

Baker Tilly Recommendations Work Plan

#	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?)	Progress
7a.	Contract Review and Negotiation	<ul style="list-style-type: none"> The Department typically releases contracts for the next calendar year in November of the year prior. The reason for the late release is that final contracts cannot go out until the County Board of Supervisors approves the budget for the next calendar year. POS agencies are requested to return executed contracts typically within 2-3 weeks time so that the executed professional contracts can be approved by the County Board in December and in all cases in time for the Department to provide the first monthly payment in the new calendar year. Currently, proposed boilerplate contract language is sent for provider review in late August or September for the following year's contract. Contract Schedules A and B, which define program goals, objectives, payment details, etc. are not provided in advance of the final contract release in November. 	Extend the time POS agencies have to review and negotiate contracts	<ul style="list-style-type: none"> Work with Division Administrators to establish a reasonable timeline for draft schedules to be released in advance of the contract. Include schedules A and B drafts on the notice sent to POS concerning the Contract Process Schedule Work with contract managers to phase in the early release of draft schedules to provide POS more opportunity to negotiate contract language in advance of the final contract. 	<ul style="list-style-type: none"> Identify a deadline for draft Schedules A & B to be released Include draft Schedules A & B in the Contract Process Schedule that is sent to POS annually. 	Edjuana Ogden	<ul style="list-style-type: none"> Beginning with the 2015 contract processing, a deadline of October 15, 2014 was identified for draft Schedules A & B to be released to POS providers. The draft Schedule distribution timeline was added to the internal and external contract schedules.
4a.	Administrative Percentage	<ul style="list-style-type: none"> The Department has a policy that administrative overhead cannot exceed 15%. The Department is committed to not eroding services at the expense of higher administrative costs. The policy states that once an administrative percentage has been set for an agency, the rate remains fixed, unless the POS agency identifies a lower administrative percentage. POS agencies are allowed to reset and increase their administrative percentages when they submit a new proposal in response to an RFP. In exceptional circumstances the Department is willing to consider an increase in an agency's administrative percentage though the Department does not have a documented procedure for making that request. 	Establish clear procedures for how POS agencies can request modifications to their administrative percentages during their contract term.	<ul style="list-style-type: none"> Establish a workgroup of staff to include a Division Administrator, contract manager and accountant to review the issue Discuss the finding and recommendation from the Baker Tilly report Gather input from Department staff concerning the number of requests that have been made and any available data. Draft a policy and procedures for POS to follow when requesting modification to current administrative percentage include guidelines for how requests will be reviewed, by whom, criteria, etc. Review draft policy and procedures with Department Management Team for further input and approval on final document 	Written policy and procedures for how POS Agencies can request modifications to their administrative percentages during their contract term.	Bob Lee 12/31/2014	Written policies and procedures for POS Agencies were prepared by a workgroup in fall 2014. The document presented the County's rationale for controlling admin costs, likely situations for admin rate modifications, and the procedure to pursue modifications. It was presented to POS agencies for comments prior to finalization. The final document was subsequently approved by the Director. It was disseminated to POS agencies in spring 2015.

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3a.	Collaboration between DCDHS and POS Agencies	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.	Enhance existing positive relationships with POS agencies	<ul style="list-style-type: none"> The Department recently hired a Communications and Homeless Services manager. The position is located in the EAWS Division The Communications manager will review the Baker Tilly Final Report and findings concerning collaboration with the Department and POS Agencies This manager will further research the issues identified 	<ul style="list-style-type: none"> Develop a plan to address issues of better communication with POS Agencies 	Casey Becker 07/01/2015	<ul style="list-style-type: none"> The plan is currently in drafting. The plan will include what the Department already does to help inform recommendations for future action as a baseline. A first draft should be available for review by July 1st, 2015. The Director and staff met with POS Coalition Chairs to discuss routine communication between POS and the Department. POS Coalition Chairs and the Department will begin a monthly meeting schedule. This will be included in the Department's communication plan.
5d-1.	Performance Indicator Development	<ul style="list-style-type: none"> Performance indicators are not clearly written and defined for all contracts. The Department has completed a review of 2014 contracts identifying those contracts with acceptable performance indicators, less than optimal performance indicators, and those with no performance indicators. A work plan identifying program areas for focus in 2014 has been developed. 	RFP solicitation and contracts should clearly define performance indicators.	<ul style="list-style-type: none"> Review POS contracts for outcome measures Identify those contracts/programs with no or less than optimal performance indicators – including those where data is to be collected but no reports have been generated Identify programs/areas for potential focus and timeline Get buy-in from key stakeholders 	Develop a multi-year plan for the development of performance indicators and data collection instruments for those contracts/programs with no or less than optimal performance indicators	Lori Bastean 12/31/2014	<ul style="list-style-type: none"> POS contracts were reviewed for outcome measures and those with no or less than optimal performance indicators were identified. Programs/ areas for potential focus were identified. Meetings were held with select contract managers to incorporate performance indicators in 2015 contracts. This was done in conjunction with Corporation Counsel. Reports were developed in the adult mental health area for case management services. A multi-year plan has been developed and continues to be refined.

