HB 1661, SECTION 103 REPORT
Transferring the Child Care Subsidy Program to the Department of Children, Youth, & Families

A Joint Report to the Washington State Legislature

December 1, 2017
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EXECUTIVE SUMMARY

A new state agency, called the Department of Children, Youth, and Families (DCYF), was created on August 1, 2017. The intent of creating this new agency is to improve the delivery of services and the outcomes for children and families by housing early learning, child welfare, and juvenile justice services under the same agency. Specifically, the DCYF will lead ongoing work to minimize or eliminate systemic barriers to effective, integrated services across state agencies serving children, youth, and families, as well as help the state create a data-focused environment in which there are aligned outcomes and shared accountability for those outcomes.

PURPOSE OF REPORT

HB 1661, Section 103 [Appendix A] mandates that the newly formed Office of Innovation, Alignment, and Accountability (OIAA) within DCYF – in coordination with the Department of Early Learning (DEL) and the Department of Social and Health Services (DSHS) – develop a plan and recommendations for transferring responsibility of Child Care Subsidy Programs (CCSP) eligibility from DSHS to DCYF. The purpose of this report is to address issues raised in HB 1661, Section 103, including transferring child care eligibility staff; treatment of shared client data; information technology systems; phone systems; staff training; and federal cost allocation.

The reports and plans in this section must be delivered to the Governor and the appropriate committees of the Legislature by December 1, 2017.

PROGRAM DESCRIPTION

The Washington State Child Care Subsidy Program (CCSP) includes Working Connections Child Care (WCCC) and the smaller Seasonal Child Care (SCC) program. CCSP provides an essential service for Washington State’s families – children benefit from the stable, nurturing, and enriching activities child care can provide, while parents are supported in finding stable employment that leads to financial independence.

CCSP is currently a partnership between DSHS and DEL. DEL writes the policy and conducts quality assurance for provider payments; DSHS is responsible for all aspects of service delivery, including eligibility determination, operations, staff training, and quality assurance of client eligibility. In FY 2017, the program served an average of 52,744 children per month, most from households with incomes below 200 percent of the federal poverty level throughout Washington state.

DESIRED OUTCOME OF CCSP TRANSFER

Teams from DSHS and DEL [Appendix B] met to identify models and considerations for a potential transfer of child care eligibility to DCYF. The teams share the following goal for the transfer:
The Child Care Subsidy Program (CCSP) will be thoughtfully integrated into the new DCYF mission and culture, while maintaining a delivery system that continues to support families and providers with consistent, accurate, and effective services.

The following section summarizes the teams’ recommendations for how to best accomplish this outcome and were made with the best interest of CCSP staff and clients in mind. While these recommendations are a critical first step for evaluating how a transfer of CCSP from DSHS to DCYF could be made, DSHS and DEL need to continue working together to: identify how these recommendations will be operationalized; estimate the direct and indirect costs associated with each recommendation; and decide how funds will be transferred and managed in the process.

The recommended approaches in this report include DSHS providing services and supports to DCYF. A service level agreement will be required. While the specific terms have yet to be developed, the agreement will need to outline the work to be done by DSHS and the amount to be paid to DSHS for costs it incurs in the provision of those services.

SUMMARY OF RECOMMENDATIONS FOR SHIFTING CCSP ELIGIBILITY FROM DSHS TO DCYF

Service Delivery
A full, thoughtful transfer of CCSP staff and service delivery to DCYF should begin July 1, 2019. A full transfer to DCYF will:

- Reduce disparities and make it easier for providers to navigate CCSP;
- Increase fiscal integrity;
- Create a unified culture for staff; and
- Address opportunities for improvement within the context of one agency’s mission and culture.

The following are a summary of recommendations for staffing, facilities, training, technology, data, budget, and cost allocation with the context of a full transfer of service delivery. Greater detail on each recommendation is contained in the full report.

Staffing, Facilities, & Training

1. Staffing
   - A full transfer of staff should begin with service delivery, with sufficient time for a thoughtful integration of staff into the new department.

2. Facilities
   - Create regionalized hub worksites for staff to work throughout the state in the short-term, possibly taking advantage of new DCYF space created by absorbing Children’s Administration. In the long-term, plan facilities within the six-year planning process.
3. **Training**
   - Move all CCSP program training and trainers to DCYF.

**Technology & Data**

Technology and data recommendations range from DCYF assuming full responsibility for specific functions, to shared responsibility between DSHS and DCYF, to leaving specific functions within DSHS. The recommendations below reflect what workgroups felt leveraged the strength of current systems and opportunities with the creation of DCYF to best serve providers and clients.

1. **IT Support Systems**
   - **Telephony.** Develop a completely separate, new telephony system for DCYF.
   - **Workflow management.** Continue Barcode as the application used by staff to perform child care eligibility and related case processing.
   - **Document Imaging.** In the short term, continue to utilize DSHS HUB Indexing Units (HIUs) in Tacoma and Yakima to scan and index documents. As DCYF forms, it may be more advantageous to leverage other imaging systems; however, time will be needed to make that determination and potential change.
   - **Web-based program support.** Develop service-level agreements with DSHS to access integrated web-based systems.
   - **Eligibility and payment systems.**
     - **Working Connection Authorization Program (WCAP).** Keep current WCAP eligibility system (an application within Barcode) and replicate access rights to eligibility support systems.
     - **SSPS.** Transition SSPS – which handles provider payments – to DCYF. ESA will plan to handle the 0.7 percent of payments that are not foster care or child care.
   - **Workforce optimization (WFO) software.** WFO is a software package that DSHS uses to forecast and manage call volume, work flow, and staff scheduling. DCYF can utilize WFO services and support staff until DCYF identifies new options.

2. **Data**
   - **Treatment of shared data.** Assuming Barcode remains the system of record, DSHS retains stewardship of the client and program data; existing data fields, data structures, interfaces, and databases will continue.
   - **Data governance.** Update data governance to include standards for which DSHS and DCYF staff can access data.
   - **Data security.** Data security regulations do not change with the creation of DCYF, as the same federal and state standards and policies continue to apply. Security access for
both DSHS and DCYF staff will need further analysis to identify appropriate levels of access to data.

3. **IT Governance**
   - *Interagency Agreements.* Develop a Cooperative Agreement between DSHS and DCYF, as well as a Master Data Share Agreement which encompass the treatment of client and program data.
   - *IT Service Level Agreements.* Create an IT Service Level Agreement between DSHS ESA IT and Finance, as well as DCYF IT and Finance.

4. **Quality Assurance & Program Integrity**
   - *Auditing of child care provider attendance records.* DEL Quality Assurance (QA) Unit conducts audit review of subsidy child care provider attendance records and should continue to do so under DCYF.

5. **User Support**
   - *Field/end user support.* DCYF staff who are utilizing ESA ITS supported applications and systems should call the ITS Customer Support team for assistance.
   - *Physical Security.* Both agencies work with a joint facilities team to ensure proper physical controls are in place to secure confidential information and IT equipment.

