



**STATE OF WASHINGTON
DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES**

1500 Jefferson Street, SE • P.O. Box 40975 • Olympia WA 98504-0975

March 30, 2023

Home Visiting Advisory Committee –

Since summer 2022, DCYF team members from the Strengthening Families Washington Home Visiting team and the Finance and Business Division – Rates and Forecasting team have been working together to scope and begin a cost study for the Home Visiting Services Account. During these meetings, we worked together to develop a scope for the home visiting cost study, integrating HVAC recommendations into the DCYF HV cost study. We have been sharing progress about this with the HVAC ad hoc costing subcommittee, including providing feedback on broader messaging about the cost study in the January 2023 meeting.

In January 2023, DCYF began agency wide conversations about rate-setting and payment methodologies. The aim of these conversations was to imagine a future state in which DCYF offers rates that will fairly compensate for work required in contracts, be scalable and sustainable to administer, support the concept of living wage, and be built for services at DCYF. DCYF believes this will better support providers by positioning the agency for more successful funding requests to the Washington State legislature.

DCYF has developed methodologies for developing rates and payment methods with Providers. These methods have been developed by DCYF and informed by consultants and in collaboration with service providers and other state agencies. Our approach centers on:

- Contract requirements: linking contract and personnel requirements with objective and researched Washington State wage data, to identify service costs.
- Fringe benefits: standardized approach to include costs of employee benefits, personal time off, and holidays.
- Administrative costs: standardizing administrative costs based on contract requirements, office space, HR, and administrative support.
- Payment methodologies: shifting away from budget-based cost-reimbursement payment models. Instead, DCYF will use the information from contract, personnel and administrative costs to determine a service rate for each DCYF service.

We want to talk with you about DCYF's approach to reviewing service costs (setting rates) and developing payment models, including how this relates to HVAC recommendations submitted to DCYF in June 2022. DCYF is committed to gathering information from partners as we develop cost model and build new service rates for home visiting over the coming year.

Time will be held in the April 6 Home Visiting Advisory Committee meeting with the full HVAC Committee to discuss this information and process. To support this conversation, DCYF leadership members, Frank Ordway, Steve Grilli, Judy King, and Charles Wang will participate in the HVAC meeting from 11:00 a.m.-12:15p.m. to discuss this approach to rates and payment methodologies and hear from HVAC.

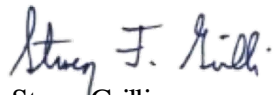
Please come prepared to discuss:

- Discussion and questions about this information.
- Guidance and feedback for discussing this with all HVSA Home Visiting local implementing agencies during a webinar to be scheduled April 7.

Following this communication to HVAC, HVSA funded local implementation agencies (LIAs) will also be receiving a communication and have an opportunity for discussion on April 7 with DCYF leadership. We look forward to continued conversations with HVAC and working towards DCYF's goals of advancing racial equity and supporting and expanding high quality home visiting in Washington.

Should you have any questions or concerns you may contact the DCYF Home Visiting Inbox dcyf.homevisiting@dcyf.wa.gov with a
If you would like to provide written feedback or questions regarding this communication in the meantime, please email:

Sincerely,



Steve Grilli

DCYF Assistant Secretary for Partnership, Prevention and Services



Rene Newkirk

DCYF Chief Financial Office

By email

cc:

Tim Kelly (tim.kelly@dcyf.wa.gov) Charles Wang (Charles.wang@dcyf.wa.gov) Laura Alfani (laura.alfani@dcyf.wa.gov) Rene Toolson (rene.toolson@dcyf.wa.gov) Nelly Mbajah (nelly.mbajah@dcyf.wa.gov) Judy King (judy.king@dcyf.wa.gov)