

AN ACT

1 Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An
2 act to consolidate, editorially revise, and codify the public
3 welfare laws of the Commonwealth," further providing for
4 services by county children and youth offices.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. The act of June 13, 1967 (P.L.31, No.21), known
8 as the Public Welfare Code, is amended by adding a section to
9 read:

10 Section 704.3. Purchase of Service Contracts.--To comply
11 with statutory responsibility to provide an array of services,
12 county children and youth offices may elect to purchase services
13 from private providers. When counties elect to purchase
14 prevention, in-home, foster family care, group-home or
15 residential or institution services from private agencies
16 through purchase of service, per diem or program-funded
17 agreements, the following provisions apply:

18 (1) Contracted rates for purchased services shall cover the

1 cost incurred in delivery of such services, providing that these
2 costs are deemed reasonable based on provider documentation.

3 (2) Purchase-of-service contracts shall include contract
4 extension language to provide for continuation of service
5 provisions and related payments at the last contracted rate
6 until a new contract agreement is signed. The new contracted
7 rate is to be retroactive to the beginning of the contracting
8 period.

9 (3) Purchase-of-service contracts shall include a "timely
10 payment" provision, obligating counties to make payment to
11 private service providers within ninety days of receipt on an
12 accurate invoice for services rendered. Counties failing to make
13 timely payment, within ninety days of billing, for private
14 agency-delivered, nondisputed services shall be required to pay
15 an additional amount of one percent of the outstanding balance
16 due to the service provider for each month or portion of each
17 month during which an outstanding balance remains due.

18 (4) A cost task force shall be appointed by the General
19 Assembly to include representatives from the Department of
20 Public Welfare, county children and youth and juvenile probation
21 offices, private service providers and other stakeholders and
22 shall be charged to develop a protocol to determine calculation
23 of cost for services purchased.

24 (5) County needs-based plan and implementation budget
25 requests may reflect the actual costs of purchased services in
26 submissions for requested funding.

27 Section 2. This act shall take effect in 60 days.