**Budget & Cost Allocation**

1. **Funding for CCSP Eligibility Staff**
   - DSHS transfers funding to DCYF for direct and indirect costs associated with eligibility and related staff and systems. While the amount is currently indeterminate, those costs are discussed in greater detail in the full report.

2. **Federal and State Cost Allocation**
   - DSHS transfers processes for federal and state cost allocation to DCYF.
   - DSHS retains control over the management of TANF funds and TANF Maintenance Of Effort (MOE).

3. **Overpayments**
   - The Office of Financial Recovery (OFR) processes referrals for overpayments for several programs, including child care and foster care. Initially, DCYF should continue to leverage OFR for overpayment services. It is recommended to include this service in the Cooperative Agreement between DSHS and DCYF. As new systems are developed and
integrated into the new department, it may become advantageous for DCYF to take on this function for their program scope.

**Getting Better Results for Children, Youth, & Families**

1. **Adopt a whole-family approach to service delivery.**
   - Growing research shows that healthy families are essential for healthy children. For Washington State to realize the education and economic outcomes it desires for generations to come, a simultaneous focus on children and parents together is critical.

2. **Include clients during the implementation planning.**
   - As experts in their own lives and in the use of health and human service programs, clients are an underutilized resource when making policy and program decisions. A process for giving families greater voice and influence in the decision-making process should be developed to improve policy, practice, and child and family outcomes.

3. **Strengthen partnership between DSHS, DCYF, and other agencies serving children and families to get better results.**
   - With many means-tested benefits for children and families now in separate agencies – DEL/DCYF (child care), DSHS (Temporary Assistance for Needy Families, Basic Food) Department of Commerce (housing), and Health Care Authority (Medicaid) – it is essential that agencies work well together so children, youth, and families have access to all of the resources needed for them to thrive and achieve financial independence.

**TIMELINE & NEXT STEPS**

Further action needs to be taken by the Legislature to determine final recommendations for CCSP and appropriate next steps.

- **December 1, 2017:** OIAA submits HB 1661 – Section 103 report submission to the Legislature
- **January 8 – March 8, 2018:** Legislature makes final decisions regarding CCSP transfer to DCYF
- **March 9, 2018 – June 30, 2019:** Implementation planning
- **July 1, 2019:** CCSP eligibility service delivery is fully transitioned to DCYF
PROGRAM OVERVIEW
The Washington State Child Care Subsidy Program (CCSP) includes Working Connections Child Care (WCCC), which includes the Homeless Grace Period, and the smaller Seasonal Child Care (SCC) program.

- The Working Connections Child Care program pays for child care subsidies to eligible households (most with incomes below 200 percent of the federal poverty level) with parents who are working or are participating in a DSHS-approved activity at the time of application and whose children meet citizenship requirements.

A child receiving assistance under the Homeless Grace Period (HGP) will receive WCCC subsidy for four months while they obtain and provide documentation of participation in approved activities. If by the end of the four month period the family has verified participation in approved activities, they will receive an additional eight months subsidy for a total of twelve months of benefits. The family will not be terminated during the twelve month period due to any change in the ongoing status of the child’s parent as working or attending a job training or educational program or a change in family income for the child’s family (so long as income does not exceed 85 percent of state median income).

- The Seasonal Child Care program pays for child care subsidies to eligible families seasonally employed in agricultural work who live in designated counties and are not receiving TANF benefits.

CCSP provides an essential service for Washington State’s families – children benefit from the stable, nurturing, and enriching activities child care can provide, while parents are supported in finding stable employment that leads to financial independence.\(^1\)

See Appendix C for basic data on CCSP, current state of the program, and opportunities that staff from DSHS and DEL and community stakeholders identified to strengthen it.

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\(^1\) These dual goals are consistent with the 2014 Reauthorization of the Child Care Development Block Grant Act (42 USC 9858), the federal funding authority that directs states to set policies which reduce administrative barriers to obtaining services for families facing the stress of simultaneously raising young children and working toward financial independence.
SERVICE DELIVERY MODELS

Teams from DSHS and DEL met to identify models and considerations to successfully transfer child care eligibility to DCYF. The teams share the following goal for the transfer:

*The Child Care Subsidy Program (CCSP) will be thoughtfully integrated into the new DCYF mission and culture, while maintaining a delivery system that continues to support families and providers with consistent, accurate, and effective services.*

The teams identified a set of principles (see box) to ensure a thoughtful transition for staff, children, and families, and identified two potential models for how to transfer CCSP and related infrastructure and functions to DCYF:

<table>
<thead>
<tr>
<th>Guiding Principles for Transitioning CCSP from DSHS to DCYF</th>
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<tbody>
<tr>
<td>Access and navigation of child care is improved for children and families.</td>
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<tr>
<td>Access and navigation of child care is improved for providers.</td>
</tr>
<tr>
<td>Opportunities to close gaps in access, service, and provider availability are identified.</td>
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<tr>
<td>People most impacted by the transition are included in the planning and implementation.</td>
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<tr>
<td>Retain or enhance what is currently working; improve what is not working.</td>
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<tr>
<td>Robust fiscal controls will uphold fiscal integrity of program.</td>
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**Model 1: Shared Delivery System between DSHS and DCYF.** Child care eligibility staff transfer to DCYF, but service delivery for CCSP – including program integrity and quality improvement – remain in DSHS\|CSD. In this model, staff remain in their current DSHS duty stations and DCYF would be charged for IT, telephony, and facilities housed in DSHS.

**Model 2: Service Delivery Fully Transferred from DSHS to DCYF.** Child care staff transfer to DCYF and CCSP service delivery is fully transferred to DCYF. In this model, limited integration and referral processes continue with DSHS\|CSD to ensure customers are easily connected to services. To support the transfer of child care from DSHS to DCYF, a variety of approaches would be leveraged for information technology (IT) support. These include DCYF procuring new technology and solutions (e.g., telephony), transferring existing solutions from DSHS to DCYF (e.g., SSPS system), and DCYF staff and clients using existing DSHS systems, solutions and services (e.g., Barcode, Washington Connection (WACON)).

**Recommended Future State of Service Delivery**

The workgroups recommend a full, thoughtful transfer of CCSP staff and service delivery infrastructure and function from DSHS to DCYF beginning July 1, 2019 (Model 2). Model 2 is most likely to achieve the desired outcome for the transfer, and uphold the guiding principles for a thoughtful transition identified by the workgroups (Table 1). Neither model guarantees that service delivery will be easier to navigate for families, that disparities in access and quality for families will be eliminated, or that interagency communication and collaboration will be achieved – how to address these deficiencies should be
addressed during the implementation planning. However, Model 2 has far greater potential than Model 1 to live up to the majority of aforementioned principles. Compared to Model 1, the workgroups predict Model 2 will:

- Make it easier for providers to navigate because they will communicate with one agency instead of two;
- Increase fiscal integrity because quality assurance and auditing will be conducted by staff in one agency;
- Reduce disparities for providers because it will minimize barriers to entry;
- Address opportunities for improvement because the development of policies and their implementation will be considered within the context of one agency’s mission and culture (same for streamlining services);
- Create a unified culture for staff as they will be absorbed into one agency’s mission and culture.

