

**Senate Committee on Children and Youth and the House Committee on
Aging, Children and Youth, Legislative and Military Affairs
Meeting Jointly
Tuesday, October 28, 2014**

The Senate Committee on Children and Youth and the House Committee on Aging, Children and Youth, Legislative and Military Affairs met jointly on Tuesday, October 28, 2014, at 4:00 p.m., at the Arlington Hotel in Hot Springs, Arkansas.

Committee members present: *Senators* Stephanie Flowers, Chair; and Bart Hester, Vice Chair. *Representatives* David Meeks, Chair; Randy Alexander, Charles Armstrong, Charlene Fite and Sue Scott.

Non-committee members present: *Representatives* Denny Altus and Debra Hobbs.

Senator Flowers called the meeting to order.

Department of Human Services (DHS)-Division of Youth Services (DYS), Arkansas Child Welfare Report Card (In Compliance with Act 1222 of 1995), Report Period July 2013-June 2014 [Exhibit D]

Senator Flowers recognized Tracy Steele, Director, DHS-Division of Youth Services, who provided the committee with a brief overview of the annual report. The following 2014 accomplishments were noted:

- Investing in staff; providing proper training
- Getting in compliance with federal programs in order to receive federal funding
- Granted \$600,000 federal funding to use towards community service (preventative programs) throughout the state
- Certification of educational programs-focusing on any grades earned being transferable to any school in the state
- Partnered with A+ Schools in integrating an arts based disciplinary incident reduction program on the Alexander campus
- Participated in collaborative partnerships and community engagements with stakeholders

Senator Flowers asked, what is the current census at Alexander and how many in Juvenile Detention Centers (JDCs) are awaiting slots at Alexander. Mr. Steele stated the current census is 432 at Alexander and there is an average of 80 youth in JDCs awaiting placement at Alexander.

Senator Flowers requested that the committee be provided with the number of youth currently in JDCs awaiting placement at Alexander, where these children are from, which JDCs currently house them and what is the average length of stay.

Representative Alexander asked that a breakdown of abused children and the identity of the offender (s) be included in the annual report as requested previously for the Quarterly Performance Report.

Community Based Programs: Referrals, Monitoring, and Reporting

Senator Flowers recognized **Tim Lampe, Director, DHS-Office of Quality Assurance (OQA)**. Mr. Lampe stated that the OQA was created in 2007. Within the OQA, there is an in-house review team that meets every two weeks to monitor corrective actions related to providers. Providers are also on the team. Providers with noted deficiencies are placed on the agenda until the corrective action is completed. There are 43 people assigned to this office which includes: 24 auditors, 17 fraud investigators, and 2 that handle day-to-day management of data.

The office also monitors Value Option, Rehabilitative Services for Persons with Mental Illness (RSPMI), to ensure appropriate services and that corrective action is thoroughly and timely implemented.

Senator Flowers recognized **Cecile Blucker, Director, DHS-Division of Children and Family Services (DCFS)**. Ms. Blucker stated that within DCFS they have about 180 contracts. These contracts consist of placement contracts, and support contracts (counseling, psychological evaluations and any legal support for foster children).

Senator Flowers asked how much money is spent on provider contracts and how many kids are served within a year utilizing those funds. Ms. Blucker stated that around \$31 million is spent annually and that money serves 7000 to 7500 foster care kids within a year, an additional 6500 kids are also served with these funds through protective service cases.

The Role of Juvenile Court Judges in the Referral of Children in DHS Custody HANDOUT #1

Senator Flowers recognized **Connie Hickman-Tanner, Director, Administrative Office of the Court Juvenile Division of the Courts**. Ms. Tanner provided a flow chart and information on how kids enter into the DYS system. She discussed the two types of cases referred to the courts those that involve the acts or omissions of parents, custodians, and guardians leaving a juvenile at risk of harm and juvenile delinquency petitions filed by a prosecuting attorney because of the acts of the juvenile.

Medicaid Fraud: Issues and Concerns

Senator Flowers recognized **Jay Shue, Medicaid Inspector General, Office of Medicaid Inspector General (OMIG)**. Mr. Shue noted that the OMIG has been in existence for sixteen months. In response to his findings of fraud to date, he noted that this varies from state-to-state however; it has been his experience that intentional fraud is hard to find. Senator Flowers asked about the recent fraud allegations involving a high level DHS official. Mr. Shue responded by stating that he is aware of the case and his office has an open file. The investigation into this case is ongoing.

Disability Rights of Arkansas

Senator Flowers recognized **Debbie Poulin, Legal Director, Disability Rights of Arkansas (DRA)**. DRA is a non-profit, independent advocacy group. They are made up of 3 attorneys, and 1 advocate. Ms. Poulin spoke briefly on the monitoring that was done on the Alexander Juvenile Assessment and Treatment Center. She noted that a follow-up report is in the works. DRA is also working on the preliminary findings for detention facilities at Lewisville, Colt, Harrisburg and Dermott.

Update on the Federal Investigation regarding Insider Information

Senator Flowers recognized **John Selig, Director, DHS**, who provided an update on the investigation involving former deputy directors who plead guilty to bribery and conspiracy related to programs that receive federal funds. The investigation led to the identity of provider Ted Suhl owner of Trinity Behavioral Health Care and Maxus Inc. Referrals were made to the OMIG and the Attorney General Office related to this case. Medicaid payments to this provider will be suspended November 6, 2014, as credible evidence of fraud was determined. This was done to allow clients time to find new providers. The provider has appealed the suspension. Last year DHS paid approximately \$25 million to this provider.

With no further business the meeting adjourned at 5:45 p.m.