

Recommendations

Pierce County Human Services Department Study

September 15, 2019



INTRODUCTION

PROJECT OVERVIEW

Pierce County issued a Request for Proposal (RFP) to select a vendor to evaluate its Human Service Department’s current business processes and funding streams, make recommendations for ways to improve service delivery with emphasis on identifying financial savings while increasing service efficiencies, and to develop a plan to implement these recommendations. To accomplish this, the county engaged Public Consulting Group, Inc (PCG) to assess the delivery of its current human services and examine how similar jurisdictions manage their human services functions, with a focus on better aligning services and streamlining delivery where possible. Human Services’ divisions and major program areas are shown at right. Not shown is WSU Co-op Extension (See Appendix A for more detail).



DOCUMENT OVERVIEW

This deliverable summarizes the findings of PCG’s research, including other county practices and Pierce County Human Services’ (PCHS) program areas. This report focuses on the identification of nine (9) areas of opportunity to help the department deliver services more efficiently and effectively, leverage additional funding opportunities to provide the most effective services, and better structure service delivery to align with the department’s core mission: **to ensure all of Pierce County has equitable access to community-based services that respect each person’s unique experience.** This report is not intended to supplant the two other deliverables developed during this project — Interim Briefings 1 and 2 — which contain additional detail from early in the project and should be referenced as needed. Summaries of Briefings 1 and 2 follow on subsequent pages.

METHODOLOGY

As part of this project, PCG utilized various methods to gather information about Human Services programs and their funding sources, goals, and accomplishments. More detail about compilation and analysis of this information is included here:

PCG Conducted:

PCG Reviewed:



BRIEFING 1 SUMMARY

As part of our analysis, PCG reviewed the way other jurisdictions organize, fund, and assess their Human Services Department. We reviewed data and information for dozens of counties before finalizing a list of 15 based on variety of factors including, but not limited to: population size, geographic size, Human Services budget, programs offered, performance or outcome-based budgeting practices, and philosophical approach to delivering services. Seven of the fifteen counties we contacted responded and agreed to a phone interview: **King County, Clark County, Snohomish County, Spokane County, Washington County, San Mateo County, and Mesa County.** Additional information was added for an eighth county based on prior discussions. Although a strict “apples to apples” comparison is *not possible* because of the differences inherent across **every** county, including geography, services, and political atmosphere, we feel that the counties included can provide insight into how common challenges are addressed across the state and country. Briefing 1 summarizes the findings of this research, including other county practices, and focuses on detailing any initial opportunities.

	Pierce	King	Clark	Snohomish	Spokane	San Mateo	Mesa	Washington	Buncombe
Total HS Staff	218.34	325	47	240	66.6	775	270	130	589
HS Staff: Co Residents	1:3,995	1:6,739	1:10,099	1:3,340	1:3,258	1:995	1:556	1:4,530	1:437
Additional Programs	WSU Extension	Best Starts Kids	Indigent Defense	—	—	Public Assistance	Public Assistance	—	Public Assistance
% Indirect vs. Direct	60%/40%*	80%/20%*	65%/35%	65%/35%	94%/6%	40%/60%*	20%/80%*	90%/10%*	—
% of Budget that is taxes/fees and General Fund	4.1% GF; 14.6% taxes and fees	<1% GF; 11-12% special purpose rev.	18% GF; 26% Tax/Fees	30-35%	0% GF; 17% local	16%GF; 7% taxes; 2% other revenue	15-17%; <5% taxes	5% GF; 4% taxes	50%
Administrative costs	10%	—	—	—	5-10%	17%	“Very low”	10%	—
Physical Locations	2	5**	—	1	1	8+	3	2	1
Support Services	—	Plan and Coord	—	Plan & Eval	—	Staff Dev	—	—	Plan/Eval and Perf Mgmt
Philosophy	Being a key part of the safety net	Systems-builder	Systems-builder and integrator	Partnerships and community-building	Community-builders	Problem-solvers	Data driven and empowering staff	Connecting clients to the appropriate services	Focus on core services

* Best approximation given the materials provided and discussions held

— unavailable or unable to be compared

** Employees are located at 5 separate sites; however, clients are only seen at 2 locations.

COMMONALITIES ACROSS SOME OF THE COUNTIES:

-  Significant county/general funding (in at least half of counties)
-  A commitment to be active participants in a clearly articulated vision for service provision
-  A focused effort on evaluating each and every program, contract, and service
-  A thoughtfulness to use positions and staffing in other capacities
-  A shared philosophy and approach to addressing the needs in the community that centers on systems-building and not on direct services

BRIEFING 2 SUMMARY

Delivered roughly 2 months into the project, Briefing 2 was developed to provide preliminary summary results of an extensive review of all 6 divisions/program areas, as well as contracts of PCHS. Our review included a look at structure, staffing, strategy, central service costs, and allocation of General Fund resources. This deliverable was informed by on-site interviews, email and phone follow-up discussions, reviews of data and documents, and a robust data collection tool. A summary of our research is shown below, as well as some initial areas of opportunity that were later reviewed and further analyzed for inclusion in the final recommendations that are detailed on the pages that follow.

Division/ Program Area	Staffing	# of Direct v. Indirect Svcs	Areas of Note/Concern
Department-wide			<ul style="list-style-type: none"> • Communication and IT systems are somewhat siloed. • Department staff struggle with space challenges.
1. Aging and Disability	143 FTEs + volunteers	2 Indirect 3 Direct	<ul style="list-style-type: none"> • ADR is unique in that it is one of 13 designated Area Agencies on Aging in WA. • ADR can continue to review if there are community partners who are better positioned to provide that service at the same or better quality for a reduction in administrative costs.
2. Behavioral Health	1 FTE; 1 Exec. Leadership	3 Indirect	<ul style="list-style-type: none"> • Pierce County lacks the “1/10 of 1% tax,” a tax levy which serves as a dedicated mental health services funding stream that most other counties have. • The department should consider a better way to coordinate the outreach programs that it currently funds.
3. Community Action Programs	39 FTEs	5 Direct w/ 2 Subcontracts	<ul style="list-style-type: none"> • There are three separate organizations/local governments that offer Community Action services to residents of Pierce County, inside and outside Tacoma. • There is the ability to contract many of the Community Action services.
4. Community Services	19.92 FTEs	5 Indirect 1 Direct	<ul style="list-style-type: none"> • The department could look to transportation and homelessness services as models of involvement in shaping the delivery of services while maintaining an indirect role.
5. Veterans' Services	4.35 FTEs	2 Direct	<ul style="list-style-type: none"> • By 2024, the county is expected to have the largest veteran population in the Pacific NW. • The division should review opportunities to partner for services, both for incarcerated veterans as well as the new VSO program.
6. Finance	15.8 FTEs	—	<ul style="list-style-type: none"> • The department has several opportunities to expand current efforts to: update processes to streamline development and maintenance of the Cost Allocation plan and (2) reduce the administrative burden on the agency of administering programs.
Contracts			<ul style="list-style-type: none"> • PCHS has 308 active service contracts and anticipated paying out \$102,529,575 in 2019. • The department would benefit from several changes to their contract development and monitoring processes that would streamline efforts and reduce risk.

DEPARTMENT VISION AND STRATEGY

Two years ago, Human Services undertook a comprehensive strategic planning process — that included stakeholders — and developed the below mission and vision statement.