Table 1: Assessment of Potential CCSP Service Delivery Models

<table>
<thead>
<tr>
<th>MODEL 1: Shared Delivery System</th>
<th>No Degree (1)</th>
<th>Low Degree (2)</th>
<th>Moderate Degree (3)</th>
<th>High Degree (4)</th>
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<tr>
<td><strong>To what degree does this model have the potential to:</strong></td>
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<tr>
<td>Make it easier for families to navigate?</td>
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<td>2</td>
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<tr>
<td>Make it easier for providers to navigate?</td>
<td>1</td>
<td>2</td>
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<td>4</td>
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<tr>
<td>Increase fiscal integrity?</td>
<td>1</td>
<td>2</td>
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<tr>
<td>Reduce disparities for children and families?</td>
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<td>Reduce disparities for providers?</td>
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<tr>
<td>Address opportunities for improvement?</td>
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<td>2</td>
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<tr>
<td>Streamline services?</td>
<td>1</td>
<td>2</td>
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<td>Increase communication/collaboration?</td>
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<tr>
<td>Create a unified culture for staff?</td>
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<th>MODEL 2: Full Transfer to DCYF</th>
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<th>Moderate Degree (3)</th>
<th>High Degree (4)</th>
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<td>Make it easier for families to navigate?</td>
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<td>Make it easier for providers to navigate?</td>
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<tr>
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<td>Reduce disparities for children and families?</td>
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Workflow

Suggested future state of CCSP workflow is as follows:

Virtual Contacts

Telephones

DCYF establishes their own CCSP call-center using a separate telephony platform. This will include the following functions:

- **Parents.** A new, single telephone number for CCSP transactions with automated routing and live navigation by designated staff.
- **Providers.** A single provider number that routes provider calls to a specialized group of eligibility workers. This number will be the same as now, but will be routed to the DCYF call center.
- **Verification hotline.** There is a separate telephone number for third-party verification contacts that places the call at the top of the Child care eligibility phone queue. This number can remain the same but routed to the DCYF call center. Functionality can be put in place to transfer calls between the DSHS/CSCC to the DCYF call center, at least during a predetermined transition period.
- **Provider grievances.** Based on collective bargaining, the centralized Provider Grievance Hotline duties can be transferred to DCYF staff to respond to and who will track provider grievances.
- **Answer Phone.** Since CCSP work must remain within Barcode, case information should continue to be available via the answer phone. Consumers can continue to utilize the Interactive Voice Response (IVR) for automated information regarding their case.

Online Services

- **Washington Connections (WACON).** CCSP services can continue to be available via WACON. With additional funding, a stand-alone CCSP application could be developed with data transfer capabilities between other program applications. The information submitted via the online CCSP application would be transferred into a PDF document and received into Barcode for an eligibility worker to manually input into the WCAP system for processing. Parents will continue to have access to childcare information, their case information, and change reporting via the Client Benefit Account.

Mail

- HIUs can continue to process the small number of applications received by mail.

In-person Contacts

In-person services would not be offered in DSHS buildings, however:

- The direct telephone lines in all CSO lobbies can be maintained for parents to conduct child care subsidy transactions including applications and changes.
- DSHS can advise providers and parents to mail, FAX or email documents for processing.
- DSHS can have systems in place to ensure that CCSP documents submitted to DSHS incorrectly will be identified and routed to DCYF accurately.
**Back-of-the-Office Processes**

Back-office work can continue to be handled as in current state, but with a DCYF mailing address, FAX Number, provider e-mail Address, and Business Reply Envelopes.

- *Barcode IT system* currently receives, images, assigns, and tracks back-office assignments. It is the Electronic Case Record (ECR) for both providers and clients.
- *Two centralized HIUs* – located in Tacoma and Yakima – can continue to receive mail, FAXES, and provider emails. CCSP documents can be received for DCYF and a detailed algorithmic matrix used to ensure the correct attribution is made.

**Program Integrity**

All program integrity and quality activities can be transferred to DCYF.

- *Quality monitoring* can be conducted using the Work Force Optimization (WFO) System to review recorded telephone transactions (including audio and desktop recording) and provide coaching for procedure and customer service adherence by the child care supervisors (currently in implementation).
- *Process Review Panel (PRP)* can transfer to DCYF, but remain external to CCSP.

Since the model for service delivery affects all other functions associated with CCSP, options for other functions of CCSP addressed in this report – staffing and human resources, IT, and budget/cost allocation – are considered assuming a fully transferred program.
STAFFING, FACILITIES, & TRAINING

Desired Outcome. The desired outcome is that CCSP staff will be fully integrated into the mission, vision, and values of DCYF, and are supported in aligning with the new department’s culture. The following principles should be upheld in the process:

<table>
<thead>
<tr>
<th>Guiding Principles for Transferring Staff &amp; Human Resources</th>
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<tbody>
<tr>
<td>No disruption of service for clients, providers, and stakeholders.</td>
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<td>Seamless integration of CCSP service delivery for clients, providers, and stakeholders.</td>
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<td>Staff will be engaged through a change management process.</td>
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<td>Partner with impacted unions to ensure a successful transition for staff.</td>
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<td>Partnerships strengthen as a result of improved communications with stakeholders.</td>
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<td>Change management, culture building, and training will occur before, during, and after transition.</td>
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<td>Workspace arrangements support a successful transition and future success of staff.</td>
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</table>

A full transfer of CCSP staffing and service delivery must also address the following questions related to staffing and human resources, facilities, information technology (IT) and data, and budget/cost allocation:

- How will existing CCSP staff be transitioned into DCYF?
- How will management engage with impacted unions to ensure open communication and transparency throughout the transition.
- What support and change management do staff need to be set up for success?
- How will new CCSP staff be trained?
- What facilities will CCSP staff be located in?
- How will facilities be designed to promote a unified culture?
- How will quality monitoring and program integrity be transferred?
- How will IT functions and data supporting CCSP be transferred?
- How will spending and cost allocation for CCSP be transferred?

The remainder of this section outlines several options to answer these questions and guide decisions around the transition of CCSP.

**Detailed Recommendations**

1. A full transfer of staff should begin with service delivery, but with sufficient time for a thoughtful integration of staff into the new department. A full transfer of CCSP staff to DCYF is the best option for ensuring staff and clients adapt to a new departmental culture and mission. In addition, a full transfer values the knowledge and expertise of existing staff and would increase the likelihood of seamless service delivery during the transition.
However, given cost constraints and the assumption of no new DCYF facilities, we recommend the following:

- DCYF continues to support the one-third (33 percent) of CCSP employees that telework from home-based settings;
- Support for teleworkers should include dedicated space for employees to do backup work in physical locations when needed. The current recommended ratio is five teleworkers per workstation, which should be considered as duty stations change.
- Integrating staff with physical workspaces into DCYF facilities and alongside other DCYF staff should be done in coordination with the six-year facilities plan. In the meantime, there may be opportunities to co-locate staff into existing space alongside Children’s Administration staff (see “Facilities” section below); and
- Adequate change management staff and resources should be dedicated to incorporating CCSP staff into the mission and culture of DCYF.

