

ONE HUNDRED SEVENTH LEGISLATURE - SECOND SESSION - 2022
COMMITTEE STATEMENT (CORRECTED)
LB541

Hearing Date: Friday January 29, 2021
Committee On: Health and Human Services
Introducer: Walz
One Liner: Provide for reimbursement for certain foster care services

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

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

Oral Testimony:

Proponents: Senator Lynne Walz Lana Temple-Plotz Jeanne Brandner	Representing: District 15 Nebraska Children's Commission Administrative Office of the Courts and Probation
--	--

Opponents: Stephanie Beasley	Representing: Department of Health and Human Services
--	---

Neutral:	Representing:
-----------------	----------------------

Submitted Written Testimony:

Proponents: Rachel Folds Felicia Nelson Amber Bogle Monika Gross Chris Jones	Representing: Self Nebraska Foster and Adoptive Parent Association Children and Family Coalition of Nebraska Foster Care Review Office Nebraska Children's Home Society
--	---

Opponents:	Representing:
-------------------	----------------------

Neutral:	Representing:
-----------------	----------------------

Summary of purpose and/or changes:

LB 541 would require the Division of Children and Family Services (CFS) of the Nebraska Department of Health and Human Services (DHHS) to implement a fourth tier of reimbursement for specialized caregiving as recommended by the Foster Care Reimbursement Rate Committee (FCRRC) in its June 22, 2020 report to the Legislature and to implement FCRRC's

reimbursement rate recommendation for treatment family care in the same report. Additionally, LB 541 would require the Division of Medicaid and Long-Term Care of DHHS to implement the same rate recommendation for treatment family care services.

LB 541 inserts a new subsection (2) in section 43-4215 to provide that it is the intent of the Legislature to create an additional level of caregiving for youth in foster care and to implement treatment family care services as reported to the Legislature in the June 22, 2020, Foster Care Reimbursement Rate Committee report. (Section 1, page 2, line 8-12.)

Further, LB 541 inserts a new subsection (3) in section 43-4215 to state legislative findings, including that:
there is a need for consistency in the implementation of a fourth tier of caregiving across the state;
the fourth tier of caregiving and reimbursement exists in the continuum of foster care services available in Nebraska, however, there is a variation in the rates, implementation and outcomes;
the use of a fourth tier of rates outside of the established rate structure can create barriers to permanency for children entering adoption and guardianship; and
the fourth tier of caregiving should be utilized to support the exceptional caregiving needs of children outside the first three tiers of caregiving.
(Section 1, page 2, lines 13-22.)

Additionally, LB 541 inserts a new subsection (4) in section 43-4215 to state legislative findings, including that:
additional treatment services are needed to support the behavioral and mental health needs of youth who are at risk of, or stepping down from, congregate treatment placement; and
treatment family care services uses blended funding to support caregivers and prevent placement disruption.
(Section 1, page 2, lines 23-27.)

LB 541 inserts a new subsection (5) in section 43-4215 to provide that on or before July 1, 2021, the Division of Children and Family Services of the Nebraska Department of Health and Human Services shall implement a fourth tier of caregiving statewide as the specialized level of care, with standardized rates for foster parents and child placing agencies as reported to the Legislature by the Foster Care Reimbursement Rate Committee in its June 22, 2020 report. (Section 1, page 2, lines 28-31, page 3, lines 1-3.)

Proposed Specialized Level of Care Rates

Age	Proposed Specialized Rate
0-5	\$77.75
6-11	\$82.55
12-18	\$84.22

LB 541 inserts a new subsection (6) in section 43-4215 to provide that on or before July 1, 2021, the Division of Children and Family Services of the Nebraska Department of Health and Human Services shall implement the reimbursement rate recommendation of the Foster Care Reimbursement Rate Committee for treatment family care as reported to the Legislature in its June 22, 2020 report. (Section 1, page 3, lines 4-9.)

Finally, LB 541 inserts new language in section 68-1210 to provide that on or before July 1, 2021, the Division of Medicaid and Long-Term Care of the Department of Health and Human Services shall implement the reimbursement rate recommendation of the Foster Care Reimbursement Rate Committee for treatment family care services as reported to the Legislature in its June 22, 2020 report. (Section 2, page 4, lines 6-11.)

The Foster Care Reimbursement Rate Committee's recommended rate for treatment family care is \$108.95 per day (\$762.64 per week).

Explanation of amendments:

AM 1518 would strike the original sections of LB 541 and become the bill.

AM 1518 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. 1, page 2, lines 4-9.)

Additionally AM 1518 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. 1, page 3, lines 6-11.)

Finally, AM 1518 requires 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. 1, page 3, lines 12-16.)

John Arch, Chairperson