MISSION: The department’s core mission is *to ensure all of Pierce County has equitable access to community-based services that respect each person’s unique experience.*

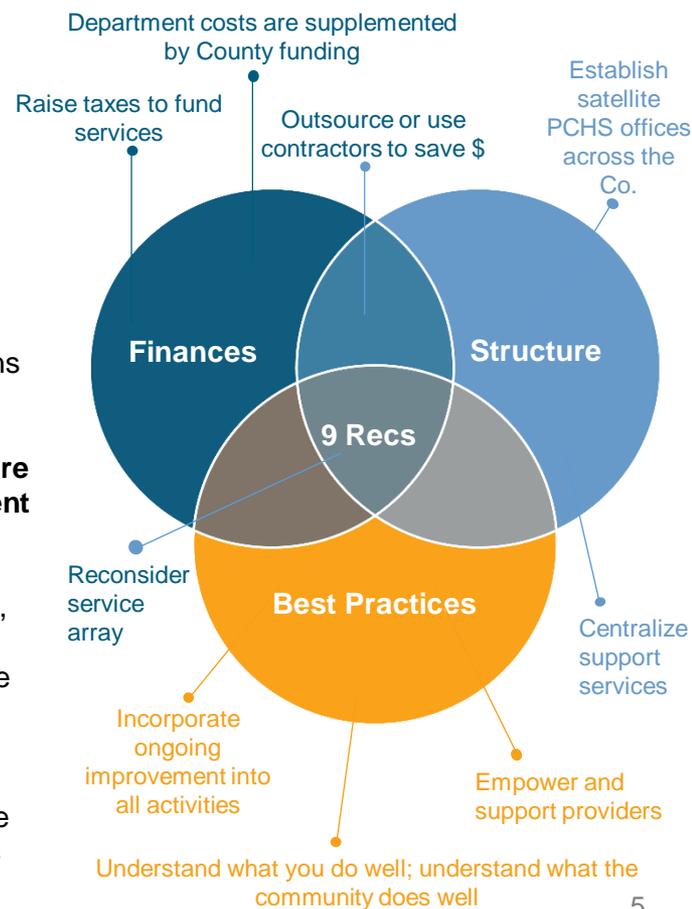
VISION: PCHS’ vision centers on the following:

- Empowered Individuals
- Healthy Families
- Thriving Communities

STRATEGY FOR SELECTING RECOMMENDATIONS

The strategic planning process, and the work that came from it, are key foundational actions the department should build on and operationalize going forward. In addition, financially, without changes, the long-term sustainability of programs offered by the department are in jeopardy. Therefore, the opportunities and recommendations found herein are concrete steps that will support what has already been articulated about the direction the department wants to go. While there are, seemingly, unlimited permutations of operationalizing these as well as the goals of this project (see diagram to the right which attempts to show how we arrived at the nine recommendations that follow), **we have focused on those that have the most success in comparable counties and are aligned with best practices, offer substantial savings, and structure the department to further harness the collective efforts of the county and the community.**

It is worth noting that there are no other counties across Washington or even the nation, that look *exactly* like Pierce County Human Services, so no exact comparison could be made. While this may preclude many “plug and play” solutions, this is actually a positive for PCHS. It gives us the opportunity to be creative, to pick and choose from the best solutions, and to look specifically at all of the community’s systems and the provider network to build a model that will work with the unique characteristics of Pierce County Human Services. This array of recommendations filters those best practices through the lens of Pierce County’s characteristics and strategic plan to arrive at clear opportunities to help the county meet its goals for this project.



FRICITION COEFFICIENT

The Friction Coefficient is the score of six key factors representing the relative ease or difficulty in implementing each recommendation. A lower score reflects that the recommendation will be easier to implement while a higher score reflects more difficulty either due to time, cost, or stakeholder involvement. Criteria are scored individually, weighted, and then summed together to arrive at the Friction Coefficient. Appendix B shows additional detail on the scoring of all the recommendations.

Criteria	Definition	Rating Scale	Weight
Cost	The estimated cost of full implementation of the recommendation including personnel, procurement of resources (i.e. software, equipment).	1.0 = High cost; \$40,000 plus, and over 300 total hours of five staff and/or hiring of new staff 0.5 = Low cost; \$0-\$40,000 or fewer than 100 total hours of five staff 0 = Savings; No cost to PCHS	30%
Requires buy-in from partners	Includes whether the change will require some level of buy-in or agreement from external partners.	1.0 = Yes 0 = No	20%
Complexity	Includes the number of projects, stakeholders/staff, and/or potential dependencies. Also includes scanning the community to determine the level of effort required to shift services out of the department to community providers.	1.0 = High; many projects, several stakeholders / staff at multiple levels, and / or several dependencies 0.5 = Medium; Some stakeholders and / or external dependencies 0 = Low; requires almost no approval or coordination beyond PCHS	20%
Alignment with goals	Directly impacts the goals of the county to achieve their mission (and also the goal of this project to reduce how much PCHS is spending internally).	1.0 = No 0 = Yes	10%
Involves a procurement or change in existing contract	Includes if the department needs to put out a procurement or if they need to change an existing contract.	1.0 = Yes 0 = No	10%
Timeframe	The estimated time for full completion or implementation of the recommendation.	1.0 = Long-term; over 1 years 0.5 = Medium-term; 6 months to 1 year 0 = Short-term; fewer than 6 months	10%

RECOMMENDATIONS OVERVIEW

Below is a summary of the recommendations PCG is making to Pierce County Human Services; detail follows on the subsequent pages.

1	<p>The Human Services Department Should Shift Their Internal Approach to Service Delivery to one that supports systems where ones exist, helps build them where there are none, and delivers services directly only when it is to the greatest benefit to the population the agency serves.</p>
2	<p>Re-envision the Department's Service Offerings. Make a coordinated effort to transition programs to community providers, contract out services where appropriate, and assess the value of delivering services to make the overall package of services more strategic and sustainable.</p>
3	<p>Update Cost Allocation Plan (CAP) Methodology. Human Services should streamline the development and maintenance of their CAP as well as restructure how funding sources are maximized to capitalize on additional financing opportunities.</p>
4	<p>Reduce Administrative Costs. Pierce County, like other counties across the nation, is facing rising costs and stagnant reimbursement. This means the county has to get creative, streamline, ensure processes are updated and make some difficult choices where it spends its money.</p>
5	<p>Leverage Additional Funding Opportunities by enhancing the role of the Accountable Community of Health (ACH) to access funding sources outside of the county, and to reallocate funds that are currently available to the county within the parameters of existing restrictions.</p>
6	<p>Implement a Comprehensive, Whole Life Contract Model to strengthen current contracting practices. Human Services should implement a contract system that incorporates the three stages within the contract lifecycle: pre-award, award, and post-award.</p>
7	<p>Create and Staff a Centralized Contract and Procurement Team for Human Services. A centralized Contract and Procurement team can assume the technical components in the contract lifecycle, providing a holistic view on fiscal and programmatic contract performance for PCHS.</p>
8	<p>Implement a Continuous Improvement Culture and Process (an ongoing effort to improve processes or services by reducing waste or increasing quality) throughout the entirety of Human Services that operationalizes and institutes the department's vision and strategic plan.</p>
9	<p>Reevaluate and Improve Usage of the PCHS Data Warehouse and look to the ACH as a potential model for data sharing and usage focused on shared outcomes.</p>

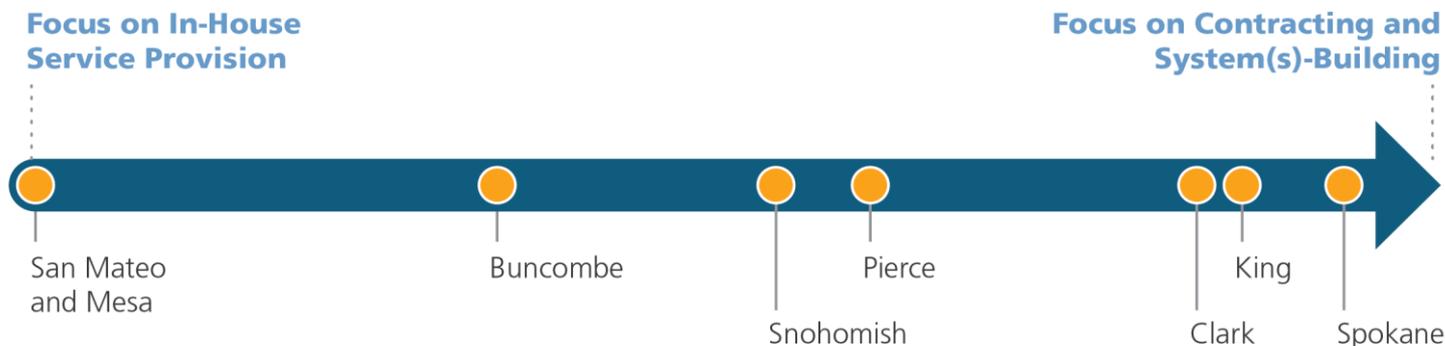
1

The Human Services Department Should Shift Their Internal Approach to Service Delivery to one that supports systems where ones exist, helps build them where there are none, and delivers services directly only when it is to the greatest benefit to the population the agency serves.