Costs associated with transferring staff will be determined by: (a) how much of the existing DSHS footprint is used to house DCYF staff and how many staff are co-located within the DCYF footprint; (b) how long the staff transition to DCYF takes; and (c) how many resources are invested to ensure a change management process that fully integrates CCSP staff into DCYF mission and culture.

Staff experience and morale may be disrupted by changing familiar features of their work environment and duty station factors. Hiring a consultant for organizational change management and working with the impacted unions is strongly recommended to support staff during the transition.

2. Create regionalized hub worksites for staff to work throughout the state in the short-term, possibly taking advantage of new DCYF space created by absorbing Children’s Administration. In the long-term, plan facilities within the six-year planning process.

**Short-term (1-5 years)**

Creating hub worksites is a hybrid approach that lends itself well to telework and fits with the state’s modernization efforts (Executive Order 16.07). Phasing transitions has tangential impacts and costs, such as change management, domino effect of workforce movement (staging), system support (e.g., telephony) and IT support for continued services. The hub concept, which is already underway, should continue during the transition.

- **Teleworking staff.** As stated above, teleworking staff need dedicated space for employees to do backup work in physical locations when needed.
- **Staff with physical duty stations** can either: (a) remain in current DSHS duty stations; (b) migrate into existing DEL and/or Children’s Administrations space; or (c) a mix of both approaches until full integration into DCYF facilities is achieved.
- **Training facilities** need to be designated for both teleworking and physically-located staff.
- Technology infrastructure (e.g., telephony, business intelligence) need to be purchased to accommodate the new arrangement for staff.

**Long-term (6-10 years)**

- Planning within the six-year facilities plan. The six-year planning process will allow DCYF to best plan for the services and resources CCSP staff, and the communities they reside in, need. By doing this, DCYF can thoughtfully implement change management for the workforce around facilities to fully integrate CCSP staff into DCYF. A driving factor in this phased approach will be assessing the current lease expiration dates and cancellation clauses. This may also drive exploration of new regional locations.

The workgroups strongly recommend as quick a transition for staff into DCYF facilities as space and cost allow. The sooner staff can transition, the sooner DCYF can create a unified mission and culture to better support staff and serve children, families, and providers. Furthermore, the integration of staff into DCYF should be accompanied by adequate investment in a change management process that supports staff and encourages collaboration with their new DCYF peers. Additional consideration will need to be given to how to best support both the short- and long-term plans for integrating staff. Partnerships with appropriate unions will be important to ensure a successful transition for staff. Costs for new technology, training, and space to support both the short- and long-term planning for staff will need to be accounted for.

3. **Move all CCSP program training and trainers to DCYF.** Moving training would facilitate better alignment between policy and procedures, as well as implementation of operations. It also helps support the desired culture shift. Ideally, the existing technology that supports the design and delivery of the trainings would be retained. Staff trust the current trainers and this option would result in the least disruption.
TECHNOLOGY & DATA

Desired Outcome. IT systems and data support the new DCYF structure and culture, as well as a delivery system that continues to support families and providers with consistent, accurate, and effective services.

There are number of options to choose from for how to best achieve this outcome. These options range from DCYF assuming full responsibility for certain functions, shared responsibility between DSHS and DCYF, and leaving certain functions within DSHS (e.g., Barcode). The recommendations made below reflect what the workgroups felt best leveraged the strength of current systems and opportunities with the creation of DCYF to best serve providers and clients.

Detailed Recommendations

1. **IT Support Systems**
   - **Telephony.** Develop a completely separate, new telephony system for DCYF (see *Workflow – Future State on page 9 for details*).
   - **Workflow management.** Continue Barcode as the application used by staff to perform child care eligibility and related case processing, which includes workload management, indexing, and document management.
   - **Document Imaging.** Continue to utilize DSHS HIUs in Tacoma and Yakima to scan and index documents.
   - **Web-based program support (e.g., WorkFirst manual, ACES manual, Learning Management System, Procedure Manual).** Develop service-level agreements with DSHS to access integrated web-based systems.
   - **Eligibility and payment systems.**
     - **WCAP.** Keep current WCAP eligibility system (an application within Barcode) and replicate access rights to eligibility support systems. DCYF needs to execute new contracts/service level agreements with verification systems such as Equifax and Child Support Enforcement System (SEMS).
     - **SSPS.** Transition SSPS – which handles provider payments – to DCYF. The transition would include the 21 IT and program staff (full-time FTEs) that maintain and manage SSPS. ESA will plan to handle the 0.7 percent of payments that are not foster care or child care.
   - **WFO software.** WFO is a software package DSHS uses to forecast and manage call volume, work flow, and staff scheduling. DCYF can utilize WFO services and support staff until DCYF identifies new options.
2. Data

- **Treatment of shared data.** Assuming Barcode remains the system of record, DSHS must retain stewardship of the client and program data – existing data fields, data structures, interfaces, and data bases will continue. If these assumptions remain, there are no financial costs associated with this. However, interagency agreements need to be developed for how client and program data are used, reported, and shared.

- **Data governance.** Update data governance to include standards for which DSHS and DCYF staff should and can access data (at the system or application level, in addition to the database level). It is also recommended this language and information be cross-referenced in the Master Data Share Agreement.

- **Data security.** Data security regulations do not change with the creation of DCYF, as the same federal and state standards and policies continue to apply. The current organizational structure has child care staff and Children’s Administration staff being part of DSHS, which both comply with the same DSHS Agency standards and policies. It is anticipated that the new Agency will continue to follow National Institute of Standards & Technology (NIST), Health Insurance Portability and Accountability Act (HIPAA) and other appropriate and customary IT Data Security policies. DCYF is reviewing regulatory requirements, and their potential impacts. If the new Agency will have more stringent IT Data Security policies, DSHS will need to be made aware to determine impacts to Barcode or other impacted systems and infrastructure.

Security access for both DSHS and DCYF staff will need further analysis to identify appropriate levels of access to data. The staff performing child care eligibility work are currently DSHS employees, who are granted access to necessary systems to perform this work. With the transition to DCYF, the child care eligibility staff need to request system access for the purposes of child care eligibility, which may include access to all, or parts, of each system. To ensure appropriate level of access, new roles and Agency identifiers should be created. DCYF staff will not be able to log in and access systems using their previous DSHS employee credentials. An official work request should be submitted for impacted systems (i.e.: Barcode, ACES, SEMS, CRS, CARS, etc.) to begin outlining security requirements, and identify necessary system modifications.

