

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 703 Session of 2017

INTRODUCED BY MURT, BARRAR AND MILLARD, MARCH 3, 2017

REFERRED TO COMMITTEE ON CHILDREN AND YOUTH, MARCH 3, 2017

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," in children and youth,
 4 providing for purchase of service contracts.

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 Human Services Code, is amended by adding a section to
 9 read:

10 Section 704.4. 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 institutional 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
 19 cost incurred in delivery of the services, providing that these

1 costs are deemed reasonable based on provider documentation.

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

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

17 (4) County needs-based plan and implementation budget
18 requests may reflect the actual costs of purchased services in
19 submissions for requested funding.

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