

### Baker Tilly Recommendations Work Plan – 2015/2016

#	Initiative Area	Current Status (Where are we now?)	Chosen Target (Where do we want to be?)	Tactics to Close the Gap (How do we get there?)	Measures of Success (How will we know we're there?)	Lead Staff Responsible (Who? By When?)
1	Training for Program Managers	<ul style="list-style-type: none"> <li>The Department of Human Services began holding trainings in 2013 for Program Managers that included topics related to contract development and management.</li> <li>A Contract Manager Resource Manual was developed and released in May 2015. Copies were distributed to each manager. Training topics have been identified. Mandatory training dates on the contents of the manual are pending</li> </ul>	Program Managers are provided training in finance and contract management to improve their effectiveness.	<ul style="list-style-type: none"> <li>The Budget, Contracts and Operations Manager along with the Fiscal Services Manager will pull together a work group that will develop a list of competencies important for core contract management</li> <li>Once competencies are identified, training curriculums will be researched and developed</li> <li>Identify resources for training</li> <li>Develop a training timeline</li> </ul>	A training timeline is developed and training is implemented.	Edjuana Ogden and Fiscal Services Manager, June 30, 2016
2a-1 2a-2 2b	Roles and responsibilities in the contract process	Contract Managers have strong competencies in the delivery of human services and this enables them to better understand the work completed by POS agencies and their intended outcomes. Contract managers also have responsibilities for some contract administration functions. Accountants in the Fiscal Services Unit have contract responsibilities as well as staff in the Budget, Contracts and Operations Unit. The Baker Tilly Report identified this as an issue. When contract management roles are performed by multiple staff in various units throughout the Department there is no one unit responsible for overall contract administration. This can be confusing to vendors who may seek contract assistance.	<ul style="list-style-type: none"> <li>Formalize contract management as a core component of job duties for Contract Managers</li> <li>Assign oversight functions to appropriate unit(s) or staff</li> <li>Streamline the contract compliance and monitoring process</li> </ul>	<ul style="list-style-type: none"> <li>Review Baker Tilly Report findings for recommendation 2</li> <li>Review materials on best practice in contract administration</li> <li>Review the roles and responsibilities of staff in the Budget, Contracts and Operations Unit and Fiscal Services Unit to identify current contract administration support functions and opportunities for further supporting that process</li> <li>Identify areas where processes can be streamlined</li> <li>Review current contract management functions performed by Contract Managers and assess appropriateness of those functions</li> </ul>	Complete a review of contract administration support functions in the Budget, Contracts and Operations and Fiscal Services Units.	Edjuana Ogden and Fiscal Services Manager, June 30, 2016