3. IT Governance

- **Interagency Agreements.** Develop a Cooperative Agreement between DSHS and DCYF, using the existing DSHS DEL Cooperative Agreement as a point of reference. In addition to a Cooperative Agreement, a Master Data Share Agreement should be created between DSHS and DCYF that encompass the treatment of client and program data. The Master Data Share Agreement would benefit from including a specific section (Scope of Work, Exhibit, Appendix, etc.) that is specific to child care data and use of Barcode and other ESA systems to support child care eligibility.
• **IT Service Level Agreements.** In addition to a Cooperative Agreement and Data Share, create an IT Service Level Agreement between DSHS ESA IT and Finance; and DCYF IT and Finance. This SLA would outline how requests for system modifications are handled, high level process and time frame agreements regarding how system requests are managed, costs associated with performing the work, including invoicing and payment. Systems covered by the SLA would include: ACES, Barcode, Washington Connection, SEMS, OFR systems, WFO, call center, and telephony related systems and applications.

4. **Quality Assurance & Program Integrity**
   - **Auditing of child care provider attendance records.** DEL Quality Assurance (QA) Unit conducts audit review of subsidy child care provider attendance records and should continue to do so under DCYF. Program integrity improvements can be realized through shared usage of reporting systems available to Eligibility staff as well as training opportunities. Through aligned process and procedures, QA and Eligibility staff can implement reporting and tracking of program violations while conducting more critical analysis of overpayments.

5. **User Support**
   - **Field/end user support.** Staff currently using DSHS ITS supported applications and systems (e.g., Barcode, ACES, eJAS, and Washington Connection) call the Customer Support Team when they need assistance. It is recommended that DCYF staff who are utilizing ESA ITS supported applications and systems continue to call the ITS Customer Support team for assistance.
   - **Physical Security.** Physical security is a concern of both DSHS and DCYF. As such, it is recommended that the agencies work with a joint facilities team to ensure proper physical controls are in place to secure confidential information and IT equipment.
BUDGET & COST ALLOCATION

Desired Outcome. Adequate resources support CCSP in the new DCYF structure and culture, while also maintaining a delivery system that continues to support families and providers with consistent, accurate, and effective services.

Detailed Recommendations

1. DSHS transfers approximately $15 million in funding to DCYF for direct costs associated with eligibility. Table 2 details current estimates of ESA direct costs associated with the transfer of CCSP eligibility staff – any potential cost shifts related to DEL, or new infrastructure needed for the program, are not included in this analysis. Indirect costs related to the transfer are being analyzed by Office of Financial Management and require further discussion and agreement between DSHS and DCYF.

Budget Narrative – Current direct costs covered by ESA
• Eligibility FTEs. DSHS|ESA currently has 190 permanent, full time employees (FTE) funded to provide CCSP eligibility services. The 190 FTEs consist of:
  ‣ 148 Financial Services Specialist 3s;
  ‣ 26 Financial Services Specialist 4s;
  ‣ 13 Financial Services Specialist 5s;
  ‣ 2 Administrative Assistant 3s; and
  ‣ 1 Social & Health Program Consultant 3.
The annual cost of these 190 FTEs is $14.5 million. DSHS|ESA also has seven FTEs that manage program coordination and train staff. The seven FTEs consist of:
  ‣ 2 Social Service Training Specialist 2s;
  ‣ 3 Program Managers; and
  ‣ 2 Customer Service Center (CSC) Administrators.
The annual cost of these seven FTEs is $805,000.
In total, the 197 eligibility and program coordination FTEs would transfer to DCYF along with the estimated $15,308,000 GF-State cost of these FTEs. Additional staffing associated with indirect functions and costs require further analysis before determining number of FTEs and associated funds.

Budget Narrative – Costs incurred by DCYF
• Equipment and infrastructure. Some DSHS equipment can be transferred with staff during the transition. Over the long-term, however, it is assumed that DCYF will supply their staff with the necessary IT equipment and infrastructure to support daily needs such as PCs, monitors, laptops, cell phones, tablets, headsets, appropriate software such as MS, Adobe, McAfee, etc.
Table 2: Costs of Transferring CCSP Eligibility Staff & Selected Technology

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| Total Costs            | $ 15,861,000| 197.0 | 197.0 | $ 15,861,000| -197.0 | $ (15,308,000)| 0.0 | 0.0 | $553,000|

Fund Sources: | Cost | DCYF | DSHS/ESA | Net |
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Notes:
1. Transfer to DCYF
2. WaTech bills DCYF - New Cost for DCYF
3. DCYF New Cost
4. WaTech bills DCYF - New One-Time Cost for DCYF
DEL estimates each employee’s laptop, monitor and accessories to cost about $2,000, for a total of $394,000.

- **Telephony.** Modifying the Automated Client Search application for DCYS will require new costs. The application development and deployment would be a one-time cost of about $88,440. The annual maintenance and support would be about $39,600. Based on call volume, DCYF would need approximately 22 ports. WaTech would charge $2,640 per month for the 22 ports. A dedicated 800 number will cost $1.00 per month plus 2 cents per minute.

- **Other costs.** Other costs associated with eligibility work (e.g., IT, Barcode, Workforce Optimization, etc.) will be incurred. How these costs are allocated and paid for will depend on how much of the eligibility related budget is transferred to DCYF. If the CCSP portion of the budget that pays for these services is transferred to DCYF then DSHS/ESA would bill DCYF for those services. These potential costs are not included in the analysis.

2. **DSHS transfers processes for federal and state cost allocation to DCYF.** DSHS|ESA processes CCSP payments through SSPS, which is currently managed and maintained by DSHS. Providers are paid by DSHS|ESA for their services, and DSHS bills DEL for these costs on a monthly basis. Services billed are:
   - **Child Care Development Fund (CCDF) Mandatory.** 100% federal and accounted for as Federal on DSHS books.
   - **CCDF Match.** 50% Federal and 50% State; federal on DSHS books and only bill for Federal; State is counted as Double Count/TANF MOE.
   - **Seasonal Child Care.** 100% State on DSHS books and then billed to DEL.
   - **Tiered Reimbursement.** 100% State on DSHS books and then billed to DEL.

   This process will transfer to the Department of Children, Youth, and Families (DCYF) with the transitioning of the SSPS.

3. **OFR can continue to process DCYF’s newly identified and previously established collections for overpayment until a new method is identified.** OFR processes referrals for overpayments for several programs, including child care and foster care. Client related overpayments utilize the Client Receivable System (CRS), which will move to a new modern system – the Debt Management System (DMS) – to be implemented late 2017. DCYF should continue to leverage OFR for overpayment services. It is recommended to include this service in the Cooperative Agreement between DSHS and DCYF. Details will need to be gathered regarding system changes to support new referrals, account codes, and ensuring a way to accurately transfer funds once the overpayments are collected.

