

**JOINT PERFORMANCE REVIEW COMMITTEE
MARCH 16, 2016
MINUTES**

The Joint Performance Review Committee met at 1:00 p.m. on Wednesday, March 16, 2016 in Room A, MAC Building, Little Rock, Arkansas.

Committee members present: Senators Alan Clark, Co-Chair, Linda Collins-Smith, Jane English, Missy Irvin, Terry Rice, and Greg Standridge. Representatives Kim Hammer, Co-Chair, Jana Della Rosa, Lance Eads, Jon Eubanks, Kenneth Ferguson, Charlene Fite, Mickey Gates, Mary "Prissy" Hickerson, Milton Nicks, Jr., Dan Sullivan, Dwight Tosh, Clarke Tucker, and David Whitaker.

Other legislators present: Senators Scott Flippo and Eddie Joe Williams. Representatives Mike Holcomb, Sheilla Lampkin, Reginald Murdock, and Betty Overbey.

Call to Order

Representative Hammer called the meeting to order.

Opening Remarks – Representative Hammer and Senator Alan Clark, JPR Co-Chairs

Representative Hammer recognized Representative Julie Mayberry who introduced Dr. Alette Coble-Temple, Ms. Wheelchair America, from Walnut Creek, California, and Karen Rivera, Ms. Wheelchair Arkansas, from Jacksonville, Arkansas.

Approval of Minutes – February 25, 2016 [Exhibit C]

A motion to approve the minutes of the February 25, 2016 JPR committee meeting was made by Senator Irvin and seconded by Representative Hickerson. The motion carried.

Discussion of the Procurement Process and Vendor Contracts for the Employee Benefits Division (EBD), Arkansas Department of Finance and Administration (DF&A) [Exhibit D, Da, Db]

Representative Hammer told legislators that representatives of WageWorks will participate in the meeting via conference call. Robert "Bob" Alexander, Former Director, Janis Harrison, Interim Director, EBD, DF&A, and Mark Meadors, Vice President-Employee Benefits, BancorpSOUTH, Little Rock, and Ed Armstrong, Administrator, Office of State Procurement (OSP), DF&A, were sworn in under oath by Representative Hammer.

Ms. Harrison gave an overview of the EBD contract with WageWorks, which went into effect on January 1, 2016. She said two aspects of the WageWorks contract are the enrollment of school and state employees and the transfer of assets from the former vendor, Data Path, to WageWorks. Currently, there have been 13,000 enrollments in WageWorks and 5,500 asset transfers.

Representative Hammer recognized Bob Alexander, the former EBD Director. Mr. Alexander said there had been a duplication of service with the previous products. By combining HSA and FSA, EBD projects an annual savings of \$500,000 in file transfers, money transfers, and ease of accounting being able to work with just one company. In

2014, EBD executed a Request for Proposal (RFP) to find a vendor who could handle both accounts. Seven companies responded to the RFP. However, six of the seven respondents were disqualified. EBD rebid the RFP in December 2015.

Review of the Recent Contract Between WageWorks and the Arkansas Employee Benefits Division, Arkansas Department of Finance and Administration (DF&A)

Ms. Harrison discussed the Health Savings Accounts (HSA) and the Flexible Spending Accounts (FSA) and said that currently approximately fifty employees have not yet had their assets transferred from DataPath to WageWorks. The delay in the transfer is a result of two issues:

- Employees have not yet requested a transfer
- Some HSA accounts require assets to be liquidated for a dividend payment

Kim Wilford, General Counsel, and Barbara Gonzales, Vice President of Public Sector Sales, WageWorks, were sworn in under oath via telephone by Representative Hammer. Ms. Gonzales said a batch enrollment process was used to assist in the transfer of assets. Each employee enrolled in an HSA account was sent an e-mail, which contained a link for participants to provide an automated authorization. The authorization allows the employee to approve a transfer of their assets. Ms. Gonzales said the e-mail also provided participants with the option of requesting the transfer by paper documents. Ms. Gonzales said the participant's e-mail addresses were provided to WageWorks by Mainstream, Inc., a third party vendor used by the state.

Ms. Wilford discussed a letter dated February 26, 2016 from Bank of New York (BNY) Mellon that was sent to participants informing them of a monthly fee of \$2.00 that will be charged to each HSA account holder. BNY Mellon is the custodian bank for the HSA accounts. Ms. Wilford said that WageWorks was unaware that BNY Mellon planned to levy this fee until recently. WageWorks plans to absorb the fee until the end of 2016.