Coefficient
0.60

Across the country, counties are finding improved outcomes and cost savings from a conscious, intentional move away from being a direct service provider to a capacity-creator and systems-solution developer. We've seen this transition be incredibly successful elsewhere, and it is also endorsed by the American Public Human Services Association (APHSA) in their *generative model*. In addition, counties such as King, Clark, Spokane, and Buncombe (NC) that we interviewed had all made some level of a philosophical shift in how they approach what services they offered directly and how they partnered with community providers/stakeholders in a way that resulted in real savings, a reinvestment in core programs, and increased community capacity. A more formal move in this direction **will allow the department to more keenly focus energy and funding on core services** (those which you are mandated to provide, those only you are able to do, and/or services that have a strategic value). In addition, there will be substantial benefits to the community as well: current partners may be able to expand their current offerings, or new partners may emerge. **This gives the community more power and support to solve problems while taking pressure, costs, and direct service responsibility off the county.** Instead of hoping that the "right" provider comes up with the "right" plan to deliver services, PCHS will play an active role in working with community partners to identify how and by whom services will be delivered.

The below graphic roughly, details where comparable counties (as self-reported) fall on a spectrum between predominately direct service delivery and contracting most/almost all human services.



It is important to note that this shift shouldn't look the same for all programs or be an either/or direct services vs. systems-builder approach; most divisions would benefit from landing somewhere along that spectrum. The department needs to more formally operationalize what PCHS says they do and make a few substantive tweaks to processes; it doesn't require wholesale changes to current processes/operations in many places. In addition, this is not a change that can be successful if motivations are purely financial.

1

The Human Services Department Should Shift Their Internal Approach to Service Delivery to one that supports systems where ones exist, builds them where there are none, and delivers services directly only when it is to the greatest benefit to the population it serves.

Coefficient
0.60

KEY PARADIGM SHIFTS FOR CONSIDERATION

	<i>You are here.....</i>	<i>You should want to be here....</i>
Vision	We believe we can provide some services better than anyone else can. Reviews are mixed on how consistently we engage the community and there's nothing that formalizes our approach.	We believe many services can be provided in the community for better outcomes, more coordination, and lower costs. We provide direct services that follow a clear, deliberate strategy.
Relationship with the Community	We see our role in the community as a key piece in that we directly provide services and fund others. We participate with community initiatives to varying degree.	External supporting agencies are actively identified, based on client needs, and engaged in program development and revision.
Financials	We can't cover administrative costs for the programs we have, both direct and indirect.	We have organized our direct and indirect service array, contracts, and CAP in such a way as to reduce administrative costs, which, when combined with other strategies, allows us to be able to provide those services which provide unique value to the community.
Contracting Approach	For indirect services, we are compliance monitors and funders.	We provide coaching, TA, and support to providers to help them succeed and are willing to nurture nascent agencies. Contracts are aligned to strategic outcomes.

More specifically, the county and department should:

- Develop short and long term strategies for how they want to approach contracting services and building systems. And start work.
- Consider using Veterans' Services as a model for county-led systems-development and Behavioral Health as a model for county-supported systems-development. These are the two types of models that can guide the department going forward.
- Lean further on the ACH to maximize funding and outcomes. (More information provided in Recommendation 5)
- Embrace the role the United Way is taking to drive poverty-related initiatives and be a more active partner (and encourage/incentivize indirect service providers to do the same).
- Look across other "systems" (or lack thereof) — such as for aging — to determine what role the county should play.

2

Re-envision the Department’s Service Offerings. Make a coordinated effort to transition programs to community providers, contract out services where appropriate, and assess the value of delivering services to make the overall package of services more strategic and sustainable.

Coefficient
0.60

Presently a majority of department services are provided indirectly; this still means, however, that roughly \$17M and 160 staff support the provision of direct services. Financial reviews as well as discussions with staff and leadership have shown that this is not a sustainable model. If the **goals of the county are to reduce county costs and develop capacity in the community to provide services that are as good as or better than what the county can do**, then the county needs to *strategically* re-evaluate that need to be a direct provider.

With the exception of funds received for Employment and Day Program Services, which require that the administration of the county’s developmental disability program be kept within the county, PCHS is able to assign out all of their funds to another agency. Supplemented by our guidance on the following pages, the county should review each program as part of a cultural and practical shift toward updating what is part of their indirect service array. Determination of which path a program takes should include an ongoing assessment of the capacities of the current system, potentially putting faith in an unproven organization (with lots of support!), but all with the goal of developing a network of providers who have the knowledge and abilities to provide services in such a way as to get better outcomes than the county could do. What we have detailed below is just a start. The county need not come to a final decision on each service right away; it may take some time to develop community capacity, and strategic or funding needs may evolve over time, requiring a revised approach. **It should be acknowledged that this is neither a quick nor easy process.**



TRANSITION SERVICES & FUNDING

There are at least three services that the county currently provides, in-house, that should be strongly considered for contracting or transfer to another agency, allowing these services to sit with a provider better positioned to deliver them give the county more freedom to focus on core services; many peer counties across the state have already contracted out these.



ASSESS COMMUNITY CAPACITY WITH RFP

There are several services that are commonly contracted in other counties; this may also make sense for Pierce. However, there may or may not be current community capacity or interest in providing these services and the county should talk to agencies/release an RFP to assess capacity. Some of these partners may be traditional providers, but we want to implore the county to seek out partnerships that may mean services transition to another county department (Home Repair) or the city (one consideration should be aligning Community Action Programs with the City of Tacoma).



KEEP IN-HOUSE (FOR NOW)

There will always be services that the county must provide, or it makes practical or strategic sense for the county to keep in-house. Moving forward, however, PCHS should undertake a regular assessment of those services to ensure that the package of indirect and direct makes the most sense for the county and the citizens served, aligns with the department’s core mission, and best utilizes/develops community capacity. This will most certainly change over time.

2

Re-envision the Department's Service Offerings. Make a coordinated effort to transition programs to community providers, contract out services where appropriate, and assess the value of delivering services to make the overall package of services more strategic and sustainable.

Coefficient
0.60



Transition Services & Funding

These programs are candidates to transition elsewhere, either because of a current partner involved in the work, or because it overlaps with another program.

ECEAP: \$1.75M with 5% for admin

- *Option 1:* Locate other community providers or transition to the schools to administer.
- *Option 2:* PCHS can simply stop administering the program. Need to make a value-based decision on whether the department should continue to be involved.

VSO Services

- Moving forward with these new services, the county should consider WDVA or a community provider for service delivery.

MOCT: \$450,000 in county funding with 3.5% for admin.

- There may be efficiencies if MCIRT and the comparatively new MOCT activities are better harmonized.

Weatherization (\$1M and 8.4% admin.), Energy (\$2.6M and 8% admin.), and Home Repair (\$2.9M and 20% for admin.):

- Across the country, counties are using community agencies to completely provide these services. We acknowledge that with 13 utility providers this may be more difficult, but it is worth exploring.



Assess Community Capacity with RFI/RFP

These programs are often run by community partners in other counties; Pierce should determine whether capacity exists or can be developed to do so here.

Medicaid Case Management: \$10M and 25% for admin

- Some counties contract this out; PCHS should assess community capacity to do this. Contracting a program with 25% admin *could* impact other programs.

Incarcerated Veterans: not a separate cost pool – unknown but small

- Consider transition to jail and/or court staff



Keep In-House (for now)

Some programs are overly complex, align closely to a key county goal, or can't be transitioned to the provider community for one reason or another.

ADRC and Ombudsman: \$126,000 and 12% for admin):

- The ADRC program is the coordinating, public face of aging services.
- Ombudsmans' program should remain because of the advocacy nature.

Housing Programs: \$7M (direct + indirect)

- County is the only eligible grantee for some of the HUD funds that support these programs.

Veterans Financial Assistance: \$1.3M and 48% for admin.

- County focus on expanding services to meet the increasing needs of veterans.
- Would suffer the loss of these admin dollars.