4. **DSHS will retain control over management of TANF funds & Maintenance of Effort (MOE).** If the WCCC eligibility determination is transferred to DCYF, ESA and DCYF will need provisions in a Service
Level Agreement (SLA) and new budget proviso for the management of TANF funds and TANF MOE. DCYF must report to ESA the expenditures charged to federal TANF so ESA can ensure the expenditures meet the TANF rules, qualify for assistance and are reported correctly. DCYF must ensure the state expenditures that qualify as TANF MOE (including the double count and the pure TANF MOE) are accurately reported to ESA.
GETTING BETTER RESULTS FOR KIDS & FAMILIES

The purpose of this report is to develop a plan and recommendations for the transition of CCSP to DCYF. While HB 1661 – Section 103 did not specifically request alignment for how this transition would impact children and families, it is clear that the impetus for the move is driven by the intent of the new department: to improve the delivery of services and the outcomes for children and families by housing early learning, child welfare, and juvenile justice services in the same agency. In this spirit we recommend, in addition to the aforementioned considerations and recommendations on service delivery, staffing, human resources, facilities, IT, and budget/cost allocation, the following:

Detailed Recommendations

1. **Adopt a whole-family approach to service delivery.** Growing research shows that healthy families are essential for healthy children. For Washington state to realize the education and economic outcomes they desire for generations to come, a focus on children and parents together is critical. Historically, however, programs tend to be “child-facing” or “adult-facing” – meaning they don’t take advantage of serving an entire family when the opportunity presents itself. With the creation of DCYF and its focus on children and families, the opportunity is ripe to adopt an intergenerational approach that better serves the needs of children and their parents simultaneously.

2. **Include clients during the implementation planning.** As experts in their own lives and in the use of health and human service programs, clients are an underutilized resource when making policy and program decisions. A process for giving families greater voice and influence in the decision-making process should be developed to improve policy, practice, and child and family outcomes. Community stakeholders recommended an ombudsman specifically dedicated to client and provider relations, as well as a parent advisory group to inform implementation and CCSP as a whole.

3. **Strengthen partnership between DSHS, DCYF, and other agencies serving children and families to get better results.** With many means-tested benefits for children and families now in separate agencies – DEL/DCYF (child care), DSHS (Temporary Assistance for Needy Families, Basic Food) Department of Commerce (housing), and Health Care Authority (Medicaid) – it is essential that agencies work better together so children and parents have access to all of the resources needed for them to thrive and achieve financial independence. Taking advantage of existing workgroups (e.g., Healthiest Next Generation, Essentials for Childhood, and recently formed Governor’s Work Group on Poverty Reduction) or creating a new entity with a dedicated focus on interagency alignment on child outcomes is highly recommended.
CONCLUSION

The recommendations contained in this report were informed by experts in both DSHS and DEL, with the best interest of CCSP staff and clients in mind. Further action needs to be taken by the Legislature to determine final recommendations for CCSP and appropriate next steps.

TIMELINE & NEXT STEPS

- **December 1, 2017**: OIAA submits HB 1661 – Section 103 report submission to the Legislature
- **January 8 – March 8, 2018**: Legislature makes final decisions regarding CCSP transfer to DCYF
- **March 9, 2018 – June 30, 2019**: Implementation planning
- **July 1, 2019**: CCSP eligibility service delivery is fully transitioned to DCYF

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APPENDIX A

HB 1661 – Section 103 (2, i)

[OIAA, in collaboration with DSHS and DEL are tasked with]...preparing a report, in coordination with the department of early learning and the department of social and health services on how to incorporate the staff responsible for determining eligibility for the working connections child care program into the department of children, youth, and families. The report must outline a plan for transferring child care eligibility staff, the treatment of shared client data, information technology systems, phone systems, staff training, federal cost allocation, and service delivery from the department of social and health services to the department of children, youth, and families. This report must include recommendations for effectively integrating working connections child care eligibility into the department of children, youth, and families by July 1, 2019.

The reports and plans in this section must be delivered to the governor and the appropriate committees of the legislature by December 1, 2017.
APPENDIX B: DSHS & DEL TEAMS

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Daryl Pfitzer
Wendy Polzin
Debbie Davis
APPENDIX C

CCSP PROGRAM DATA

Figure 1 illustrates key CCSP trends and characteristics in FY 2017:

- **The CCSP caseload is declining.** The number of children served by CCSP has dropped to 52,744 per month in FY 2017 from 64,127 per month in FY 2010.
- **Average subsidy benefit is $845 per month.** The average monthly benefit of $845 is paid directly to qualified childcare providers throughout Washington state. Both licensed – Child Care Centers (CC) and Licensed Family Homes (LFH) – and licensed-exempt providers – Family, Friend, & Neighbor (FFN) caregivers – can provide subsidized child care.
- **Majority of children served are between the ages of three and 11.** The majority of children served are pre-school age (38 percent, three and four year-olds) and school-age (37 percent, six to 11 year-olds), followed by toddlers (16 percent, one and two year-olds), infants (age one and under, 7 percent), and children over the age of 12 (one percent).
- **Family, Friends, and Neighbors (FFN) represent the majority of CCSP providers.** The 4,907 FFN caregivers in Washington State are the majority of CCSP providers (57 percent), followed by 2,253 child care centers (26 percent), and 1,439 licensed family home providers (17 percent).

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<th>NUMBER OF KIDS SERVED</th>
<th>AVERAGE BENEFIT</th>
<th>AGE OF CHILDREN SERVED</th>
<th>ENTITIES SUPPORTED BY SUBSIDIES</th>
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<td>2010 64,127</td>
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<td>7% Infant</td>
<td>Family child care centers (1,439)</td>
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<td>2017 52,744</td>
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<td>16% Toddlers</td>
<td>17% Family, friend, &amp; neighbor caregivers (4,907)</td>
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<td></td>
<td>36% Preschool age</td>
<td>26% Child care centers (2,253)</td>
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<tr>
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<td>37% School-age</td>
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<td>1% Other than 12</td>
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**FUNDING**

FY 2017 spending for CCSP was $318 million – $76 million from federal Child Care Development Fund (CCDF), $171 million from the federal TANF block grant, and nearly all the remaining from state CCDF matching and state TANF maintenance-of-effort funds (Figure 2).
CURRENT CCSP STRUCTURE

CCSP is currently a partnership between DSHS and DEL (Figure 3). DEL writes and administers the policy and conducts quality assurance for provider payments; DSHS is responsible for all aspects of service delivery, including eligibility determination, operations, staff training, and quality assurance of client eligibility.

Figure 3 outlines the current roles and responsibilities of each agency, as well as key elements of staffing, facilities, workflow management, and quality assurance. Details on each function are provided below.
Figure 3: Key Elements of Current CCSP Partnership

CCSP Partnership

Roles & Responsibilities
- Eligibility Determination & Authorization
- Operations & Policy
- Training
- Quality Assurance (Clients)
- Quality Assurance (Providers)
- Subsidy Policy

Staffing
- 197 employees carry out these functions in 20 locations through the Customer Service Contact Center (CCSC)
- 96% of customer contacts via telephone, mail, or WACON
- 4% of customer contacts are made in-person

Facilities
- 2 regional hubs (Tacoma & Yakima)
- Home-based telework (30% of workforce)
- CSCC staff in 18 Community Service Offices
- 175,000 monthly back-office assignments

Workflow Management
- Avaya (telephony)
- Barcode (Electronic Case Record, Indexing Units, work assignments)
- Workforce Optimization (staff metrics and scheduling)

Program Integrity
- Fraud detection, eligibility accuracy, and quality monitoring
Staffing & Training

Staffing. DSHS|ESA Community Services Division’s (CSD) Customer Service Contact Center (CSCC) staff provide CCSP services for clients and providers.

