

**ONE HUNDRED SEVENTH LEGISLATURE - SECOND SESSION - 2022**  
**COMMITTEE STATEMENT**  
**LB1173**

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**Hearing Date:** Wednesday February 09, 2022  
**Committee On:** Health and Human Services  
**Introducer:** Health and Human Services  
**One Liner:** Create a work group and strategic leadership group for child welfare system reform

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

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**Vote Results:**  
**Aye:** 7 Senators Arch, Cavanaugh, M., Day, Hansen, B., Murman, Williams, Walz  
**Nay:**  
**Absent:**  
**Present Not Voting:**

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**Oral Testimony:**

**Proponents:**

Senator John Arch  
Danette Smith  
Corey Steel  
Suzanne Haney  
Katie Mcleese Stephenson  
Ivy Stephenson  
Korby Gilbertson  
Pegg Siemek-Asche

**Representing:**

District 14  
Department of Health and Human Services  
Administrative Office of the Courts  
Children's Hospital and Medical Center  
Nebraska Behavioral Health Organization  
Nebraska Alliance of Child Advocacy Centers  
Boys Town  
Children and Family Coalition of Nebraska

**Opponents:**

**Representing:**

**Neutral:**

Aubrey Mancuso  
Laura Opfer  
Sarah Helvey  
Jennifer Carter

**Representing:**

Voices for Children in Nebraska  
Nebraska Children's Commission  
Nebraska Appleseed  
Office of the Inspector General of Child Welfare

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**Summary of purpose and/or changes:**

LB 1173 would establish a child welfare practice model work group and require the development of practice and finance model for child welfare system transformation in Nebraska with consultation from key stakeholders, juvenile court judges, providers, individuals with lived experience in the child welfare system, the Nebraska Children's Commission, the Inspector General of Nebraska Child Welfare, the Foster Care Review Office, child advocacy centers, law enforcement, and county attorneys.

LB 1173 provides for the work group to include the Director of Behavioral Health or their designee; the Director of Children

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and Family Services or their designee; the Director of Developmental Disabilities or their designee; the Director of Medicaid and Long-Term Care or their designee; the Director of Public Health or their designee; the Commissioner of Education or their designee; the State Court Administrator; a representative of the Supreme Court appointed by the Chief Justice; and representatives from each federally recognized Indian tribe in Nebraska.

The work group would provide monthly updates to a child welfare strategic leadership group, which would include: the chairperson of the Judiciary Committee; the chairperson of the Health and Human Services Committee; the Chief Justice; and the CEO of the Department of Health and Human Services or their designee.

LB 1173 provides for DHHS to contract with an outside consultant to assist the work group with the development of the written framework for the practice and finance model. The bill would require the work group to submit a written practice and finance model framework to the Health and Human Services Committee by December 1, 2023. The work group and strategic leadership group would terminate on December 31, 2023.

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**Explanation of amendments:**

AM 1959 is a white copy amendment which incorporates LB 491, LB 541, and LB 854 into LB 1173. The provisions of LB 1173, as described above, are found in sections 1 through 6 of AM 1959.

The committee voted to adopt AM 1959 on a 7-0-0-0 vote.

LB 491 - Change and eliminate provisions relating to lead agencies, pilot projects, and service areas for certain social services.

The provisions LB 491 would terminate the Department of Health and Human Services' authority to contract with another entity for child welfare case management.

Currently under Nebraska law, child welfare case managers must be employees of DHHS, with the exception that the department can contract with a "lead agency" for a "case management lead agency model pilot project" in the Eastern Service Area. LB 491 would strike the statutory authority for such a contract. (Sec. 17.)

Additionally, LB 491 strikes references to the lead agency model pilot project in sections of statute related to the family finding services pilot project, DHHS's electronic data collection system, child welfare reporting requirements, caseload requirements, and case manager training. (Secs. 8, 10-15, 18.)

