LEGISLATIVE BILL 1173

Approved by the Governor April 19, 2022

Introduced by Health and Human Services Committee: Arch, 14, Chairperson; Cavanaugh, M., 6; Day, 49; Hansen, B., 10; Murman, 38; Walz, 15; Williams, 36; Hansen, M., 26; Wayne, 13.

A BILL FOR AN ACT relating to children and families; to amend sections 43-907, 43-2204, 43-4215, 43-4401, 43-4402, 43-4403, 43-4407, 68-1207, 68-1210, and 68-1214, Reissue Revised Statutes of Nebraska, and sections 28-713, 43-4406, and 68-1212, Revised Statutes Cumulative Supplement, 2020; to state findings and intent; to create a work group and strategic leadership group for child welfare system reform; to provide duties for the Department of Health and Human Services; to define terms; to change provisions relating to reports of child abuse or neglect; to provide duties for the Division of Children and Family Services and the Division of Medicaid and Long-Term Care of the Department of Health and Human Services to implement services and reimbursement rates as prescribed; to change and eliminate provisions regarding lead agencies and a pilot project; to harmonize provisions; to provide operative dates; to repeal the original sections; to outright repeal sections 43-4408, 43-4409, and 81-3135, Reissue Revised Statutes of Nebraska, and section 68-1213, Revised Statutes Supplement, 2021; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. (1) The Legislature finds that the State of Nebraska, in order to support the well-being, permanency, and safety of children and families in Nebraska’s communities, needs to comprehensively transform its child welfare system. The Legislature further finds that this comprehensive transformation will require an integrated model addressing all aspects of the system and strong partnerships among the legislative, executive, and judicial branches of government and community stakeholders.

(2) It is the intent of the Legislature to:

(a) Establish an intersectoral child welfare practice model work group;
(b) Establish appropriate strategic leadership and guidance for practice and finance model development from across the three branches of government; and
(c) Appropriate funds for contractual support to build the practice and finance model for Nebraska.

Sec. 2. For purposes of sections 1 to 6 of this act:

(1) Child welfare system means children and families receiving, and persons providing or effecting:

(a) In-home and out-of-home child welfare case management services;
(b) Physical and behavioral health care;
(c) Youth rehabilitation and treatment center services;
(d) Adoption or guardianship assistance services;
(e) Prevention services;
(f) Post-adoption or post-guardianship related services; and
(g) Public or private education and training services;

(2) Individual with lived experience in the child welfare system means an individual who has previously received services from the child welfare system, currently receives such services, or is at risk of needing such services and who has valuable insight to contribute;

(3) Practice and finance model means an evidence-based or evidence-informed approach to the practice and financing of the child welfare system across the state of Nebraska;

(4) Strategic leadership group means the child welfare strategic leadership group created in section 4 of this act; and

(5) Work group means the child welfare practice model work group created in section 3 of this act.

Sec. 3. (1) There is hereby established a child welfare practice model work group. The work group may include, but is not limited to:

(a) The Director of Behavioral Health of the Division of Behavioral Health or the director’s designee;
(b) The Director of Children and Family Services of the Division of Children and Family Services or the director’s designee;
(c) The Director of Developmental Disabilities of the Division of Developmental Disabilities or the director’s designee;
(d) The Director of Medicaid and Long-Term Care of the Division of Medicaid and Long-Term Care or the director’s designee;
(e) The Director of Public Health of the Division of Public Health or the director’s designee;
(f) The Commissioner of Education or the commissioner’s designee;
(g) The State Court Administrator;
(h) A representative of the state judicial branch to be appointed by the Chief Justice; and
(i) Representatives from each federally recognized Indian tribe within the State of Nebraska, appointed by each tribe’s Tribal Council or Executive Committee.
(2) The work group shall develop a practice and finance model for child welfare system transformation in Nebraska, with consultation from key stakeholders and support from separate juvenile courts and judges of county courts sitting as juvenile courts, private child welfare 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. The practice and finance model shall include, but not be limited to:

(a) Development of a statewide mission and vision for the child welfare system in Nebraska;
(b) Development of values and practice priorities for the child welfare system in Nebraska;
(c) Development of statewide program goals and a practice and finance model for child welfare system case management and service delivery;
(d) Development of engagement strategies to support community involvement in child welfare system transformation;
(e) Development of strategies that strengthen relationships across the court system, probation, executive branch agencies, the State Department of Education, and community partners;
(f) Development of strategies that support integration across agencies;
(g) Development of accountabilities across the entire child welfare system;
(h) Evaluation of the state's Title IV-E claiming practices and identification of appropriate steps to optimize federal reimbursement for child welfare system expenditures;
(i) Opportunities and financial mechanisms for providers to pilot innovative solutions to meet program goals; and
(j) Development of a strategy for data collection and outcome monitoring.

(3) The work group shall provide monthly updates to the strategic leadership group.

Sec. 4. There is hereby established a child welfare strategic leadership group. The strategic leadership group shall be a nonvoting group that exists for purposes of receiving updates on the work group's activities. The strategic leadership group shall consist of:

(1) The chairperson of the Judiciary Committee of the Legislature;
(2) The chairperson of the Health and Human Services Committee of the Legislature;
(3) The Chief Justice or the Chief Justice's designee; and
(4) The chief executive officer of the Department of Health and Human Services or such officer's designee.

Sec. 5. (1) The Department of Health and Human Services shall contract with an outside consultant with expertise in child welfare system transformation by December 15, 2022. The consultant shall assist the work group with the development of a written framework for the practice and finance model.

(2) On or before December 1, 2023, the work group shall electronically submit the written practice and finance model framework to the Health and Human Services Committee of the Legislature.

Sec. 6. The work group and strategic leadership group shall terminate on December 31, 2023.

Sec. 7. Section 28-713, Revised Statutes Cumulative Supplement, 2020, is amended to read:

28-713 (1) Unless a report is assigned to alternative response, upon the receipt of a call reporting child abuse and neglect as required by section 28-711, it is the duty of the law enforcement agency to investigate the report, to protect the child at the time of the assessment, the risk of future child abuse or neglect, the need for services to protect and assist the child and to institute legal proceedings consistent with section 43-247 if the child is seriously endangered in the child's surroundings and immediate removal is necessary for the protection of the child. The law enforcement agency may request assistance from the department during the investigation and shall, by the next working day, notify either the hotline established under section 28-711 or the department of receipt of the report, including whether or not an investigation is being undertaken by the law enforcement agency. A copy of all reports, whether or not an investigation is being undertaken, shall be provided to the department.

(2) When a report is assigned for traditional response, the department shall utilize an evidence-informed and validated tool to assess the safety of the child, and to institute legal proceedings consistent with section 43-247 if the child is seriously endangered in the child's surroundings and immediate removal is necessary for the protection of the child. The law enforcement agency may request assistance from the department during the investigation and shall, by the next working day, notify either the hotline established under section 28-711 or the department of receipt of the report, including whether or not an investigation is being undertaken by the law enforcement agency. A copy of all reports, whether or not an investigation is being undertaken, shall be provided to the department.

(3) When a report contains an allegation of out-of-home child abuse or neglect, a law enforcement agency or the department shall immediately notify each person having custody of each child who has allegedly been abused or neglected that such report has been made unless the person to be notified is the subject of such report. The department or the law enforcement agency shall provide such person with information about the nature of the alleged child abuse or neglect and any other necessary information. The department shall also
provide such social services as are necessary and appropriate under the circumstances to protect and assist the child and to preserve the family. In situations of alleged out-of-home child abuse or neglect, if the subject of the report of child abuse or neglect is a school employee and the child is a student in the school to which such school employee is assigned for work, the department shall immediately notify the Commissioner of Education of receipt of the report, including whether or not an investigation is being undertaken by the law enforcement agency or the department.

