

TESTIMONY ON HOUSE BILL 2295

PRESENTED TO THE
HOUSE CHILDREN AND YOUTH COMMITTEE

BY

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An affiliate of the
COUNTY COMMISSIONERS ASSOCIATION OF PENNSYLVANIA

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The Pennsylvania Children and Youth Administrators Association (PCYA) is a non-profit and non-partisan association representing all 67 county children and youth agencies. We are also an affiliate of the County Commissioners Association of Pennsylvania (CCAP), a non-profit, non-partisan association providing legislative and regulatory representation, education, research, insurance, technology, and other services on behalf of all of the Commonwealth's 67 counties. I am pleased to provide the committee with our comments regarding House Bill 2295, its companion Senate Bill 929, and their potential impacts on our counties.

We certainly appreciate the amendments to Section 701 in both bills, which clarify the treatment of and the services available to youth adjudicated to be delinquent. We also appreciate the action taken last week by the Senate Aging and Youth Committee to amend Senate Bill 929 to remove the one percent penalty for late payment to providers by counties in Section 710(A)(3). This penalty currently remains in House Bill 2295, and without a similar amendment, we would have to actively oppose this legislation.

We do, however, have other concerns with House Bill 2295. First, amendments to Section 704.1(a)(2) would allow costs nonbasic education programs providing intensified educational opportunities and services to dependent and delinquent youth to be eligible for state reimbursement. While we agree strongly that children and youth should be given the opportunity to achieve grade level, we agree equally strongly that educational funding should follow the child or youth in providing that opportunity. The county child welfare program cannot afford, nor should it be expected to be, the answer to all problems or circumstances that may confront a child. Our focus should be on issues affecting the safety of the child. Further, our preference would be to have year-round education for this group of children and youth funded through the Department of Education, as the vast majority of youth entering our programs have significant academic deficiencies and would benefit from a formalized educational program. We would gladly work with the appropriate agencies to acquire and coordinate needed services, but we cannot attempt to fill every gap with funds designated for children and youth services.

We also appreciate the language in Section 710 that indicates that a negotiated rate must be seen as based upon "reasonable" costs. We do, though, have a concern regarding Section 710(a)(2), which specifies that purchase-of-service contracts must provide for continuation of service and related payments until a new agreement is signed, as this language appears to dictate how counties are to contract for services.

Further, Section 710(a)(3) requires contracts to contain a provision whereby counties must make payments within 30 days of receipt of an accurate invoice for services invoiced. While the removal of the one percent penalty in the amended version of SB 929 makes this provision less problematic, it still infringes on a county's ability to allocate funds as may be necessary. In particular, the current program structure requires counties to initially cover the full cost of services and wait for reimbursement from the state, and has created a cash flow problem for counties in the past, which may make it prudent for counties to account for when negotiating contracts with providers.

Finally, the amendments to Section 710(b) would create a task force to develop guidelines for a process to determine calculation of the actual costs of services purchased. We feel that the provider of a service is in the best position to determine the cost of their particular services. The Department of Public Welfare is responsible, with input from counties and the providers, for establishing

what costs are eligible for state and federal reimbursement, which are then a part of the actual contract negotiations that are each individual county's responsibility. More than a year ago, a joint process began to work on those allowable costs included in the proposed per diem rates, and though a slow and evolving process, we believe it is working and that creating a new process in legislation is not necessary.

In closing, we would not oppose House Bill 2295 with an amendment to Section 710(a)(3) similar to that which was recently adopted to Senate Bill 929, removing the one percent penalty for counties. We would welcome the opportunity, however, to continue to work with you, the Department and providers to resolve the concerns that preclude our outright support.

I would be happy to respond to any questions at this time.