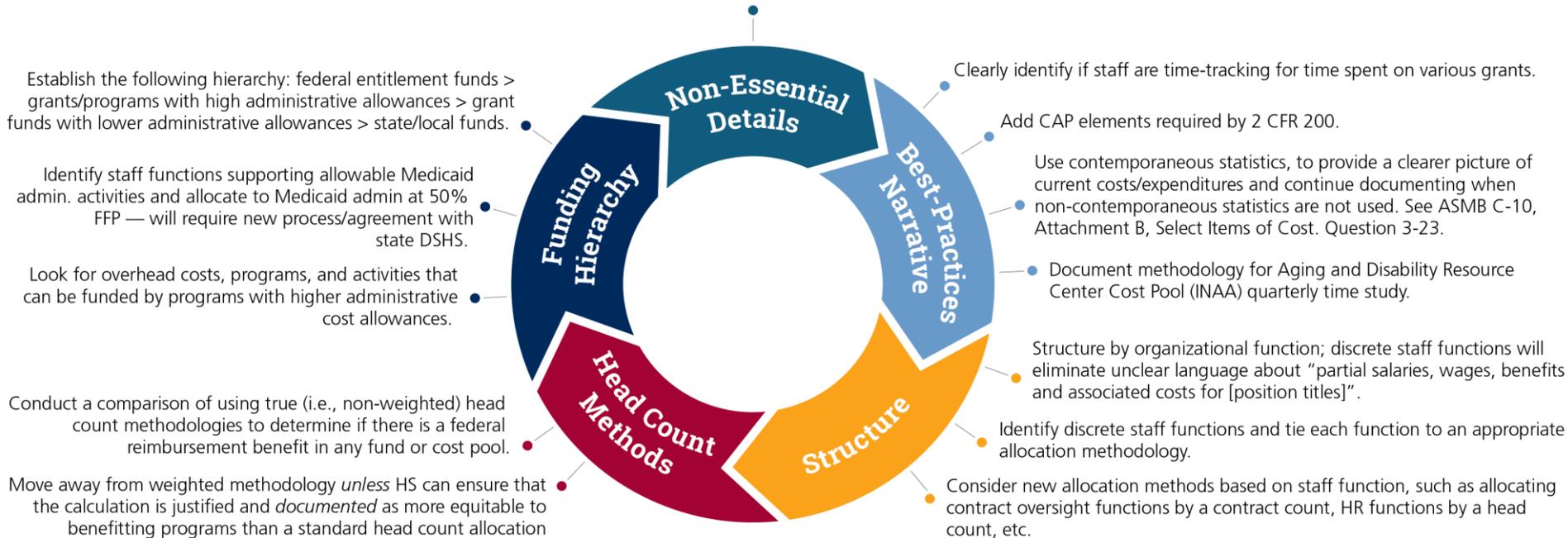
3

Update Cost Allocation Plan (CAP) Methodology. Human Services should streamline the development and maintenance of their CAP as well as restructure how funding sources are maximized to capitalize on additional financing opportunities.

Coefficient
0.15

Finance staff noted — and PCG determined through our review of the CAP and supporting documentation — that the process of maintaining the integrity of the CAP is “extremely difficult.” PCG understands the department's CAP has been audited; we focused our recommendations on areas outside of general compliance as audits do not address revenue optimization or other opportunities for efficiencies. The below recommendations are designed to build on efforts already underway from the Finance team and are aimed at lessening the department’s administrative burden, simplifying the existing process, identifying opportunities to contain and/or increase revenue, and meet best practices for cost allocation.

Streamline information for more efficient maintenance of the CAP:
funding sources, staff position titles, and number of positions within each cost pool



A functional CAP structure — with the above key components — will enable the Department to develop cost allocation methods to allow costs to flow from higher level units (such as supervisors or managers) down and across lower level cost pools they provide support to. The above recommendations are built from existing guidance, best practices, and experience with local (and state) governments, with the understanding that improvements are already underway within the Department.

4

Reduce Administrative Costs. Pierce County, like other counties across the nation, is facing rising costs and stagnant reimbursement. This means the county has to get creative, streamline, ensure processes are updated and make some difficult choices about core programs.

Coefficient
0.35

One common frustration that current staff and leadership, including Finance staff, shared is that they struggle with the burden of funding the administration of programs (“administrative burden”). While the current CAP is compliant, there are several issues that are causing this funding challenge, laid out below. Between internal processes that don’t maximize grants, administration rates from funders that aren’t keeping up with costs, and the sheer amount of money it costs at both the county and HS-level to run programs, it is not surprising that PCHS programs are stretched thin — impacting service delivery — and leadership often has to provides support for programs from which they are getting little to no reimbursement. PCG has identified the below opportunities to improve this:

Potential Savings	Politically Difficult	Less Difficult	Unknown Feasibility	Feasible
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Problem	Option(s)**			
There are funding disparities in the amount of admin that is allowed for each program	<ul style="list-style-type: none"> Review the list of allowable administrative percentages. This is a list of some grants that, for example, have low rates and high grant dollars: MCIRT/MOCT (0-3.5%), Diversion Center (0%), Homeless CoC (3%), ECEAP (5%), Homeless Grant (7%), Early Intervention (7%), Homeless grants (7-7.5%), and Energy and Weatherization (8%). Use this review to determine if/where you might have some leverage and advocacy opportunities with various funders. It is possible, and certainly it’s more likely, that advocacy efforts could be effective for the county-funded programs. 			
	<ul style="list-style-type: none"> Many counties face this issue and it is the reason that counties offer incentives such as early retirement packages to move expensive staff from payroll; this is one option for Pierce. Another option is to implement salary freezes or use more temporary/contract staff. 			
Administrative dollars don’t cover administrative costs	<ul style="list-style-type: none"> The Department should track and regularly review the actual expenditures of each award to cross-reference against the allowable administrative dollars to identify opportunities where PCHS can increase award draw-down in order to recoup more allowable administrative dollars. The Department should identify and maximize spending awards with high administrative dollar caps on a dollar-for-dollar basis to maximize draw down. 			

**It is worth noting that we are not recommending you modify your methodology to have the Department charge administrative costs first, then the county; this doesn’t solve the problem of not enough money to cover costs.

4

Reduce Administrative Costs. Pierce County, like other counties across the nation, is facing rising costs and stagnant reimbursement. This means the County has to get creative, streamline, ensure processes are updated and make some difficult choices where it spends its money.

Coefficient
0.35

Potential Savings

Politically Difficult

Less Difficult

Unknown Feasibility

Feasible

Problem	Option(s)**	
<p>The amount of admin costs (Central Services plus Department) is greater than what's allowable under grant limits</p>	<p>Currently the Central Services costs (as 55+% of the PCHS administrative funding goes, first, to pay for county central services costs) plus the department administrative costs (roughly 10%) exceed what is captured by grants, leaving the county with a deficit they must close. You can continue to use fund balance to pay down the deficit for as long as it lasts; however this is not a long-term solution. PCG reviewed the Pierce County Central Service Cost Allocation Plan and found that the allocation methodologies are correctly allocating central services costs to PCHS. In addition to the changes in the CAP mentioned previously, options include:</p> <ul style="list-style-type: none"> • Reduce direct-service programs (see Recommendation 2). In addition, contracting programs with a low administrative caps should help further. • After exhausting other options herein, PCHS can continue to advocate for a reduction/break in costs, ask for changes to the central services plan, or ask the county for additional general fund dollars. Many counties we surveyed as well as with whom we have experience, use county dollars at some level of support to pay for administrative costs not covered by grants. • Review the Central Services CAP and identify efficiencies to reduce the transaction count. Central services dollars allocated to the Department will subsequently decrease. 	<p>Green, Grey, Blue, Orange, Red</p>
<p>The CAP isn't designed to maximize federal and/or programs with higher allowable admin dollars first</p>	<ul style="list-style-type: none"> • As noted in Recommendation 3, the PCHS should prioritize working towards developing a funding hierarchy that identifies awards with the highest administrative caps, which are the department's greatest opportunities to maximize charging allowable dollars. For example, it is in the department's best interest to identify and allocate all allowable administrative costs to Medicaid to oversee Medicaid program components; this is outside of the FFS payments and cover different costs so is an uncapped allocation. 	<p>Green, Grey, Blue</p>

** We are also not recommending the County move to an Indirect Cost Rate (ICR). ICRs are best used for agencies that truly provide indirect services. The department provides direct services and already has a CAP. To track costs to the level needed to develop an indirect cost rate would be substantial work, as there cannot be any overlap between the indirect cost base and the direct charges. PCHS doesn't want **more** indirect costs and should focus on getting as many direct costs charged to programs as possible. An indirect cost rate would probably be higher than what they can charge to many programs anyway.

5

Leverage Additional Funding Opportunities by enhancing the role of the Accountable Community of Health (ACH) to access funding sources outside of the county, and to reallocate funds that are currently available to the county within the parameters of existing restrictions.