(b) In situations of alleged out-of-home child abuse or neglect, if the subject of the report of child abuse or neglect is a child care provider or a child care staff member as defined by subdivision (5)(h) of section 71-1912, the Division of Children and Family Services of the Department of Health and Human Services shall immediately notify the Division of Public Health investigation of the Department of Health and Human Services of receipt of the report, including whether or not an investigation is being undertaken by the law enforcement agency or the department.

(5) The department shall, by the next working day after receiving a report of child abuse or neglect under this section, make a written report or a summary report provided by the department to the proper law enforcement agency in the county and enter in the tracking system of child protection cases maintained pursuant to section 28-715 all reports of child abuse or neglect opened for investigation and any action taken.

(6) The department shall, upon request, make available to the appropriate law enforcement agencies and the county attorney a copy of all reports relative to a case of suspected child abuse or neglect.

(7)(a) In addition to the responsibilities under subsections (1) through (6) of this section, upon the receipt of any report that a child is a reported or suspected victim of sex trafficking of a minor or labor trafficking of a minor as defined in section 28-839 and without regard to the subject of the report, the department shall:

(i) Assign the case to staff for an in-person investigation. The department shall assign a report for investigation regardless of whether or not the subject of the report is a member of the child's household or family or whether the subject is known or unknown, including cases of out-of-home child abuse and neglect;

(ii) Conduct an in-person investigation and appropriately coordinate with law enforcement agencies, the local child advocacy center, and the child abuse and neglect investigation team under section 28-729;

(iii) Use specialized screening and assessment instruments to identify whether the child is a victim of sex trafficking of a minor or labor trafficking of a minor or at high risk of becoming such a victim and determine the needs of the child and family to prevent or respond to abuse, neglect, and exploitation.

On or before December 1, 2019, the department shall develop and adopt these instruments in consultation with knowledgeable organizations and individuals, including representatives of child advocacy centers, behavioral health providers, child welfare and juvenile justice service providers, law enforcement representatives, and prosecutors; and

(iv) Provide for or refer and connect the child and family to services deemed appropriate by the department in the least restrictive environment, or provide for placement, medical services, mental health care, or other needs as determined by the department based upon the department's assessment of the safety, risk, and needs of the child and family to respond to or prevent abuse, neglect, and exploitation.

(b) On or before July 1, 2020, the department shall adopt rules and regulations for the processing of investigation, screening, and assessment of reports of child abuse or neglect and the criteria for opening an ongoing case upon allegations of sex trafficking of a minor or labor trafficking of a minor.

(8) When a preponderance of the evidence indicates that a child is a victim of abuse or neglect as a result of being a trafficking victim as defined in section 28-839, the department shall identify the child as a victim of trafficking, regardless of whether the subject of the report is a member of the child's household or family or whether the subject is known or unknown. The child shall be included in the department's data and reporting on the numbers of child victims of abuse, neglect, and trafficking.

Sec. 8. Section 43-907, Reissue Revised Statutes of Nebraska, is amended to read:

43-907 (1) Unless a guardian shall have been appointed by a court of competent jurisdiction, the Department of Health and Human Services shall take custody of and exercise general control over assets owned by children under the charge of the department. Children owning assets shall at all times pay for personal living expenses not to exceed a maximum of one thousand dollars and current income shall be available for reimbursement to the state for the cost of care. Assets may be deposited in a checking account, invested in United States bonds, or deposited in a savings account insured by the United States Government. All income received from the investment or deposit of assets shall be invested in the individuals whose assets were invested or deposited. The department shall make and maintain detailed records showing all receipts, investments, and expenditures of assets owned by children under the charge of the department.