Janis Harrison said that EBD sent an alert to HSA account participants regarding the \$2.00 fee. EBD has also sent the WageWorks contract and all relative information to the Revenue Legal Counsel, Arkansas Department of Finance Administration (DF&A) for review and determination on behalf of EBD.

Bob Alexander told legislators that in the past EBD had two contracts with American Health Holding, Inc. for case management and disease and utilization management. When one of the two contracts was nearing expiration, EBD developed an RFP to combine the two contracts. Mr. Alexander said the EBD Board directed his office to seek vendors with similar products which could serve all of the management components. EBD hired BancorpSOUTH as a consultant to develop the RFP.

Mark Meadors, Vice President-Employee Benefits, BancorpSOUTH, was sworn in under oath by Representative Hammer. Mr. Meadors told legislators he began development of the Population Health Management RFP for EBD in late 2014. He said the primary goal of the RFP was to help find a vendor to service the entire population for the health management components. He believes EBD has two options regarding this contract:

- o Assign a new evaluation committee to rescore each of the ten responses originally received by EBD
- o Reissue the RFP

Ms. Harrison told legislators that EBD is currently in the process of reviewing and updating the original RFP and hopes to complete its work by Friday, March 18, 2016, at which time they will forward the information to the Office of State Procurement (OSP) for review.

Ed Armstrong, Administrator, Office of State Procurement (OSP), was sworn in under oath by Representative Hammer. Mr. Armstrong discussed the issue with sole source contracts and said some states passed legislation to allow a state agency to temporarily extend contracts when warranted. He said that OSP currently has a mechanism for emergency procurements when a critical service is needed by an agency and the contract is about to expire. Mr. Armstrong said that OSP has developed a "tickler" notice to be incorporated into the Arkansas Administrative Statewide Information System (ASSIS). This file will remind state agencies on a daily basis that a contract is nearing expiration. This should provide additional time for an agency to develop an RFP when a deadline looms.

Overview of the Training Program Provided by MidSOUTH, University of Arkansas at Little Rock (UALR) for the Employees with the Division of Children and Family Services (DCFS), Arkansas Department of Human Services (DHS) [Exhibit F]

Gigi Peters, Executive Director, MidSOUTH, School of Social Work, UALR, Cecile Blucker, Director, and Kristen Harper, Local Policy and Training, DCFS, Rodney Crownover, Training Director, and Carole Griffin, Communication and Development Director, MidSOUTH, were sworn in under oath by Representative Hammer.

Mr. Crownover gave an overview of MidSOUTH, the Community Service Unit of the School of Social Work at the University of Arkansas at Little Rock (UALR). He provided details and said a nine-member university partnership was formed in 1991 for University-Agency training partnerships under Title IV-E, required through a federal mandate. Universities provide a state match through in-kind expenditures to supplement federal funding. He discussed the in-kind expenditures universities provide through university participation with the inclusion of a child welfare curriculum. Plus, a portion of the teacher's salaries in the child welfare curriculum are a part of the state's in-kind match. The university has a multi-disciplinary team from different majors that meets quarterly to discuss how to insert more child welfare information into courses. Mr. Crownover highlighted MidSOUTH training programs:

- University Preparation – the infusion of child welfare curriculum, with degrees that meet DCFS minimum requirements, and placement in DCFS
- Title IV-E Training – federal mandates
- Training for new DCFS staff, supervisors, family service workers, program assistants, and provide continuing education for all DCFS staff
- Nurturing Families of Arkansas – trains DCFS staff to train parent coaches

Representative Hammer told Committee members agenda Item G will be moved to the upcoming JPR Committee meeting scheduled for Thursday, March 17, 2016.

There being no further business, the meeting adjourned at 3:00 p.m.

**JOINT PERFORMANCE REVIEW COMMITTEE
MARCH 17, 2016
MINUTES**

The Joint Performance Review Committee met at 10:00 .m. on Thursday, March 17, 2016 in Room A, MAC Building, Little Rock, Arkansas.

Committee members present: Senators Alan Clark, Co-Chair, Linda Collins-Smith, Jane English, Jeremy Hutchinson, Missy Irvin, and Terry Rice. Representatives Kim Hammer, Co-Chair, Scott Baltz, Jana Della Rosa, Lance Eads, Kenneth Ferguson, Charlene Fite, Mickey Gates, Mary "Prissy" Hickerson, Josh Miller, Micah Neal, Dwight Tosh, and David Whitaker.

