

Talking Points - Amending Act 30 of 1991

- Private providers deliver the majority (80%) of mandated direct child welfare and juvenile justice services through purchase of service agreements with county children and youth agencies.
- Purchased services are paid for by a combination of federal, state and county dollars.
- Needs Based Plan and Budget requirements in Act 30 of 1991 structure county funding.
- Private providers have very limited input into this process.
- The timing of the county needs based process and the budget and planning process of the private providers are disconnected.
- There is significant disparity between actual costs and rates paid for purchased services.
- In many cases, contracted rates do not cover actual costs of mandated services, which must increasingly be subsidized by private donor dollars.
- Act 30 does not include any requirements for payments of actual costs of purchased services.
- While Cost of Living Adjustments (COLA) in the state budget have historically served as funding to support individual determinations of rate increases, this has changed.
- The majority of counties have not agreed to rate increases for FY 2008-2009 despite escalating costs and expanded service expectations.
- The intent of the legislature related to the COLA for services purchased by the counties has not been met.
- Deterioration continues in the private provider community that has worked to ensure child safety and community protection for centuries.
- The Commonwealth is not prepared to take full responsibility for the array of mandated services currently delivered by private agencies.
- A defined mechanism to ensure that funding reaches the direct service level is needed.
- There are costs savings available within the system if duplication of effort, clearly defined roles and responsibilities and cross systems communication are aggressively addressed.
- State scrutiny has served to complicate and delay the county/private provider contracting process. Private service providers are delivering services in good faith without signed purchase-of-service contracts.
- Act 30 must be amended to address these issues.