(2) When the department of health and human services serves as representative payee for a child beneficiary of social security benefits, the department shall provide:

(a) Notice to the child beneficiary, in an age-appropriate manner, and the
caregiving for youth in foster care and to create an implementation plan for providing family finding services. The department shall contract with providers of family finding services or the case management lead agency to carry out the pilot project as provided in this subsection to implement the standardized rates for foster parents and child placing agencies. (b) On or before July 1, 2013, the Division of Children and Family Services of the Department of Health and Human Services shall develop a pilot project as provided in this subsection to implement the standardized rates for foster parents and child placing agencies. (c) The use of rates outside of the established rate structure can create barriers to permanency for children entering adoption and guardianship and prohibits the state from accessing federal foster care funds that would otherwise be available under Title IV-E of the federal Social Security Act, and (d) additional tiers of caregiving should be utilized to support the exceptional caregiving needs of youth who are at risk of entering, or who are stepping down from, congregate treatment family care services in order to expand the service array for high-acuity youth in the foster care system.

(4) The Legislature finds that (a) there is a need for consistency in the implementation of additional levels of caregiving across the state, (b) additional tiers of caregiving and reimbursement exist in the continuum of foster care services available in Nebraska, however, there is a variation in the implementation of additional tiers of caregiving and reimbursement exist in the continuum of foster care services available in Nebraska, however, there is a variation in the implementation of additional levels of caregiving in the continuum of foster care services available in Nebraska, however, there is a variation in the implementation of additional levels of caregiving in the continuum of foster care services available in Nebraska, however, there is a variation in the implementation of additional levels of caregiving in the continuum of foster care services available in Nebraska, however, there is a variation in the implementation of additional levels of caregiving in the continuum of foster care services available in Nebraska, however, there is a variation in the implementation of additional levels of caregiving in the continuum of foster care services available in Nebraska, however, there is a variation in the implementation of additional levels of caregiving in the continuum of foster care services available in Nebraska, however, there is a variation in the implementation of additional levels of caregiving in the continuum of foster care services available in Nebraska, however, there is a variation in the implementation of additional levels of caregiving in the continuum of foster care services available in Nebraska, however, there is a variation in the implementation of additional levels of caregiving in the continuum of foster care services available in Nebraska, however, there is a variation in

(5) On or before October 1, 2022, the Division of Children and Family Services of the Department of Health and Human Services shall, in collaboration with the Foster Care Reimbursement Rate Committee, implement additional statewide tiers of foster care reimbursements for specialized caregiving with standardized rates for foster parents and child placing agencies. (a) On or before July 1, 2013, the Division of Children and Family Services of the Department of Health and Human Services shall develop a pilot project as provided in this subsection to implement the standardized level of care assessment tools recommended by the Foster Care Reimbursement Rate Committee as reported to the Legislature pursuant to section 43-4212 as such section existed before June 5, 2013.

(b)(I) The pilot project shall comprise two groups: One in an urban area and one in a rural area. The size of each group shall be determined by the division to ensure an accurate estimate of the effectiveness and cost of implementing such tools statewide.

(ii) The Nebraska Children's Commission shall review and provide a progress report on the pilot project by October 1, 2013, to the department and electronically to the Health and Human Services Committee of the Legislature; shall provide to the department and electronically to the committee by December 1, 2013, a report including recommendations and any legislation necessary, including appropriations, to adopt the recommendations, regarding the adaptation or continuation of the implementation of a statewide standardized level of care assessment; and shall provide to the department and electronically to the committee by February 1, 2014, a final report and final
recommendations of the commission.

Sec. 11. Section 43-4401, Reissue Revised Statutes of Nebraska, is amended to read:

43-4401 For purposes of sections 43-4401 to 43-4407 43-4409:
(1) Department means the Department of Health and Human Services; and
(2) N-FOCUS system means the electronic data collection system in use by the department on April 12, 2012;

(3) Pilot project means a case management lead agency model pilot project established by the department pursuant to Laws 2012, LB961; and
(4) Service area means a geographic area administered by the department and designated pursuant to section 81-3116.

