase in NBPB.
- ▶ Increase in accurate information and/or documentation submitted by providers.
- ▶ Clear rationale is evident for increases using data.
- ▶ Counties have incorporated the information provided within a narrative and/or cover letter within the NBPB.
- ▶ Development of a summary of the provider's tool to submit along with NBPB assists OCYF approval of county requests.

# Benefits and Enhancements to Process Since 2020

- ▶ OCYF will accept a county's submission of Provider NBPB tool along with NBPB to be used as justification documents.
- ▶ Counties requests through NBPB received increases based on additional justification submitted by providers.
- ▶ Counties should communicate to providers when requested increases are not granted due to reallocation of funds based on county need.
- ▶ Providers were able to enhance technical needs to accommodate challenges created by the pandemic.
- ▶ Providers were able to increase starting and current wages for employees.
- ▶ As challenges arise, communication is vital.



# Future Endeavors

- ▶ Enhancements to statewide stakeholder systems.
  - ▶ Enhancement of evidence-based strategies:
    - ▶ Development of Best Practice Documents to streamline communications.
    - ▶ Development of guidance recommending uniform communication utilized within contracts with providers.
    - ▶ Development of guidance identifying terminology to incorporate consistency with evidence-based strategies.
- ▶ Enhance provider electronic health records and data base collection.
  - ▶ Increase in IT expenses to be forecast in NBPB.

# Future Endeavors

- ▶ Quarterly meetings with OCYF, county and providers to:
  - ▶ Establish consistent messaging among county and providers.
  - ▶ Obtain clarification regarding federal and/or state policy, invoicing, and specific current topics.
  - ▶ Systematic changes that may affect county and/or provider internal processes.
- ▶ State regulation update:
  - ▶ OCYF to establish a timeline to examine various regulations and plan to update accordingly.

# Healthy Child Welfare System



Sustainable Financial Process



Commitment to Collaboration



An opportunity for PA to increase outcomes and better serve youth and families



Quality Services



CQI – Monitoring and Improvement



Why we do what we do

# Additional Items to Consider

- ▶ As a provider, have you incorporated detailed information to the county to support requests?
- ▶ As a county, are you receiving the detailed information you require?
- ▶ As a county, if you are not receiving the detailed information, what are the next steps?
- ▶ As a county, was the Provider NBP&B Budget Tool and/or summary incorporated into the NBPB?
- ▶ Was your NBPB request approved by the state?



# Additional Items to Consider

- ▶ What questions do you have that were not addressed today?
- ▶ Additional resources/trainings and the Provider NBPB Tool can be accessed [here](#).
- ▶ Rate Methodology Task Force Recommendations 2019 can be accessed [here](#).
- ▶ Additional county questions are to be directed to [bbornman@pacounties.org](mailto:bbornman@pacounties.org).
- ▶ Additional provider questions are to be directed to [HbgOffice@pccyfs.org](mailto:HbgOffice@pccyfs.org).

# Q&A Session

# Group Members

- ▶ Brian Bornman, PCYA
- ▶ Terry Clark, PCCYFS
- ▶ Dave Mattern, PCCYFS
- ▶ Sandy Shedlock, PCG
- ▶ Dr. Craig Adamson,  
CSF/Buxmont Academy
- ▶ Elaine Kita, Northampton County  
CYA
- ▶ Andy Benner, Cumberland County  
JPO
- ▶ Nancy Kukovich, Adelphoi
- ▶ Stephanie Devilbiss, The Bair  
Foundation
- ▶ Scott Webb, Kidspeace
- ▶ Michelle Fronheiser, Bucks County  
CYA
- ▶ Evelyn Cruz, OCYF
- ▶ Melissa Erazo, OCYF