Other legislators present: Senators Scott Flippo and Stephanie Flowers. Representatives Jack Ladyman, David Meeks, Mathew Pitsch, Sue Scott, and Marshall Wright.

Call to Order

Senator Clark called the meeting to order.

Comments by Senator Alan Clark and Representative Kim Hammer, JPR Co-Chairs

Senator Clark said the JPR Committee began reviewing child maltreatment and dependency-negligence cases in July 2015 and have discovered a number of issues with the process.

Overview of the Structure, Services, and Training Programs for DCFS/DHS Employees Provided by Hornby Zeller Associates (HZA)

Greg Moore, Arkansas Quality Assurance Unit, Hornby Zeller Associates (HZA), was sworn in under oath by Senator Clark. Mr. Moore highlighted two contracts HZA has with the Arkansas Division of Children and Family Services (DCFS), DHS, for performance monitoring, training, and evaluation. The Federal Administration for Children and Families initiated a federal review process in 2000 to distribute funding to states to be budgeted for child welfare systems. Federal funding requires that a monitoring process be performed in each state every five to seven years. Arkansas's most recent review occurred in 2008. Arkansas is currently in its third review process. DCFS contracted with HZA to conduct the federal review process, which includes components for training and mentoring of DCFS staff.

Mr. Moore told legislators he and his staff travel yearly throughout the state to ten geographic areas where they review a random selection of cases. These case reviews include interviews with DCFS staff and supervisors, families, children, foster families, and service providers. Cases are rated based on federal guidelines. Mr. Moore then described the review process HZA performs through a separate contract with DCFS involving child protective services:

- Review random samples of child welfare cases, foster care, and children who do not enter the foster care system
- Fifty closed investigations are reviewed in each service area
- A report of findings and recommendations for each area is provided to Area Directors, the Assistant Director of Community Services, and the DCFS Director

Mr. Moore said components of the child protective services contract include a training model for structured decision making, which was developed in 2008 after a federal review

was performed in Arkansas. The 2008 federal review rated Arkansas second highest in the U.S. for placing children into the foster care system. A determination was made that Arkansas lacked consistent decision making for risk and safety assessments, plus what constitutes a threat to a child. Mr. Moore discussed the training HZA provides to DCFS staff. This training helps them to identify the difference between risk and safety that are consistent with federal standards. Training includes identification of a threat of immediate danger. Two options are provided to DCFS caseworkers when a threat is identified:

- Implement a protection plan consistent with legal advice provided by the DCFS Office of Chief Counsel
- Removal of the child/children from the home

Mr. Moore provided details of their HZA two-day training course where DCFS staff learn to differentiate between risk and safety, and what are the appropriate responses. DCFS staff have told HZA staff that after taking the training they have experienced difficulties from within DCFS when implementing the structured decision making process learned in training. There are cases where they are not being allowed to follow the guidelines recommended by the training.

Senator Jeremy Hutchinson was sworn in under oath by Senator Clark. Senator Hutchinson discussed Child Dependency-Neglect cases. He told legislators there is an inherent conflict in having the Parent Counsel Office under the Administrative Office of the Courts (AOC), which also administers the Attorney Ad Litem program. He has heard privately from parent counsel attorneys expressing their concerns with the current system. Senator Hutchinson said the Parent Counsel program has no funding to hire expert witnesses as opposed to the Attorney Ad Litem Program and DHS, both which have funding to hire social workers, psychiatrists, and child treatment experts. Senator Hutchinson said that without the ability to present expert witnesses, Parent Counsel attorneys cannot win dependency-neglect cases for their clients. He stressed that in every case all avenues should be considered before children are removed from their homes.

Senator Hutchinson asked the JPR Committee to consider recommending increased funding to the Parent Counsel Program, which would allow them to hire expert witnesses. He said it is his opinion that the Parent Counsel program should be moved out from under the administration of the AOC and be given to another agency.

Senator Clark recognized Greg Moore with HZA to continue his presentation. Mr. Moore discussed the necessity of obtaining reliable data and information from within the child welfare system. He does not believe sufficient data is provided to the courts in child welfare cases. Mr. Moore told legislators that through his experience and the interviews he has conducted in Arkansas, indications are that too many children are being removed from their families due to fundamental disagreements between stakeholder groups as to what constitutes the best interest of the child/children.

Senator Clark announced the upcoming JPR Committee meeting scheduled for Wednesday, March 30, 2016. He explained that the JPR Committee will take up consideration of its use of its subpoena power at that meeting.

There no being further business, the meeting adjourned at 12:20 p.m.