Sec. 12. Section 43-4402, Reissue Revised Statutes of Nebraska, is amended to read:

43-4402 The Legislature finds that:
(1) Nebraska does not have the capacity to collect and analyze routinely and effectively the data required to inform policy decisions, child welfare service development, and evaluation of its child welfare system;
(2) The N-FOCUS system is difficult to use and does not provide the appropriate data for meaningful monitoring of the child welfare system for children's safety, permanency, and wellness;
(3) The N-FOCUS system does not easily integrate with other computer systems that have different purposes, capacities, file structures, and operating systems, resulting in silos of operation and information; and
(4) The Legislature finds that the department needs leadership in developing a uniform electronic data collection system to collect and evaluate data regarding children served, the quality of child welfare services provided, and the outcomes produced by such child welfare services.

Sec. 13. Section 43-4403, Reissue Revised Statutes of Nebraska, is amended to read:

43-4403 It is the intent of the Legislature:
(1) To provide for (a) legislative oversight of the child welfare system through an improved electronic data collection system, (b) improved child welfare outcome measurements through increased reporting by any lead agencies or the pilot project and the department, and (c) an independent evaluation of the child welfare system; and
(2) To develop an electronic data collection system to integrate child welfare information into one system to more effectively manage, track, and share information, especially in child welfare case management.

Sec. 14. Section 43-4406, Revised Statutes Cumulative Supplement, 2020, is amended to read:

43-4406 On or before each September 15, the department shall report electronically to the Health and Human Services Committee of the Legislature the following information regarding child welfare services, with respect to children served by any lead agency or the pilot project and children served by the department:
(1) The percentage of children served and the allocation of the child welfare budget, categorized by service area and by lead agency or the pilot project, including:
(a) The percentage of children served, by service area and the corresponding budget allocation; and
(b) The percentage of children served who are wards of the state and the corresponding budget allocation;
(2) The number of siblings in out-of-home care placed with siblings as of the June 30 immediately preceding the date of the report, categorized by service area and by lead agency or the pilot project;
(3) The number of waivers granted under subsection (2) of section 71-1904;
(4) An update of the information in the report of the Children's Behavioral Health Task Force pursuant to sections 43-4001 to 43-4003, including:
(a) The number of children receiving mental health and substance abuse services annually by the Division of Behavioral Health of the department;
(b) The number of children receiving behavioral health services annually at the Hastings Regional Center;
(c) The number of state wards receiving behavioral health services as of September immediately preceding the date of the report;
(d) Funding sources for children's behavioral health services for the fiscal year ending on the immediately preceding June 30;
(e) Expenditures in the immediately preceding fiscal year by the division, categorized by category of behavioral health service and by behavioral health region; and
(f) Expenditures in the immediately preceding fiscal year from the medical assistance program and CHIP as defined in section 68-969 for mental health and substance abuse services, for all children and for wards of the state;
(5) The following information as obtained for each service area and lead agency or the pilot project:
(a) Case manager education, including college degree, major, and level of education beyond a baccalaureate degree;
(b) Average caseload per case manager;
(c) Average number of case managers per child during the preceding twelve months;
(d) Average number of case managers per child for children who have been in the child welfare system for three months, for six months, for twelve months, and for eighteen months and the consecutive yearly average for children
until the age of majority or permanency is attained;
(e) Monthly case manager turnover;
(f) Monthly face-to-face contacts between each case manager and the children on his or her caseload;
(g) Monthly face-to-face contacts between each case manager and the parent or parents of the children on his or her caseload;
(h) Case documentation of monthly consecutive team meetings per quarter;
(i) Case documentation of monthly consecutive parent contacts per quarter;
(j) Case documentation of monthly consecutive child contacts with case manager per quarter;
(k) Case documentation of monthly consecutive contacts between child welfare service providers and case managers per quarter;
(l) Court contacts; and
(m) Non-court-involved children, including the number of children served, the types of services requested, the specific services provided, the cost of the services provided, and the funding source;
(6) All placements in residential treatment settings made or paid for by the child welfare system, the Office of Juvenile Services, the State Department of Education or local education agencies, any lead agency or the pilot project through letters of agreement, and the medical assistance program, including, but not limited to:
(a) Child variables;
(b) Reasons for placement;
(c) The percentage of children denied medicaid-reimbursed services and denied the level of placement requested;
(d) With respect to each child in a residential treatment setting:
(i) If there was a denial of initial placement request, the length and level of each placement subsequent to denial of initial placement request and the status of each child before and immediately after, six months after, and twelve months after placement;
(ii) Funds expended and length of placements;
(iii) Number and level of placements;
(iv) Facility variables; and
(v) Identification of specific child welfare services unavailable in the child's community that, if available, could have prevented the need for residential treatment; and
(e) Identification of child welfare services unavailable in the state that, if available, could prevent out-of-state placements;
(f) Case documentation of any lead agency or the pilot project, the percentage of its accounts payable to subcontracted child welfare service providers that are thirty days overdue, sixty days overdue, and ninety days overdue;
(7) (8) For any individual involved in the child welfare system receiving a service or a placement through the department or its agent for which referral is necessary, the date when such referral was made by the department or its agent and the date and the method by which the individual receiving the services was notified of such referral. To the extent the department becomes aware of the date when the individual receiving the referral began receiving such services, the department or its agent shall document such date;
(8) (9) The number of sexual abuse allegations that occurred for children being served by the Division of Children and Family Services of the Department of Health and Human Services and placed at a residential child-caring agency and the number of corresponding (a) screening decision occurrences by category, (b) open investigations by category, and (c) agency substantiations, court substantiations, and court-pending status cases; and
(9) Information on children who are reported or suspected victims of sex trafficking of a minor or labor trafficking of a minor, as defined in section 28-830, including:
(a) The number of reports to the statewide toll-free number pursuant to section 28-711 alleging sex trafficking of a minor or labor trafficking of a minor and the number of children alleged to be victims;
(b) The number of substantiated victims of sex trafficking of a minor or labor trafficking of a minor, including demographic information and information on whether the children were already served by the department;
(c) The number of children determined to be reported or suspected victims of sex trafficking of a minor or labor trafficking of a minor, including demographic information and information on whether the children were previously served by the department;
(d) The types and costs of services provided to children who are reported or suspected victims of sex trafficking of a minor or labor trafficking of a minor; and
(e) The number of ongoing cases opened due to allegations of sex trafficking of a minor or labor trafficking of a minor and number of children and families served through these cases.
Sec. 15. Section 43-4407, Reissue Revised Statutes of Nebraska, is amended to read:
'43-4407 (1) Each service area administrator and any lead agency or the pilot project shall annually survey children, parents, foster parents, judges, guardians ad litem, attorneys representing parents, and service providers involved with the child welfare system to monitor satisfaction with (a) adequacy of communication by the case manager, (b) response by the department, any lead agency, or the pilot project to requests and problems, (c) transportation issues, (d) medical and psychological services for children and parents, (e) visitation schedules, (f) payments, (g) support services to foster
parents, (h) adequacy of information about foster children provided to foster parents, and (i) the case manager’s fulfillment of his or her responsibilities. A summary of the survey shall be reported electronically to the Health and Human Services Committee of the Legislature on September 15, 2012, and each September 15 thereafter.

(2) Each service area administrator and any lead agency or the pilot project shall provide monthly reports to the child advocacy center that correspond with the geographic location of the child regarding the services provided through the department or a lead agency or the pilot project when the child is identified as a voluntary or non-court-involved child welfare case. The monthly report shall include the plan implemented by the department, the lead agency, or the pilot project for the child and family and the status of compliance with the plan. The child advocacy center shall provide a summary electronically to the Health and Human Services Committee of the Legislature on September 15, 2012, and every September 15 thereafter, or more frequently if requested by the committee.