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3a	Collaboration between DCDHS and POS Agencies	<ul style="list-style-type: none"> <li>As part of Baker Tilly's review of the POS Agency contract process focus groups were held with POS agencies. One item that was raised by participants according to the final report was that although Program Managers were generally knowledgeable and accessible there were potentially areas where communication could be improved upon.</li> <li>A first draft of the communications plan has been completed. Routine meetings with the Department Director and POS Coalition Chairs have been scheduled for the latter half of 2015. These meetings should also help inform the communication plan.</li> </ul>	Enhance existing positive relationships with POS agencies	<ul style="list-style-type: none"> <li>The Department hired a Communications and Homeless Services manager. The position is located in the EAWS Division</li> <li>The Communications manager will review the Baker Tilly Final Report and findings concerning collaboration with the Department and POS Agencies</li> <li>This manager will further research the issues identified</li> <li>Obtain feedback in meetings with POS Coalition Chairs. This will be informative in refining our communication plan.</li> <li>Share draft plan with Department staff to elicit feedback</li> </ul>	<ul style="list-style-type: none"> <li>Share the plan with Department staff.</li> <li>Implement the communication plan</li> </ul>	Casey Becker 01/01/2016
4b	MA Revenues	<ul style="list-style-type: none"> <li>A number of services provided by POS Agencies are funded by Medical Assistance (MA). MA card services revenue in the 2014 Adopted budget is \$31,675,000. The Department has been working to maximize MA revenue wherever possible to support the continuum of services. As a result, the Department has turned to POS Agencies to bill MA for approved services to help maintain program funding. The Department has included in its budgets anticipated MA revenues and for many years paid agencies their total contract regardless of whether MA revenues were earned as expected. In this scenario the Department has carried the risk if MA revenues are less than expected and has benefited when MA revenues exceeded expectations in some programs. There is little incentive for agencies to earn MA revenues in this scenario other than an understanding that these revenues contribute to keeping human services from eroding further or more quickly.</li> <li>A workgroup was formed in 2014 that began working on this issue but was unable to come to a consensus on projects to pilot. The ACS Division offers fewer revenue guarantees in some of its contracts. Some revenue sharing was allowed in specific situations.</li> </ul>	Maximize MA revenue throughout the Department while minimizing fiscal risk to DCDHS and offering revenue incentives to POS agencies.	<ul style="list-style-type: none"> <li>Continue the work started in the ACS Division, which earns the largest share of MA revenues</li> <li>Establish a work group to include a Division Administrator, contract managers and accountants to review data available on existing programs and current strategies</li> <li>Discuss the finding and recommendation from the Baker Tilly report</li> <li>Research different strategies that provide incentives for providers to maximize MA revenues and meet program requirements established by the Department</li> <li>Include stakeholders in the discussion of potential strategies to pilot</li> <li>DCDHS determines strategies to pilot</li> </ul>	Identify at least 2 strategies that can be pilot projects for implementation in 2017	Fran Genter 06/30/2016

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4c	Unit rates and monthly payments	<ul style="list-style-type: none"> <li>The majority of the Department's contracts with POS agencies are based on a 1/12th payment. There are some unit rate based contracts those are mainly for the purchase of items such as meals or rides. The Baker Tilly Report identified the 1/12th payment as a risk to the Department should an agency go out of business after being advanced a payment.</li> <li>In 2015 there are two situations that bring this initiative to the forefront. Planning for a new program, Comprehensive Community Services (CCS) provides an opportunity for the Department to pilot a unit rate contract with a small number of POS agencies beginning in 2016. Also, the State of Wisconsin has notified Dane County that it plans to discontinue its historical practice of advancing 1<sup>st</sup> quarter payments to the Department. In turn, the Department will need to evaluate its advance payment process and the impact of that policy change.</li> </ul>	Begin to transition, as a pilot project, POS agencies into contracts based on unit rates	<ul style="list-style-type: none"> <li>Identify potential programs to pilot the transition to a unit rate contract</li> <li>Develop an internal workgroup to research methodologies for establishing a contract unit rate</li> <li>Develop options to consider</li> <li>Develop a plan for implementation</li> <li>Create a fiscal model(s) of the potential impact of the State of Wisconsin's change in policy with respect to advance payments</li> </ul>	<ul style="list-style-type: none"> <li>Pilot unit rate contracts with some POS agencies that are CCS providers</li> <li>Identify fiscal impact as a result of the absence of advance payments</li> </ul>	<ul style="list-style-type: none"> <li>GP Foster with CCS fiscal workgroup, January 1, 2016</li> <li>GP Foster, June 30, 2016</li> </ul>
9b	Fully funding core services	<ul style="list-style-type: none"> <li>Funding levels for contracts have remained the same for a number of years. There have been many years where the Department has sustained budget cuts and budgets remain tight. It costs more than \$1m to provide existing purchased services a 1% cost of living adjustment (COLA) increase.</li> <li>The Baker Tilly report identified this as a not sustainable model with several agencies reporting that their operations are stretched beyond capacity.</li> <li>In a survey conducted of Department staff on recommendations included in Baker Tilley POS Contract Process Assessment this recommendation was identified as a high community need/want.</li> </ul>	The County Executive and County Board of Supervisors need to set a course for addressing this issue due to both the major budget and policy implications contained in this recommendation.			