- **CCSP-DSHS staffing:** 197 full-time employees (FTEs) are responsible for CCSP service delivery, including six FTEs that manage program coordination and training of staff.
- **CCSP-DEL staffing:** 12 FTEs responsible for subsidy policy and quality assurance for provider payments.

CCSP also benefits from CSD’s fully integrated systems and processes in which CCSC is situated, including:
- Non-CCSP staff that conduct call triage and coordinate transfers from other benefit program call queues;
- Flexing of non-CCSP program staff to temporarily support CCSP workload peaks; and
- Infrastructure staff and support services for CCSP telephony, human resources, and technology.

Training. DSHS provides CCSP staff training, including:

- **Division-wide human resources training** conducted by DSHS Human Resources Division, such as New Employee Orientation, supervisor training (e.g., Family Medical Leave Act, leave policy, labor agreements, Just Cause processes), employee evaluation processes, etc.
- **CCSP staff-specific training** developed and conducted by DSHS training staff. These trainings consist of technical training and other job-related training taken by all staff in CSCC. The trainings are delivered in-person in computer-equipped classrooms, or – if content allows – online.

There are two DSHS FTEs dedicated to CCSP training and one half-time FTE on the Instructional Design Team (IDT). These staff build the formal training curriculum into the division-wide format and software, especially for on-line training. Identifying and scheduling training locations and rooms is done by CSCC training staff, in collaboration with field management. Staff training registration and course transcripts are handled through the DSHS Department of Enterprise Services Learning Management System (LMS).

Facilities

One-third (33 percent) of the 191 CCSP-DSHS field staff telework full-time; the remainder are located in 19 DSHS locations throughout the state, including:

- Two regional hubs in Tacoma and Yakima; and
- 17 Community Service Offices (CSOs).

Turnover in the CCSP eligibility staff varies, but has been as high as 35% in the past due to low starting salaries for this professional job class, as compared to the state minimum wage and as compared to other state positions with similar minimum qualifications. This problem is more acute in the I-5 corridor than in central and eastern Washington, although Spokane is beginning to experience the same issue. As a result, CSD is requesting a class study for the entire Financial Service Specialist classification series. DSHS has a rigorous hiring process which takes a minimum of 6 weeks, from posting of position, to the new hire start date. Typical recruitment time is 8-10 weeks.

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The 12 CCSP-DEL staff are located at DEL headquarters; DEL licensing staff are co-located with CCSP-DSHS staff in six of the 19 DSHS locations. While co-located in the same building, DEL and DSHS staff are not located within the same work area. Program coordination and training staff from both DSHS and DEL are located throughout the state, and are responsible for operations and policy alignment, as well as training coordination for staff.

**Workflow Management**

CSCC staff handle an average of 15,000 parent and provider contacts each month. The vast majority (96 percent) of contacts are handled virtually – either by telephone, Washington Connections (WACON), or mail – and the remainder are over-the-counter in-person at Community Service Offices (4 percent).

**Virtual Contacts**

**Telephones**
- **Parents.** A single telephone number for all eligibility contacts with automated routing and live navigation of calls to a separate telephone queue for CCSP.
- **Providers.** A single provider number that routes provider calls to a specialized group of eligibility workers also known as the “Provider Team”.
- **Verification hotline.** A separate telephone number for third-party verification contacts that places the call at the top of the childcare eligibility phone queue.
- **Provider grievances.** A centralized Provider Grievance Hotline that is managed by the Constituent Services Unit at CSD Headquarters to respond to and track provider grievances (negotiated in the collective bargaining agreement with SEIU Local 925).
- **Answer phone.** A separate Interactive Voice Response (IVR) telephone line that provides parents automated information regarding their case.

**Online Services**
- **WACON.** DSHS operates WACON, which is an online portal offering clients the opportunity to submit applications for CCSP, as well as other forms of assistance (e.g., food, cash, and medical). WACON also provides links to outside services, including other state programs (e.g., Washington Healthplan Finder) and community-based services.

**Mail**
- A very small number of applications are received by mail and processed by the DSHS Community Services Division’s centralized document imaging and electronic case record management unit (referred to as the Hub Imaging Unit, or “HIU”).

**In-person Contacts**
- **Designated eligibility staff** sit in eight Community Service Offices (CSOs) across the state to assist customers seeking CCSP enrollment.
- **Red phones** are located in all CSOs to assist customers and providers with transactions such as enrollment, inquiries, and change reporting.
• **Mobile CSO services** travel throughout the state to outlying communities and special events. While few enrollments occur in this manner, mobile CSOs are occasionally staffed with CSCC staff to enroll families into CCSP.

**Back-of-the-Office Processes**

An average of 175,000 back-office assignments are completed monthly by CCSP eligibility staff. Assignments are generated from documents received by mail, FAX, emails, online, and internal work tickles that come from the WCAP system or other eligibility workers. The following systems support back-office work associated with CCSP:

• **Barcode IT system** receives, images, assigns, and tracks back-office assignments. It is the Electronic Case Record (ECR) for both providers and clients.

• **Two centralized Hub Indexing Units (HIU)** – located in Tacoma and Yakima – receive mail, FAXES, electronic documents from WACON, and provider emails. The HIU staff processes incoming documents, linking each document to the appropriate case in the electronic record through the use of specialized imaging technology which imports scanned documents into the Barcode system. This information is then categorized for processing by eligibility staff. CCSP-related documents are received in conjunction with all other benefit eligibility documents. An algorithmic matrix is used to ensure that documents are distributed to the correct subsidy program.
  ‣ All paper documents are retained after scanning. These documents are tracked and ultimately destroyed according to document retention rules.
  ‣ There is a dedicated FAX line that images documents for indexing in the Barcode system.
  ‣ Providers and clients can drop-off documents to CSOs, which are then sent to the HIU to be scanned and included in the electronic case record.
  ‣ Providers can email information to DSHS, which are captured as documents and queued to HIU staff to be indexed and processed using Barcode.

**Program Integrity**

DSHS and DEL collaborate to routinely assess and continuously improve the quality and integrity of CCSP programs. CCSP quality assurance efforts have two main objectives: (1) to ensure only families eligible for benefits are approved; and (2) to ensure child care providers are paid correctly. Current activities include:

• Centralized Internal Audits conducted by a team of internal DSHS auditors;
• Focused audits on eligibility and authorization conducted by child care eligibility lead workers and supervisors;
• Random and focused audits on provider payments conducted by DEL QA staff each month; and
• Fraud investigations conducted externally by DSHS, Office of Fraud and Accountability (OFA).

