



State of New Jersey

DEPARTMENT OF CHILDREN AND FAMILIES

JON S. CORZINE
Governor

KIMBERLY S. RICKETTS
Commissioner

December 1, 2009

Dear Provider:

As you are aware, the Department of Children and Families (DCF) has been working towards implementing performance based outcomes in all of its social service contracts. Although many providers have included such measures in their contracts for a number of years, DCF has recently taken a few steps to formally integrate the concept statewide. First, in July 2008 (FY 2009) the Department revised its standard Annex A document to accommodate their inclusion. Then this past summer, DCF advised its community partners that it would seek to establish consistency in the way it measures the effectiveness of similar types of services. At the same time, the Department posted a set of draft performance outcomes on its public website for providers to review (<http://www.state.nj.us/dcf/contract/performance/index.html>).

Finally in August 2009, Commissioner Ricketts created a Contract Workgroup consisting of DCF staff and representatives from the service provider community to examine the Department's contracting practices and develop recommendations for their improvement. As part of its charge, the Workgroup has been reviewing the performance measures and benchmark percentages proposed by DCF and considering various strategies for moving forward.

As a result of this process, we believe that we are ready to take several additional steps towards fully implementing performance based contracting.

For contracts that renew in January 2010, and thereafter, we will work together with our provider community to incorporate into each Annex A, the updated performance objectives and corresponding percentages that now appear on the DCF website.

During this first year, we will test and review the proposed measures together, and over a period of time modify the outcomes and thresholds to more accurately depict programmatic effectiveness and success. As part of that effort, we anticipate hosting a series of focus groups throughout the State using members of the Contract Workgroup to help facilitate discussions and secure broad-based input from local service providers.

We will also work together to create a more uniform methodology for collecting and reporting service data among similar types of programs. Our focus will include:

- Establishing clear and consistent definitions (i.e. what does "improvement" encompass?);
- Identifying and refining existing mechanisms for gathering and reporting data;
- Identifying and accessing appropriate and reliable data sources;
- Developing and establishing clearly delineated protocols; etc.

There is much to be done, but we are confident that our collaborative efforts will help ensure that we are achieving the desired results with our contracts and ultimately providing the best and most effective services to New Jersey's children and families.

Please note that if you have already submitted your January renewal, and it does not reflect these performance outcomes, your contract administrator will work with you to bring your contract into compliance by March 1, 2010. We also recognize that in some cases it may be difficult to incorporate these outcomes into your current program design. In those instances, again your contract administrator and DCF program staff will work with you to address those issues.

I hope we can count on your continued support and I look forward to working with you as we move forward with this important initiative.

Sincerely,



Karen Baldoni
Deputy Administrator

C: Kimberly S. Ricketts, Commissioner