Sec. 16. Section 68-1287, Reissue Revised Statutes of Nebraska, is amended to read:

68-1207 (1) The Department of Health and Human Services shall supervise all public child welfare services as described by law. The department and the pilot project described in section 68-1212 shall maintain caseloads to carry out child welfare services which provide for adequate, timely, and indepth investigations and services to children and families. Caseloads shall range between twelve and seventeen cases as determined pursuant to subsection (2) of this section. In establishing the specific caseloads within such range, the department and the pilot project shall (a) include the workload factors that may differ due to geographic responsibilities, office location, and the travel required to provide a timely response in the investigation of abuse and neglect, the protection of children, and the provision of services to children and families in a uniform and consistent statewide manner and (b) utilize the workload criteria of the standards established as of January 1, 2012, by the Child Welfare League of America. The average caseload shall be reduced by the department in all service areas as designated pursuant to section 81-3116 and by utilizing the criteria established by the department in all service areas as designated pursuant to subsection by September 1, 2012. Beginning September 15, 2012, the department shall include in its annual report required pursuant to section 68-1207.01 a report on the attainment of the decrease according to such caseload standards. The department’s annual report shall also include changes in the standards of the Child Welfare League of America or its successor.

(2) Caseload size shall be determined in the following manner: (a) If children are placed in the home, the family shall count as one case regardless of how many children are placed in the home; (b) if a child is placed out of the home, the child shall count as one case; (c) if, within one family, one or more children are placed in the home and one or more children are placed out of the home, the children placed in the home shall count as one case and each child placed out of the home shall count as one case; and (d) any child receiving services from the department or a private entity under contract with the department shall be counted as provided in subdivisions (a) through (c) of this subsection whether or not such child is a ward of the state. For purposes of this subsection, a child is considered to be placed out of the home if the child is placed in a foster family home or a residential child-caring agency as defined in section 71-1901, a residential child-caring agency as defined in section 71-1902, or any other setting which is not the child’s planned permanent home.

(3) To insure appropriate oversight of noncourt and voluntary cases when any child welfare services are provided, either by the department or by a lead agency participating in the pilot project, as a result of a child safety assessment, the department or lead agency shall develop a case plan that specifies the services to be provided and the actions to be taken by the department or lead agency and the family in each such case. Such case plan shall clearly indicate, when appropriate, that children are receiving services to prevent out-of-home placement and that, absent preventive services, foster care is the planned arrangement for the child.

A summary of the survey shall be reported electronically to the Health and Human Services Committee of the Legislature shall provide funds for additional staff.

Sec. 17. Section 68-1218, Reissue Revised Statutes of Nebraska, is amended to read:

68-1218 (1) Notwithstanding any other provision of law, the Department of Health and Human Services shall have the authority through rule or regulation to establish payment rates for children with special needs who are in foster care and in the custody of the department.

(2)(a) On or before October 1, 2022, the Division of Medicaid and Long-Term Care and the Division of Children and Family Services of the Department of Health and Human Services shall develop a plan to implement treatment family care services as submitted to the Health and Human Services Committee of the Legislature and the Nebraska Children’s Commission.

(b) On or before October 1, 2022, the Division of Medicaid and Long-Term Care shall implement treatment family care services as allowed by federal law. The department shall seek to maximize federal funding for such program prior to utilizing state medicaid funds for eligible children.

Sec. 18. Section 68-1212, Revised Statutes Cumulative Supplement, 2020, is amended to read:
68-1212 For (1) Except as provided in subsection (2) of this section, for all cases in which a court has awarded a juvenile to the care of the Department of Health and Human Services according to subsection (1) of section 43-285 and for any noncourt and voluntary cases, the case manager shall be an employee of the department. Such case manager shall be responsible for and shall directly oversee: Case planning; service authorization; investigation of compliance; monitoring and evaluation of the care and services provided to children and families; and decisionmaking regarding the determination of visitation and the permanency of the juvenile filed with the court required under subsection (2) of section 43-285. The health and safety of the juvenile shall be the paramount concern in the proposed plan in accordance with subsection (2).