Coefficient
0.35 – 0.50

PCHS administers programs that bring together many funding sources across the local, state, federal, and private sectors. In some cases, the uses of these funds are tightly restricted. This leads to a siloing of program activity and makes it difficult to bring together multiple sources of funding, or stakeholders, to address the larger needs of the community. PCHS has spent a significant amount of time in recent years clarifying the ability of various funding sources to provide administrative support to its many programs.

PCG has reviewed several opportunities for the county to access additional funds, or sources of funds, to enhance and stabilize human services programs. The options presented in this section represent the best opportunities for immediate impact and long-term stability. Acknowledging the challenges posed by the separate requirements of each funding stream, the county should continue seeking additional opportunities across federal, state, and local funding sources to gain additional flexibility to meet needs and to stabilize funding for effective programs.



#	Title	Summary			
5a	Utilize the Accountable Community of Health (ACH) to access additional funding for current services	Expand on the relationship with the ACH to bring additional solutions to the table for program oversight and funding			
5b	Maximize use for funds currently available to the department	Evaluate options around allocation of funds with restrictions, and update to meet local needs as necessary			
5c	Review potential benefits of additional revenue streams	Consider the services that could be expanded or provided with additional funding			

5a

Utilize the Accountable Community of Health (ACH) to Access Additional Funding for Current Services by expanding on the relationship with the ACH to bring additional solutions to the table for program oversight and funding.

Coefficient
0.35

The ACH has proven to be a close and valuable partner to the county over the course of the preparation for and transition to an Integrated Managed Care model for the provision of behavioral health services. In its role as a convening entity, the ACH can bring providers and funders together to ensure that the entire range of services is delivered in a high-quality, cost-effective manner to community members. There are several areas in particular where greater involvement by the ACH could help to solve specific program-related funding issues. In general, there is an opportunity to shift “ownership” of some programs from the county alone to the community, which may encourage additional investment from stakeholders who may currently view them as “government programs” that should be supported solely by government funds.

Detailed below are areas cited in PCG’s review as opportunities for the ACH to enhance the effectiveness and stability of particular PCHS programs. Also included are the recommended shifts in role for the ACH in each of the three example program areas and the ways in which these shifts could help the county capitalize on the opportunities identified here. To take advantage of the opportunities presented by greater coordination with the ACH, the county should focus on working collaboratively to identify additional solutions for oversight and funding, and to help develop buy-in across the provider community as well as state and local government. Specifically, the county should identify funding opportunities where they can leverage the ACH’s data collection and ability to convene stakeholders and combine that with political support to develop a strong case for financial support.

Health Homes	
Challenge	Opportunity
<ul style="list-style-type: none"> Though it is funded by the state, this program is not part of the larger continuum of care for high-risk populations. Consumers leaving Health Homes are not tied in to larger network of services. 	<ul style="list-style-type: none"> Shift resources from MCOs to ACH to coordinate care using common data platform, linking this population to other services. Seek opportunities for pay-for-success and shared savings model for this population, via coordination by Community Resilience Fund.
Enhanced ACH Role	Potential Benefits
<ul style="list-style-type: none"> Serve as lead agency, in place of the county. 	<ul style="list-style-type: none"> Identify and incorporate additional sources of funding. Manage transition of program exiters into other programs in the community. County can focus on role in care coordination.

5a

Utilize the Accountable Community of Health (ACH) to Access Additional Funding for Current Services by expanding on the relationship with the ACH to bring additional solutions to the table for program oversight and funding.

Coefficient
0.35

MCIRT

Challenge

- The program has only one source of funding and is reliant on County General Funds.
- The availability of funding may vary from year to year, and expanding funding is difficult.

Opportunity

- The ACH can work with the county to bring this program on to a common data platform through the Care Continuum network.
- This will allow for better tracking of outcomes and may help to encourage additional investment from external stakeholders.

Enhanced ACH Role

- Convene providers and potential funders for program.
- Coordinate oversight of programs across both county and other stakeholders.

Potential Benefits

- Utilize value-based contracting to access additional funding streams.
- Better coordination of services available to MCIRT clients, less duplication of effort.
- Stabilize funding for longer-term by involving additional stakeholders.

Non-Medicaid Consumers

Challenge

- Some PCHS programs lack integration in larger Care Continuum network and operate in silos from other community efforts.

Opportunity

- Bring programs such as Health Homes and Trueblood into Care Continuum initiative, allowing for partnerships, data collection, and funding opportunities beyond the county and Medicaid population focus.

Enhanced ACH Role

- Coordinate more closely with the county around Care Continuum.
- Collaborate on creation of community health record.

Potential Benefits

- Additional consumers and types of plans brought to the table.
- Easier sharing of data across programs.

5a

Utilize the Accountable Community of Health (ACH) to Access Additional Funding for Current Services by expanding on the relationship with the ACH to bring additional solutions to the table for program oversight and funding.

Coefficient
0.35

Current roles for ACHs across the state include...*

- | | |
|---|--|
| ➤ Convening and connecting | ➤ Providing strategic regional leadership |
| ➤ Translating large-scale initiatives into action | ➤ Supporting regional capacity building |
| ➤ Bringing in funding to the region | ➤ Influencing policy change needed to support transformation |

To date, the ACH’s role has focused on convening and connecting Medicaid stakeholders, and supporting change management. Expanding the role of the ACH in additional areas listed above could produce the following shift:



*Source: Center for Community Health and Evaluation, January 2019: <https://www.hca.wa.gov/assets/program/cche-evaluation-report-for-ACHs.pdf>

5b

Maximize Use for Funds Currently Available to the Department by evaluating options around allocation of funds with restrictions and updating to meet local needs as necessary.

Coefficient
0.40

The county has access to a number of dedicated funding sources that have very specific, well-defined restrictions on how they can be used. For funds provided through SHB 2060, the county has local options as to how funds may be allocated within these restrictions, allowing the county and local communities to decide what kinds of housing programs should be funded with these dollars. Additionally, PCHS is working to encourage providers of homeless services to take advantage of funding available through the Foundational Community Supports (FCS) component of Washington’s Medicaid waiver, known as the Medicaid Transformation Project (MTP). Current guidelines for three key funding sources are detailed below.

SHB 2060 – Affordable Housing Document Recording Fee	SHB 2163/1570 – Homeless Housing and Assistance Document Recording Surcharge	Medicaid – Reimbursements to Support Housing-Related Services
<p>60% of funds generated stay with the county for housing projects or units within housing projects that are affordable to 50% AMI.</p> <p>Per the Pierce Interlocal Agreement:</p> <ul style="list-style-type: none"> • 16% of funds that come to the county go to operation and maintenance of local shelters. • Remaining 84% made available in NOFA for: <ul style="list-style-type: none"> • Acquisition, rehabilitation, and / or New Construction of units for those under 50% AMI. • Operating and maintenance costs for housing funded under SHB 2060. • Rental assistance vouchers. 	<ul style="list-style-type: none"> • 60% of funds generated go to the county. • 6% can be used for admin related to homeless housing plan. • Remainder may be used for programs “which directly accomplish the goals of the county’s local homeless housing plan.” • Remaining funds go to the state, but can be spent as grants to operate shelters and transitional housing. • County receives some of these funds via the Consolidated Homeless Grant. 	<p>Under FCS, Medicaid can pay for the following:</p> <ul style="list-style-type: none"> • Community Support Services (CSS): wrap-around supports that assess housing needs, identify appropriate resources, and develop the independent living skills necessary to remain in stable housing. • Services that help individuals with barriers to employment get and keep a job, including: <ul style="list-style-type: none"> • Employment assessments. • Assistance with applications, community resources and employer outreach. • Education, training and coaching necessary to maintain employment.

5b

Maximize Use for Funds Currently Available to the Department by evaluating options around allocation of funds with restrictions and updating to meet local needs as necessary.