Finally, LB 491 outright repeals sections which relate specifically to the lead agency model pilot project or are obsolete, including the sections of statute related to DHHS monitoring and reporting requirements with respect to the pilot project, an evaluation of the child welfare system commissioned by DHHS, and an evaluation of the lead agency model pilot project commissioned by the Legislature. (Sec. 22.)

Motion to include LB 491 as part of AM 1959.

Vote results: 7-0-0-0.

Voting Aye: Senators Arch, M. Cavanaugh, Day, B. Hansen, Murman, Walz, Williams

Voting Nay: None

Present Not Voting: None

Testifiers on LB 491

Proponents:

Senator Machaela Cavanaugh

Sarah Helvey, Nebraska Appleseed

Opponents:

Stephanie L. Beasley, Department of Health and Human Services

Lana Temple-Plotz, Children and Family Coalition of Nebraska

Neutral:

Dr. Lynn Castrianno, Self

Monika Gross, Self

Jennifer Carter, Office of the Inspector General of Child Welfare

Submitted Written Testimony

Proponents:

Julie Erickson, Voices for Children

Opponents:

None

Neutral:

None

LB 541 - Provide for reimbursement for certain foster care services.

The amended provisions of LB 541 are found in sections 9 and 16 of AM 1959. LB 541 would require the Division of Children and Family Services, in collaboration with the Foster Care Reimbursement Rate Committee, to implement additional statewide tiers of foster care reimbursement for specialized care giving with standardized rates by October 1, 2022. (Sec. 9.)

Additionally, LB 541 would require the Division of Medicaid and Long-Term Care and the Division of Children and Family Services to develop a plan to implement treatment family care services by October 1, 2022 and submit the plan to the Health and Human Services Commission and the Nebraska Children's Commission. (Sec. 16.)

Finally, LB 541 would require that the Division of Medicaid and Long-Term Care implement treatment family care services by October 1, 2023. The Department of Health and Human Services must seek to maximize federal funding for the program, prior to utilizing state Medicaid funds. (Sec. 16.)

Motion to include LB 541 (as amended by AM 1518) as part of AM 1959.

Vote Results: 7-0-0-0

Voting Aye: Senators Arch, M. Cavanaugh, Day, B. Hansen, Murman, Walz, Williams

Voting Nay: None

Present Not Voting: None

Testifiers on LB 541

Proponents:

Senator Lynne Walz

Lana Temple-Plotz, Nebraska Children's Commission

Jeanne K. Brandner, Administrative Office of the Courts and Probation

Opponents:

Stephanie L. Beasley, Department of Health and Human Services

Submitted Written Testimony:

Proponents:

Rachael Folds, Self

Felicia Nelson, Nebraska Foster and Adoptive Parent Association  
Amber Bogle, Children and Family Coalition of Nebraska  
Monika Gross, Foster Care Review Office  
Chris Jones, Nebraska Children's Home Society

LB 854 - Require notice to the Department of Health and Human Services in certain cases of alleged out-of-home child abuse or neglect.

The provision of LB 854 are found in section 7 of AM 1959. LB 854 would require that when the Department of Health and Human Services receives a report of alleged out-of-home child abuse or neglect where the subject of the report is a child care provider or a child care staff member, the Division of Children and Family Services must immediately notify the Division of Public Health of receipt of the report, including whether or not an investigation is being undertaken by a law enforcement agency or the department.

Motion to include LB 854 as part of AM 1959.

Vote Results: 7-0-0-0

Voting Aye: Senators Arch, M. Cavanaugh, Day, B. Hansen, Murman, Walz, Williams

Voting Nay: None

Present Not Voting: None

Testifiers on LB 854

Proponents:

Senator Jen Day

Ivy Svoboda, Nebraska Alliance of Child Advocacy Centers

Matt Turner, Self

Ashlyn Turner, Self

Amanda Sway, Self

Amanda Podwinski, Self

Melissa Krajeski, Self

Kristen Jones, Self

Katie Bass, First Five Nebraska

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John Arch, Chairperson