

**199.665 Performance-based contracting for child-caring facilities and child-placing agencies -- Study group -- Implementation -- Administrative regulations.**

- (1) As used in this section, unless the context otherwise requires;
  - (a) "Cabinet" means the Cabinet for Health and Family Services;
  - (b) "Performance-based contracting" means an approach that stresses permanency outcomes for children and utilizes a payment structure that reinforces provider agencies' efforts to offer services that improve the outcomes for children; and
  - (c) "Secretary" means the secretary of the Cabinet for Health and Family Services.
- (2) The secretary shall designate a study group to make recommendations regarding the creation and implementation of performance-based contracting for licensed child-caring facilities and child-placing agencies in the Commonwealth.
- (3) The study group shall be composed of the following members:
  - (a) The secretary;
  - (b) The commissioner for the Department for Community Based Services;
  - (c) The director of the Administrative Office of the Courts, or designee;
  - (d) The executive director of the Governor's Office of Early Childhood, or designee;
  - (e) One (1) adult who was a former foster child in the Commonwealth;
  - (f) One (1) adult who is a current or former foster parent in the Commonwealth;
  - (g) Two (2) employees of a licensed child-placing agency;
  - (h) Two (2) employees of a licensed child-caring facility; and
  - (i) Any personnel within the Department for Community Based Services that the secretary deems necessary.
- (4) In its deliberations, the study group shall include but not be limited to analysis of improved timeliness and likelihood of permanency such as reunification, adoption, or guardianship; fewer moves for children in foster care; and reduced instances of reentry into care.
- (5) The study group shall report its recommendations by December 1, 2018. The study group shall cease to operate after the delivery of the recommendations required by this subsection.
- (6) By July 1, 2019, the cabinet shall:
  - (a) Establish and implement performance-based contracting for licensed child-caring facilities and child-placing agencies that contract with the department for services; and
  - (b) Apply and implement all standards, processes, and procedures established for performance-based contracting for licensed child-caring facilities and child-placing agencies in accordance with paragraph (a) of this subsection to all other cabinet-operated programs that are like those operated by child-caring facilities and child-placing agencies.
- (7) The cabinet shall promulgate administrative regulations to implement this section.

**Effective:** June 29, 2023

**History:** Amended 2023 Ky. Acts ch. 25, sec. 7, effective June 29, 2023. -- Amended 2022 Ky. Acts ch. 211, sec. 24, effective January 1, 2023; and ch. 223, sec. 8, effective January 1, 2023. -- Created 2018 Ky. Acts ch. 159, sec. 9, effective July 14, 2018.