Coefficient
0.40

To take advantage of the flexibility that exists in funding streams that include restrictions on how those funds can be used, the county should:

- Actively review interlocal agreements and shift allocations where funds from other sources can be used. For example, the county could raise the percentage of SHB 2060 funds used for shelter operations (currently: 16%) and utilize HOME funds for capital expenses, reducing the need to use other, more flexible sources of funds, such as the Consolidated Homeless Grant, which may include greater flexibility in the services that can be provided to address homelessness.
- Continue working with homeless providers to access Medicaid funds, and determine whether there are any additional categories of activities that may be reimbursable for Medicaid clients interacting with the homeless and behavioral health systems. Additional funds from Medicaid can supplant County funds, which could be repurposed to provide additional services. These two key funding sources are used by other jurisdictions in the following ways:

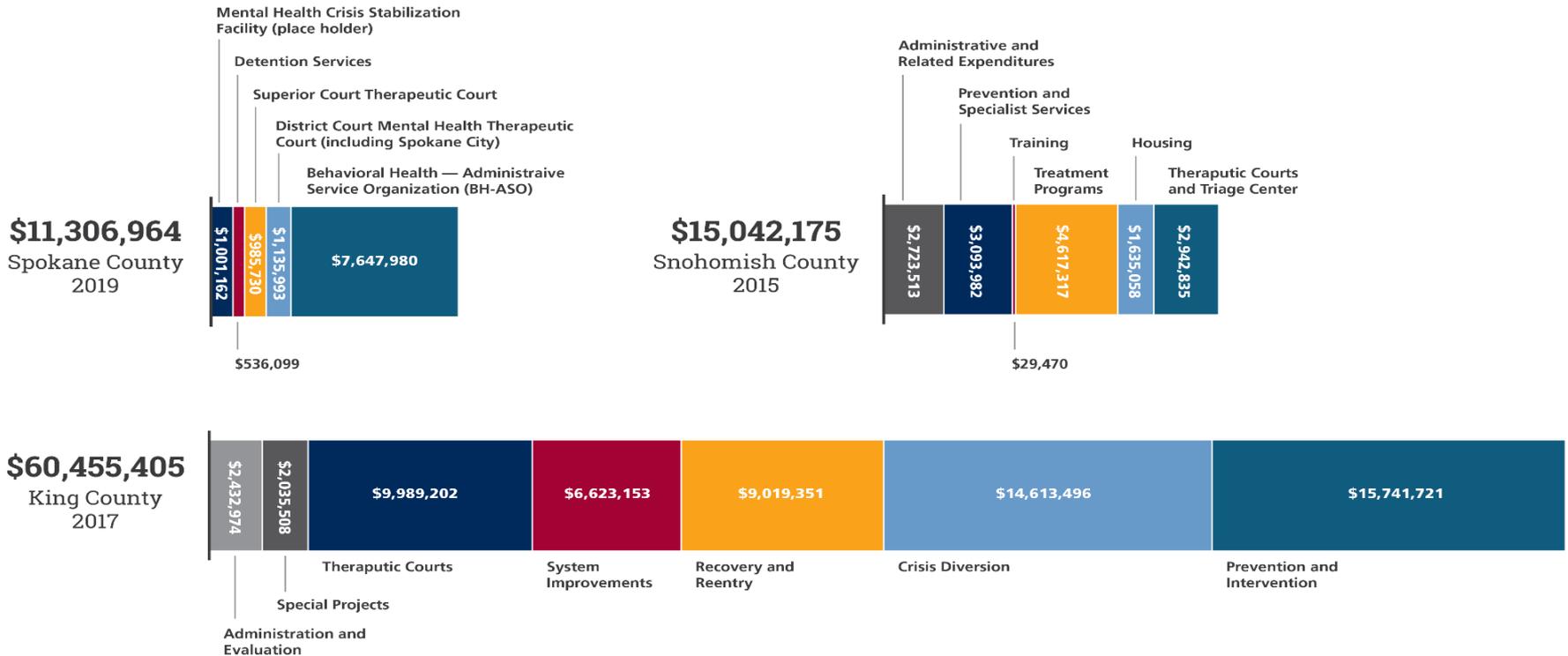
SHB 2060 – Affordable Housing Document Recording Fee	Medicaid – Reimbursements to Support Housing-Related Services
<p>King County – Joint Recommendations Committee reviews and updates allocations on annual basis, allowing funds to meet current need both in terms of services and geographic distribution.</p>	<p>Louisiana – The Tenancy Support Services for Medicaid beneficiaries in Permanent Supportive Housing, provides pre-tenancy services, move-in services, and ongoing tenancy services, under 1915(c) HCBS waiver.</p>
<p>Clark County – 2/3 of funds used to:</p> <ul style="list-style-type: none"> • maintain current level of shelter services • grant operating subsidies to transitional or permanent housing providers • offer rental assistance voucher to for and non-profit housing providers <p>Up to 250k used for:</p> <ul style="list-style-type: none"> • operating costs of existing emergency shelters • operating and maintaining existing transitional housing units and perm supported housing units, and housing projects for chronically homeless. <p>This keeps the focus of these funds on more immediate solutions to getting people housed.</p>	<p>Philadelphia – Under the Permanent Supportive Housing initiative, Medicaid pays for:</p> <ul style="list-style-type: none"> • clinical care, • targeted case management, • mobile psychiatric services, • peer-to-peer services, and • other services for recipients housed through the program.

5c

Review Potential Benefits of Additional Revenue Streams and consider the services that could be expanded or provided with additional funding.

Coefficient
0.50

Comparable counties have moved to access additional funding via tax levy (the “0.1% Mental Health tax levy”). These funds have provided counties with an additional \$10-15M in funds per year to provide new services or to replace lost federal funds. Moves to enact a similar levy in Pierce County have been politically difficult and unsuccessful in the past. It is worth noting, however, that there are tremendous opportunities through this levy to fund a wide array of services at a level well beyond what the county would be able to provide from grants or general funds. The County should consider the unique impact that these funds could have on its service array when determining whether or not to pursue another attempt at enacting this levy. The graphic below details the kinds of services other Washington counties are providing using these funds. Although King County’s revenue from the levy is much higher than Pierce County’s has been projected to be, it has been included here to illustrate the diverse approach taken by the county to address needs in the community.



6

Implement a Comprehensive, Whole Life Contract Model to strengthen current contracting practices. Human Services should implement a contract system that incorporates the three stages within the contract lifecycle: pre-award, award, and post-award.

Coefficient
0.35

At present, PCHS' contracting processes are insufficient for an agency with 308 contracts dispersing over \$100M into the community. Existing practices reflect limited attention and dedicated time to planning, goal setting, and monitoring, putting the department at risk financially and programmatically. A review of 10 contracts showed a lack of standardization of the Statements of Work (SOW): SOWs lacked clear purpose/objective/goal section(s) to drill into what problem(s) the contract is trying to solve or improve; the SOW and financial exhibit contain conflicting statements with one another and the county's contract; and there is potentially incorrect funding for vendor shared positions (e.g. accountants) that should be calculated as General and Administrative Costs rather than charged by percentage of time. A **Whole Life Contract Model**, which can be implemented as new contracts are signed and as existing contracts come up for renewal, shifts the view and approach from contracting in pieces (execution, solicitation, etc.) to one where the entire life of the contract is in focus and consideration, as well as the department's entire package of contracts. Such an approach, combined with Recommendation 7, can help address these deficiencies.



2019 CONTRACTS

Program Area	# of Contracts	\$ Value
Aging and Disability Resources	80	\$55,904,310
Developmental Disabilities	34	\$14,460,960
Community Services Programs	153	\$27,238,645
Behavioral Health	15	\$3,614,670
Community Action Programs	25	\$1,049,420
WSU Extension	1	\$261,570
Total	308	\$102,529,575

The Downside of Double Decentralization

The existing contract processes is doubly decentralized in that contracts are passed from PCHS finance to program area and from program area to specific programs. This creates a lack of holistic considerations as contracts and procurements are done in a vacuum. This can create challenges for coordination as program staff may not be aware of what others are procuring, leading to duplicative goods and services. Contracts may be signed with vendors who have not acted as good partners or who failed to achieve established goals with other programs. There can also be a lack of sharing of best practices for performance outcomes and payment structures. Contracting documents and processes post-award can vary, causing confusion for the contractor and PCHS Finance.

6

Implement a Comprehensive, Whole Life Contract Model to strengthen current contracting practices. Human Services should implement a contract system that incorporates the three stages within the contract lifecycle: pre-award, award, and post-award.

Coefficient
0.35

STAGES AND COMPONENTS OF THE WHOLE LIFE CONTRACT MODEL



The county should use the following questions to guide the award component of the contract model and build coaching elements into the post-award stage to ensure that they are supporting vendors to achieve contract goals.

