

# Fiscal Advantages

Linkages Fall Convening  
September 15, 2009

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Stanislaus County

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## Learning Objectives

- Identification of the Linked customer
- Two business models
- Developing joint contracts
- Fiscal Advantages
- Tracking of expenditures




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## Linked Customers- FY 07/08-08/09

- Target Population to serve was defined as voluntary Child Welfare Services (CWS) and active CalWORKs (CW)
- Total number of customers served in FY 08/09 was 392




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## Customer Referrals

- Referrals are received from CWS as an encumbrance. Referrals identify: service provider and length of service (this reserves contracted funds)
- Referrals are received from BHRS provider to identify customers that are CW
- Invoices in FY 08/09 were paid based on referral funding sources followed by back end shifts to eligible funding that maximized resources

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## Mutual Contract Service Providers

- BHRS took the lead to develop an over sight contract and then sub-contracted to local Clean and Sober facilities for specific services
- CWS and CW participated in developing a scope of work and expected outcomes
- Multiple funding streams were used to pay vendors that were serving cross over families
- BHRS was authorized to process payment to contractor with CWS and CW funds

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## Linked Customers- FY 09/10 "New model"

- CSA took the lead to administer the contract
- Contractor is paid 1/12 of contract amount each month by invoice
- Allows continuous cash flow to the contractor so ongoing referrals are not on hold contingent upon funding
- Holds the contractor to an annual average bed level to meet the designated capacity level

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## Sample Contract Language

- Invoices are to include a list of County referred customers, the date the customer entered the facility, the date customer vacated the facility, the number of children the customer has and the amount of TANF and Food Stamps collected
- Payment to Contractor will be adjusted at year-end to the actual percent of eligible costs related to County authorized residents, not to exceed the contract maximum amount.



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## Change in contract models

### 07/08-08/09 Model *Challenges*

- Contract was expended prior to the end of the contract year
- Shifts on the back end
- Expenditures were not reported to appropriate funding timely

### 09/10 Model *Benefits*

- Guaranteed services from the contractor all year
- No shifts – actuals paid at invoice
- Expenditures are reported to the appropriate funding timely

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## Dollars = Services

- Shifts to CW funding makes CWS funding available to support the increasing court ordered service demands
- Increased number of customers served in current contract by shared dollars. We have the potential to serve 112 more customers in Fiscal Year 09/10



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## The Bottom Dollar



- 07/08- Not knowing what the fiscal benefit would be no budget was developed to reflect linkage cost shifts in either program. Actual cost shifts equated to \$240,000 setting a benchmark for future budgeting
- 08/09- A conservative budget was developed projecting shifts of \$167,000. Actuals were \$292,000

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## Advantages

- Seamless service to customer
- Seamless administration to the contractor
- Cost shift could preserve staff- In Stanislaus County, shifts equate to approximately 2 Social Worker positions (with benefits and overhead)

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## Tracking expenditures

- FY 2009/2010  
Sober Living  
Contract  
Expenditures  
Analysis



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Questions ?



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