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5a.	RFP evaluation and selection process	<ul style="list-style-type: none"> The Human Services Department has developed Application Review Guidelines that are reviewed annually and updated as necessary. Department of Administration's Purchasing Division has reviewed and approved the guidelines used by Human Services. In December of 2013 a workgroup was convened to review RFP materials, guidelines and the overall process to make recommendations for updating policies and materials. The workgroup recommended standardizing the RFP review process. Guidelines were updated to reflect the contract manager as responsible for scoring the program budget portion of the proposals, leaving the review panels to evaluate the remainder of the proposals. At the Department's request, a no conflict of interest statement was developed by the Purchasing Division and was implemented in May. Members of the review panel are required to sign a no conflict of interest statement prior to participation in the evaluation process. 	Ensure execution of a standardized RFP evaluation and selection process	<ul style="list-style-type: none"> Convene existing workgroup to review and discuss the Baker Tilly finding and recommendation Review evaluation materials from the County's Purchasing Division, the State of Wisconsin Purchasing Division or other government entities. Document existing process for responding to vendor questions and posting addenda Make revisions to Application Review Guidelines based on workgroup research and discussion Include Purchasing Division in the development of any RFP process or evaluation materials to ensure consistency of the process between these two Departments 	<ul style="list-style-type: none"> Update Application Review Guidelines Document existing process for vendor questions and posting addenda 	Jean Kuehn March 31, 2015	An internal workgroup of contract managers was formed to review both the RFP process and the RFP evaluation process. (The evaluation process will be discussed in recommendation 5b.) Working with the County's Purchasing Division the RFP template was updated, the Application Form and instructions were revised and RFP guidelines documenting the steps in the Department's RFP process were developed. Guidelines include instructions on how to respond to vendor questions and posting Q&A documents or addenda to the web site. RFP guidelines and revised forms will be posted to DCINet.
9b.	Fully funding core services	<ul style="list-style-type: none"> 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. The Baker Tilly report identified this as a not sustainable model with several agencies reporting that their operations are stretched beyond capacity. 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. 	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.				

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4b.	MA Revenues	<ul style="list-style-type: none"> • 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. • In recent years, some contracts have had language that payments were contingent on earning MA revenue. Not all "contingent" revenue targets have been met. Some agencies have approached the Department expressing interest in changing this approach and see incentives in their ability to keep revenues earned. 	<p>Maximize MA revenue throughout the Department while minimizing fiscal risk to DCDHS and offering revenue incentives to POS agencies.</p>	<ul style="list-style-type: none"> • Continue the work started in the ACS Division, which earns the largest share of MA revenues • Establish a workgroup to include a Division Administrator, contract managers and accountants to review data available on existing programs and current strategies • Discuss the finding and recommendation from the Baker Tilly report • Research different strategies that provide incentives for providers to maximize MA revenues and meet program requirements established by the Department • Include stakeholders in the discussion of potential strategies to pilot • DCDHS determines strategies to pilot 	<p>Identify at least 2 strategies that can be pilot projects for implementation in 2016</p>	<p>Fran Genter 07/01/2015</p>	<ul style="list-style-type: none"> • An internal workgroup was formed in 2014 to identify and discuss possible strategies for maximizing MA revenues, minimizing fiscal risk to the Department and offering revenue incentives to POS agencies. The workgroup was not able to come to a consensus on projects to pilot. The largest barrier to progress was a reluctance to reduce the Department's control and final decision-making authority. • The ACS Division has reduced its revenue risk by establishing "contingent" revenue requirements for POS agencies and offering fewer revenue guarantees in some of its contracts. • In 2014, the Department did allow revenue sharing in some specific situations.

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1.	Training for Program Managers	<ul style="list-style-type: none"> • The Department of Human Services began holding trainings in 2013 for Program Managers that included topics related to contract development and management. • Trainings were well-received and provided an excellent forum for education and discussion. The Department would like to continue these trainings as topics are identified. 	Program Managers are provided training in finance and contract management to improve their effectiveness.	<ul style="list-style-type: none"> • The Budget and Operations Manager along with the Fiscal Services Manager will pull together a workgroup that will develop a list of competencies important for core contract management • Once competencies are identified, training curriculums will be researched and developed • Identify resources for training • Develop a training timeline 	<ul style="list-style-type: none"> • Agenda of training topics is developed along with a timeline for implementation 	Edjuana Ogden and Ron Plumer, March 31, 2015	Internal training topics were developed. A Contract Manager's Resource Manual outlining current practice was developed in collaboration with Accounting, Contract Processing and Contract Managers. The manual was posted to DCInet in January and hard copies were distributed to each manager in May, 2015. Mandatory training dates on the contents of the manual are pending.

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5b.	RFP Evaluation Committee	<p>The Human Services Department has developed Application Review Guidelines that are reviewed annually and updated as necessary. Those guidelines set a minimum number of participants on the panel as 3, which include the contract/program manager. The contract/program manager is a voting member of the panel. At a minimum 1 panelist must be from outside of the Department. In 2014 each member of the evaluation committee or review panel must sign a Statement of No Conflict of Interest prior to participating in the evaluation process. The Department's process is consistent with the Department of Administration's Purchasing Division's process.</p>	<p>Consistent implementation of evaluation committees</p>	<ul style="list-style-type: none"> • Continue the work of the workgroup identified in 5. a. above • Review evaluation materials from the County's Purchasing Division, the State of Wisconsin Purchasing Division or other government entities. • Document the process in more detail. This information will be more easily shared with new Program Managers and stakeholders who are interested in the process • Include the Purchasing Division in the review of any materials to ensure continued consistency in our processes. 	<ul style="list-style-type: none"> • Documentation of the process for establishing RFP evaluation committees 	<p>Jean Kuehn June 1, 2015</p>	<ul style="list-style-type: none"> • An internal workgroup was formed to update or develop RFP evaluation guidelines. Best practice materials cited in the Baker Tilly report were reviewed as well as materials from the State of WI Department of Health Services Purchasing and the County's Purchasing Division. • The RFP Evaluation Guidelines document and score sheets developed were primarily based on materials from the County's Purchasing Division. Evaluation committee composition is in agreement with the Purchasing Division's policies. The County does not have a documented process for how evaluation committee members are selected. All evaluation committee members must sign a no conflict of interest statement as a requirement of participation.