QUESTIONS TO GUIDE DECISIONS ON FUNDING PARTICULAR PROGRAMS OR SERVICES

- What PCHS priority or goal will this contract meet?
- What will be different as a result of awarding these funds?
- How will you know if a problem has been solved or alleviated? How will you measure that impact and on whom / what will you measure it?
- How are the lives of clients and the community improved through this funding?
- How can we encourage/force providers to partner across common clients for shared outcomes?

Coaching for Contracts

- Coaching vendors to achieve program goals can result in higher levels of goal and outcome attainment and strengthen the relationship.
- Coaching is a personalized approach to improve a vendor's performance in a particular area or towards a particular action-oriented outcome
 - Coaching supports goal attainment by working with the vendor to stretch and reach goals they desire for their programs and services.
 - Vendors feel supported and all parties focus on the future, looking forward to the desired future state.

6

Implement a Comprehensive, Whole Life Contract Model to strengthen current contracting practices. Human Services should implement a contract system that incorporates the three stages within the contract lifecycle: pre-award, award, and post-award.

Coefficient
0.35

As PCHS moves to a more comprehensive contract model, the department should also undertake the following targeted changes to improve the efficacy and consistency of Human Services' **308 contracts**:

STATEMENTS OF WORK

PCHS can benefit from standardizing the SOW and combining it with the Financial Responsibilities Exhibit.

- Create a standardized SOW template with pre-completed content that can easily be adjusted based on the program.
- Merge the SOW exhibit with the Compensations and Financial Responsibilities exhibit to reduce the number of exhibits, simplify the content for all parties, and reduce the potential for duplicative or contradictory content.
- Have the program budget be its own exhibit, which could make it easier to make budget and scope changes during the contract period.

AMENDMENTS

Amendments can be time consuming, which can have a negative impact by causing delays in service provision or funding.

- Work with Pierce County legal staff to understand intent and purpose behind the requirement in the county contract about all changes requiring a contract amendment. Explore if changes can be made.
- Explore additional legal methods for making changes to contracts that do not require agreement by both parties. For example, the Colorado Department of Human Services has two methods for modifying contracts: an option letter, which is a unilateral agreement that only the department needs to sign, and a contract amendment, which is a bilateral agreement.

MONITORING

Contracts should be monitored more frequently than quarterly.

- Create a performance reporting template that the vendor can complete and return. Templates help ensure PCHS receives the data needed to make decisions, rather than relying on the SOW or the vendor's best guess on what to provide.
- Performance data can be populated into dashboards, similar to those already established, and reviewed at the contract and/or program level (for programs where there are several vendors providing services).

7

Create and Staff a Centralized Contract and Procurement Team for Human Services. A centralized Contract and Procurement team can assume the technical components in the contract lifecycle, providing a holistic view on fiscal and programmatic contract performance for PCHS.

Coefficient
0.45

Human Services contracts should be centralized with a dedicated team that has the skills and specific job responsibilities to draft contracting documents, share monitoring, and provide a holistic view of how PCHS contracts are performing financially and programmatically. Currently, program staff are responsible for both programmatic and contract components. This can be problematic if these individuals were hired for their program expertise, not their contract and project management skills. Some problems that come up with this approach include:

1. They lack the time and sometimes skills to develop robust and complete SOWs, program outcomes, and supplemental tools to support the post-award period and monitoring.
2. The additional responsibilities limit their capacity to dedicate time to program monitoring and improvement.
3. They potentially expose Human Services to increased risk such as inconsistent contract oversight and lost opportunities (e.g. renewal versus need to re-solicit).

**EXAMPLE OF
TEAM STRUCTURE**



A Contract and Procurement team can shoulder the more technical pieces to contracts, creating stronger solicitations and SOWs while freeing up program staff to serve as the point of contact for the program, accept work, and approve invoices. PCHS can choose to create a team within each division with a single administrator under Finance or to have the entire team be within the Finance division.

7

Create and Staff a Centralized Contract and Procurement Team for Human Services. A centralized Contract and Procurement team can assume the technical components in the contract lifecycle, providing a holistic view on fiscal and programmatic contract performance for PCHS.

Coefficient
0.45

ADVANTAGES OF A CONTRACTS AND PROCUREMENT TEAM

Contract Development and Processing	A contracts and procurement team can streamline contract development and processing, facilitating quick execution. The team develops and uses standardized templates for SOWs, invoices, performance reporting, and establishes flows that reduce confusion, touches, and potential delays in the process. The team ensures that SOWs strategically support the Department’s mission, current goals, and needs and provides recommendations on the best approach for payments (e.g. payments for actual effort versus deliverables; use of performance incentives).
Contract Execution and Procurements	This team can help ensure that contracts and procurements are executed timely, allowing for services and goods to be received timely. This team will have a robust understanding of procurement and fiscal processes, the internal timeframes required for contract solicitation/execution, and increased capacity to initiate and monitor the process.
Performance Metrics & Monitoring	Performance metrics and monitoring are strengthened because of the experience from staff within a specified contracts and procurement team. The team can recommend, help design, and write clear and specific performance metrics. They will share in monitoring those metrics with program staff, while extending their monitoring to the provider level, service-type level (e.g. behavioral health), and area level (e.g. ADR).
Fiscal Monitoring and Planning	There is enhanced fiscal monitoring of program funds, ensuring they are not underspent as a result of imprecise or inconsistent monitoring, time lags, administrative delays, etc. A dedicated contracts and procurement team can support improved fiscal planning by identifying specific trends and making forecasts for the current and future financial state of Human Services. Awarded funds are maximized and effectively spent through better tracking and oversight, and are leveraged between and across contracts and services.
Contract Tracking	A dedicated team can assume responsibility for tracking contracts and understanding rules for when contracts can be renewed, or terms extended. This prevents unnecessary delays in services and also prevents unnecessary solicitations. Tracking allows for time to thoughtfully amend the SOW, updating goals and any scope changes before routing them for signature and execution before current services end.
Risk Management	Human Services has reduced risk for misuse of federal and state funds through strongly written SOWs, review and approval of contracts, verification of spending of awarded funds, and tracking on when OMB Uniform Guidance on sub-recipients should be applied and monitored.
Program Staff Production	Human Services programs and services will benefit from increased program staff production as they no longer have to balance competing priorities, including some for which they have little to no training.
Relationships	Vendor/partner relationships are strengthened due to increased trust and belief in the Human Service’s capabilities relating to the creation and execution of contracts.

7

Create and Staff a Centralized Contract and Procurement Team for Human Services. A centralized Contract and Procurement team can assume the technical components in the contract lifecycle, providing a holistic view on fiscal and programmatic contract performance for PCHS.

Coefficient
0.45

SHARED AND UNIQUE ROLES AND TASKS FOR CONTRACTS TEAM AND PROGRAM STAFF

	Role	
	Contract & Procurement Team	Program Staff
Pre-Award	<ul style="list-style-type: none"> Review business case. Develop SOW. Finalize SOW. Gather supplemental tools for the contract. 	<ul style="list-style-type: none"> Create business case with manager/supervisor. Help craft requirements for the SOW. Review draft SOW. Develop or inform development of tools for the project.
Award	<ul style="list-style-type: none"> Draft procurement solicitation. Finalize solicitation and route for publishing. Coordinate solicitation process (answering questions, finding review members). Potentially serve on solicitation review. Draft the contract (or complete the template). Craft contract summary. Finalize contract summary and share. Attend kick-off meeting, if necessary. 	<ul style="list-style-type: none"> Potentially help inform the procurement solicitation (content in some sections.) Review procurement solicitation. Respond to questions asked in solicitation process. Serve on solicitation review. Review contract summary and approve. Host kick-off meeting.
Post-Award	<ul style="list-style-type: none"> Conduct fiscal monitoring (e.g. track spending). Route invoices for payment. Share in performance monitoring. Alert program staff when contract is coming due to discuss appropriate actions (renew, re-solicit). Share in post-contract meeting. 	<ul style="list-style-type: none"> Accept work products. Approve invoices. Review program reports. Track performance to goals. Answer questions from vendor. Share in post-contract meeting.

Note: arrows indicate areas where program staff and the contract and procurement team will collaborate on a given task.

8

Implement a Quality Continuous Improvement Culture and Process (an ongoing effort to improve processes or services by reducing waste or increasing quality) throughout the entirety of Human Services that operationalizes and institutes the Department’s vision and strategic plan.