(2) The department may contract with a lead agency for a case management lead agency model pilot project in the department’s eastern service area as designated pursuant to section 68-1214. The department shall include in the contract the appropriate conditions, performance outcomes, and oversight for the lead agency, including, but not be limited to:

(a) The reporting and survey requirements of lead agencies described in sections 43-4406 and 43-4407;

(b) Departmental monitoring and functional capacities of lead agencies described in section 43-4408;

(c) The key areas of evaluation specified in subsection (2) of section 43-4409;

(d) Compliance and coordination with the strategic child welfare priorities determined by the Nebraska Children’s Commission as provided in section 43-4204; and

(e) Assurance of financial accountability and reporting by the lead agency.

(3) A lead agency contracted to provide community based care for children and families shall:

(a) Have a board of directors of which at least fifty-one percent of the membership is comprised of Nebraska residents who are not employed by the lead agency or by a subcontractor of the lead agency;

(b) Demonstrate readiness shown by the completion of a readiness assessment developed by the Department of Health and Human Services to determine the viability. The assessment shall evaluate organizational, operational, and programmatic capabilities and performance, including readiness of: The board of directors; compliance and oversight; financial risk management; financial liquidity and performance; infrastructure maintenance; funding sources, including state, federal, and external private funding; and operations, including reporting, staffing, evaluation, training, supervision, contract monitoring, and program performance tracking capabilities;

(c) Have the ability to provide directly or by contract through a local network of providers the services required of a lead agency. A lead agency shall not directly provide more than thirty-five percent of direct services required under the contract;

(d) Provide accountability for meeting the outcomes and performance standards related to child welfare services established by Nebraska child welfare policy and the federal government. Nothing in this section shall prohibit the transition of case management services to such lead agency over a period of time.

(E) The Director of Children and Family Services of the Division of Children and Family Services of the Department of Health and Human Services shall notify the Health and Human Services Committee of the Legislature when the readiness assessment required under subdivision (3)(b) of this section is complete and provide assurance that the lead agency has demonstrated full readiness, prior to the assumption of service provision by such lead agency.

Sec. 19. Section 68-1214, Reissue Revised Statutes of Nebraska, is amended to read:

68-1214 To facilitate consistency in training all case managers and allow for Title IV-E reimbursement for case manager training under Title IV-E of the federal Social Security Act, as amended, the same program for initial training of case managers shall be utilized for all case managers, whether they are employed by the department or by an organization under contract with the department. The initial training of all case managers shall be provided by the department or one or more organizations under contract with the department. The department shall create a formal system for measuring and evaluating the quality of such training. All case managers shall complete a formal assessment prior to or initial training to demonstrate competency prior to assuming responsibilities as a case manager. The training curriculum for case managers shall include, but not be limited to: (1) An understanding of the benefits of utilizing evidence-based and promising casework practices; (2) the importance of guaranteeing service providers’ fidelity to evidence-based and promising casework practices; and (3) a commitment to evidence-based and promising family-centered casework practices that utilize a least restrictive approach for children and families.
Sec. 20. Sections 7, 8, 9, 11, 12, 13, 14, 15, 16, 18, 19, 21, and 23 of this act become operative three calendar months after the adjournment of this legislative session. The other sections of this act become operative on their effective date.

Sec. 21. Original sections 43-907, 43-2204, 43-4401, 43-4402, 43-4403, 43-4407, 68-1207, and 68-1214, Reissue Revised Statutes of Nebraska, and sections 28-713, 43-4406, and 68-1212, Revised Statutes Cumulative Supplement, 2020, are repealed.

Sec. 22. Original sections 43-4215 and 68-1210, Reissue Revised Statutes of Nebraska, are repealed.

Sec. 23. The following sections are outright repealed: Sections 43-4408, 43-4409, and 81-3135, Reissue Revised Statutes of Nebraska, and section 68-1213, Revised Statutes Supplement, 2021.

Sec. 24. Since an emergency exists, this act takes effect when passed and approved according to law.