There are also upgrades currently in progress:

• Quality monitoring will be conducted by the Work Force Optimization (WFO) System to review recorded telephone transactions between Eligibility staff and consumers;
• Child care eligibility lead workers and supervisors are developing a process for preauthorization reviews to identify and mitigate program errors; and
• CCSP supervisors and administrators are refining the procedural separation of eligibility and authorization determinations.

A funding request for quality assurance and program integrity upgrades is contained in CSD’s Decision Package requests for 2018.
STRENGTHS & OPPORTUNITIES TO IMPROVE CCSP

Workgroup Feedback

Teams from DSHS and DEL met to identify models and considerations for the successful transfer of CCSP to DCYF. In doing so, the workgroup teams identified strengths in the current state of CCSP, as well as areas for improvement as the service delivery transitions to DCYF:

<table>
<thead>
<tr>
<th>STRENGTHS</th>
<th>OPPORTUNITIES FOR IMPROVEMENT</th>
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<tr>
<td><strong>MISSION &amp; CULTURE</strong></td>
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<td>CCSP at both agencies currently have a focus on children, which can help in creating a new culture and focus on a preventive, whole-family approach.</td>
<td>Better facilitation of inter-agency alignment, by developing improved messaging around work culture and program priorities.</td>
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<td>CCSP eligibility staff fully comprehend CSD culture and priorities as they relate to serving consumer needs, as well as promoting DEL’s mission and objectives around promoting child care providers.</td>
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<td><strong>PROCESS/INTERAGENCY COOPERATION</strong></td>
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<td>Relationships between the two agencies have been developed and continue to evolve.</td>
<td>Strengthen inter-agency communications and information-sharing when considering separation of program decisions and service delivery.</td>
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<td>CCSP enrollment is a customer-centered process, where transactions and verifications are largely conducted by telephone, which reduces the inconvenience of meeting at a physical location.</td>
<td>Reduce confusion for providers who currently navigate two agencies and systems.</td>
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<td>Barcode is a case management system that seamlessly integrates the workload management functions for DSHS Eligibility and DEL Quality Assurance tasks.</td>
<td>Improve process for implementing changes to CSSP Washington Administrative Code (WAC) or programmatic function, including: communications strategy, training, stakeholder engagement, and how exceptions would be processed.</td>
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<td>Moving all provider services into one agency may provide opportunities to streamline services and supports for the providers who serve families receiving CCSP subsidy, and give SEIU a single-point of contact for addressing issues and concerns.</td>
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<td><strong>STAFFING</strong></td>
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<td>DSHS/CSD trainers are subject matter experts, and develop and deliver program training effectively.</td>
<td>Conduct a classification review to ensure that current work meets state classification definitions are aligned with classifications that will already be in the new agency after the DSHS Children’s Administration moves into the new agency.</td>
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<td>DSHS and DEL work with the same unions for the CCSP program. DEL and DSHS managers are experienced working with union staff and have strong collaborative relationships with local Council</td>
<td>Some positions in DSHS exist to coordinate between DEL policy development and CSD operations. There may be opportunity in the new department to streamline</td>
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</table>
Representatives. CSCC and CSD leadership have expertise in providing notice on mandatory subjects and bargaining over impacts affecting large groups of staff.

organizational structure and eliminate overlapping or unnecessary roles.

Both DEL and DSHS have expertise working with providers on different parts of the program. The union (SEIU) representing Licensed Family Home and Friends, Family, Neighbor providers is comfortable connecting with either agency for problem resolution.

Approval and editing of program training content is currently a multi-step, joint-agency activity and is dependent on timely policy development. This complexity can hamper timely, quality training. In the new Department, this can be streamlined through a more direct relationship between the CCSP policy development staff and the operations training staff.

DSHS and DEL staff are experts at working with vulnerable populations who might have serious barriers to accessing government services. CSD call agents are also skilled at responding to crisis calls from people calling from communities not where the call agent is located. Procedures, safety planning, facility design and training programs are designed to support a culture which recognizes and works effectively with customers in these circumstances.

Workforce is mobile and specific segments of staff can move without effecting the whole system.

<table>
<thead>
<tr>
<th>QUALITY ASSURANCE</th>
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<td>Responsibility for interpretation, application and clarification of the provider CBA (with the SEIU) resides with DEL, while application of some articles of the CBA for provider payments and Administrative Hearings resides with DSHS. This can make the hearing process for providers more complex when articles of the Collective Bargaining Agreement are contested. It also makes grievance resolution complex for DEL if the issue for the grievance is related to the handling of provider processes within CSD.</td>
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**Community Stakeholder Feedback**

Feedback on the transition of CCSP was also requested from community stakeholders,\(^3\) which generated the following themes:

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\(^3\) Staff from the Early Learning Action Alliance, SEIU 925, School’s Out Washington, Association of Head Start & ECEAP, and Catholic Community Services participated on a one-hour phone call with DSHS and DEL staff to discuss the transition of eligibility to DCYF.
• **Culture.** Community stakeholders see the promise of shifting WCCC to DCYF, but an intentional focus on culture and better inter-agency coordination is needed to improve child outcomes.

Stakeholders expressed concern over how children from low income families are treated, often suffering from the stigma their parents face being low income. Several stakeholders perceive the current model as harmful to the early learning opportunities for kids due to an “enforcement mentality” model focused on work for parents and a culture where “children are affected by the bias against their parents.”

However, while most stakeholders would like to see CCSP emphasized as a program focused on child outcomes, many expressed skepticism that the shift would inherently solve all of the concerns for kids and families. One stakeholder noted the experience of moving child care policy out of DSHS to form DEL in 2007, saying that “kids and families got lost in the shuffle” and another participant saying there was “a depletion in people who understood policy and the interaction it has with families and providers.” Other stakeholders stated that “kids and families with low incomes need more than just early learning and child care...we cannot expect that everything changes simply because there is a new department”, and cautioned that separating means-tested benefits (e.g., CCSP from TANF or food assistance) might have unintended consequences. Most felt that – regardless of the shift – there needs to be better communication across agencies to produce better outcomes and a culture of opportunity for kids and families.

• **Cross-agency coordination and communication.** Stakeholders strongly stated that better communication and coordination across agencies is needed for the transition to be successful – as one stakeholder stated, “how do we get better outcomes for kids regardless of which department is serving them?” The group desires a system with “multiple entry-points for clients”, but better coordination between agencies behind the scenes to ease access for all social benefit programs. Better technology – including eligibility systems for improved access, electronic application submission, and shared data – was cited as a priority for stakeholders moving forward.

• **Racial equity.** Racial equity was a priority for most stakeholders. Two major topics came up related to racial equity: (1) the desire for equity to be defined by those most affected; and (2) the need for data to ensure progress toward equity is being made. One stakeholder emphasized that data and outcomes must look at “who is being served by the system”, as well as “who is not” to make progress on racial equity.

• **Outcomes.** A system grounded in better outcomes for all kids was a priority for stakeholders, especially kids of color and older children. A strong outcomes framework is required under the creation of DCYF, but having outcomes specific to the shifting of CCSP is important as well, recognizing the age and racial and ethnic backgrounds of children.