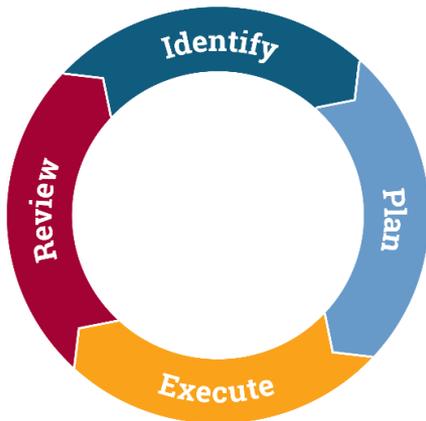
Coefficient
0.35

Several states and county Human Services agencies have implemented on-going continuous quality improvement “systems” that have led to improved outcomes and cost savings (i.e., Washington State, King County, San Mateo County (CA), Buncombe County (NC), and others). Currently the Department participates in what was formerly known as the Washington State Quality Award (WSQA). It’s a fairly rigorous CQI assessment that the Department is required to do on a regular basis. While they do not have an ongoing, systemic internal process for using data, systems, and process reviews to continuously improve internally and as a systems-level partner (the latter to be done in partnership with community partners), WSQA is a significant step toward a formalized CQI process.

The Community Action Program division, however, has successfully integrated Results Oriented Management Accountability Next Generation (ROMA-NG) into its efforts. ROMA is a continuous quality improvement framework that has been applied to program reviews and revisions and is currently guiding the work of outreach through an equity lens process. Building on what is currently being used across Community Action, **PCHS should create a culture of continuous quality improvement that is less about following the latest trendy process/system improvement methodology but builds on a few foundational components** to build a long-lasting culture to: identify, plan, execute, and review.

ROMA NG Key Features:

- Infrastructure for multi-level analysis
- Multi-level information of services & strategies
- Results on Local, State, and Federal accountability
- Results on Organizational Standards
- Added Community Indicators
- Space to report community level work over time



Identify

What does data tell us about the needs in or specified community? What identified needs can we reasonably address either independently or in partnership with other organizations?

Plan

How will we strategically respond as an agency to individual, family, and community needs? What impact do we want to have ourselves? What impact do we want to have with partners? What services and initiatives do we select? And how do we work together to make sure we are maximizing all our resources?

Execute

How will we implement our unique combination of services and initiatives? And for what outcomes? Do we have a process for observing progress and using data to make changes as needed? Do we need to make changes to our services and initiatives?

Review

Did the outcomes achieved address the needs identified in the assessment phase? How well did we track our success? Did we meet our targets? What has changed for the people we served? What has changed for our community? What outcomes were achieved and for whom? What services and initiatives contributed to achieving the outcomes? What can we improve to better respond to local needs?

8

Implement a Continuous Improvement Culture and Process throughout the entirety of the Human Services Department that operationalizes and institutes the Department's vision and strategic plan.

Coefficient
0.35

Building on the ROMA framework, data collected and analyzed as part of the previous cycle (identify, plan, execute and review) allows the Department to identify successes and challenges and make use of the information for continuous improvement. By combining important foundational components of various other “transformational” models, the department will be able to streamline business processes in order to provide even better customer service, meet or exceed performance mandates, and maximize resources. This transformation will require vision, energy and resources – and a focus on change management. In the graphic below are the key components the department should consider, with the first one being something the department has already identified.



Developing a small, even as few as one or two people, **Process/Systems Improvement or Planning and Evaluation Team** that is dedicated to supporting the program areas by:

- Pulling data
- Identifying trends and issues
- Working across systems, and
- Ensuring the successful implementation of any new initiatives

would allow for a seamless transition and make sure that staff and partners are aware and ready and able to make changes.

9

Reevaluate and Improve Usage of the PCHS Data Warehouse and look to the ACH as a potential model for data sharing and usage focused on shared outcomes.

Coefficient
0.80

There are more than 60 unique IT systems in use by Human Services to collect program outcomes/outputs, enter needed state or federal data, and/or track funding and clients. In 2013, PCHS implemented a data warehouse (Community Connections - CC) to reduce silos, share client information, and track outcomes. This system is not used extensively, however, and data is infrequently uploaded. In 2017, an internal analysis of CC identified several areas of concern. Since the report was shared, the department implemented a new reporting system, but has not been able to address many of the recommendations. Going forward, the Department should specifically address the following and consider designating or adding a staff member to oversee this valuable effort:

Business Requirements Definition

Requirements for the CC data warehousing (DW) project were not aligned with performance measures defined in the project's overall strategic plan. Ideally requirements could be added, tracked and performed trending on that are derived from Outcomes Performance measures and Strategic Planning efforts.

Reporting Limitations

Currently the data warehouse allows for reporting of quarterly snapshots of individual clients, demographics, provider, and service enrollment information. Reports should be pulled for any time-frame range, beyond quarterly snapshots, such as monthly, quarterly, semi-annual, annual, or custom time range.

Automatic Data Updates

Data updates need to happen more frequently, ideally daily, rather than quarterly. These need to be automated directly from the source systems without requiring internal staff time to produce the data extracts.

Program Data

Not all program application data has been added to the DW to produce needed reports. Advanced analytics cannot be produced due to the limited data fields available in the DW (client demographics, type of service, program, etc.).

Source System

PCHS needs to ensure that they are pulling from source systems and not a secondary database. This will ensure integrity in the data.

Formal QC Process

A formal end-to-end Quality Control process has not been established to ensure data accuracy from the data owner's perspective.

Reporting Technology

PCHS recently switched to Power BI, which is more user-friendly for end users to run their own reports and create powerful visualizations. PCHS needs to ensure that staff and program managers are adequately trained to pull and interpret reports.

In addition, PCHS should consider leveraging the ACH as a model for the county to lead or engage with community stakeholders that are building change efforts based on shared data outcome systems.

A**Appendix A: Review of Washington State University (WSU) Extension**

Our review of the WSU Extension in Pierce County and in other counties across the state (including Kitsap, Clark, and Snohomish provide roughly the same level of funds to the WSU as Pierce) concluded that the Extension is a relatively small investment that the county should make, regardless of where they put the budget line. There is no real consensus on the “best” department to house the WSU Extension; given the history of positive collaboration with PCHS, there is little benefit to changing that at this time. The amount of funding provided to the WSU Extension by Pierce County is in line with what is provided by comparable counties, as noted above. Because of the number of initiatives already in progress at this time, including the onboarding of a new Human Services Director, we would recommend that the county focus on other opportunities at this time and revisit the WSU Extension issue, if necessary, in the future.

B

Appendix B: Scoring of the Friction Coefficients

Recommendation	Cost	External Buy In Required?	Complexity	Alignment w/ Goals?	Procurement Required?	Timeframe	Total
1 – Shift Approach to Svc. Delivery	Savings / No Cost	Yes	High	Yes	Yes	Long-term	0.60
2 – Re-envision Svc Offerings	Savings / No Cost	Yes	High	Yes	Yes	Long-term	0.60
3 – Update CAP Method.	Savings / No Cost	No	Medium	Yes	No	Medium-term	0.15
4 – Reduce Admin Costs	Savings / No Cost	Yes	Medium	Yes	No	Medium-term	0.35
5a – Utilize ACH	Savings / No Cost	Yes	Medium	Yes	No	Medium-term	0.35
5b – Maximize Current Funds	Savings / No Cost	Yes	Medium	Yes	No	Long-term	0.40
5c – Review Potential Rev Streams	Savings / No Cost	Yes	High	Yes	No	Long-term	0.50
6 – Whole Life Contract Model	Savings / No Cost	Yes	Medium	Yes	No	Medium-term	0.45
7 – Contract and Procurement Team	High	No	Medium	Yes	No	Medium-term	0.45
8 – Continuous Improvement	Low	No	Medium	Yes	No	Long-term	0.35
9 – Data Warehouse	High	Yes	High	Yes	No	Long-term	0.80

B Appendix B: Scoring of the Friction Coefficients, ctd.

Sample Friction Coefficient Scoring Process

Recommendation Number: 1

Recommendation Name: **The Human Services Department should shift their internal approach to service delivery**

Criteria	Selection	Rating Scale (0-1)	Weight	Score
Cost	Savings; No Cost to PCHS	0	0.3	0
Buy-In	Yes	1	0.2	0.2
Complexity	High	1	0.2	0.2
Alignment	Yes	0	0.1	0
Procurement	Yes	1	0.1	0.1
Timeframe	Long-term	1	0.1	0.1
Total				0.60

