

**ONE HUNDRED THIRD LEGISLATURE - FIRST SESSION - 2013**  
**COMMITTEE STATEMENT**  
**LB530**

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**Hearing Date:** Wednesday February 13, 2013  
**Committee On:** Health and Human Services  
**Introducer:** Dubas  
**One Liner:** Add, change, and eliminate provisions relating to foster care reimbursements

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

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**Vote Results:**  
**Aye:** 6 Senators Campbell, Cook, Crawford, Howard, Gloor, Krist  
**Nay:**  
**Absent:**  
**Present Not Voting:** 1 Senator Watermeier

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**Proponents:**

Senator Annette Dubas  
Corrie Edwards  
Lana Temple-Plotz  
Peg Harriott  
  
Gregg Nicklas  
  
Jodie Austin  
David Newell  
Sarah Helvey  
Jacquelyn Meyer

**Representing:**

District #34  
Mid-Plains Center  
Foster Family-based Treatment Association (FFTA)  
Child Saving Institute and Children & Families Coalition of Nebraska  
Christian Heritage and Children & Families Coalition of Nebraska  
KVC Nebraska  
Nebraska Families Collaborative (NFC)  
Nebraska Appleseed  
Building Blocks

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

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

The Legislature finds that it was the intent of Neb. Rev. Stat. sections 43-4208 through 43-4213 to provide bridge funding to bring Nebraska's foster care reimbursement rates in line with foster care reimbursement rates in the rest of the country; and to recognize the importance of stable payment to foster parents to ensure families are able to budget for needs while caring for foster children. It is also the intent of the Legislature to ensure fair rates continue into the future to: stem attrition of foster parents; recruit, support, and maintain high quality foster parents; guarantee foster care reimbursement rates accurately reflect the cost of raising the child in the care of the state; ensure contracted foster care service provider agencies do not pay increased rates from budgets determined as a result of preexisting contracts with the department prior to any change in rates; maintain comparable foster care reimbursement rates to ensure retention and recruitment of quality foster parents; and assure that foster children's best interests are served; and appropriate funds to permanently replace the bridge funding and provide the necessary additional funds to bring foster care reimbursement rates in compliance with the recommendations of the research and study completed as a result of LB 820 Session 2012 by the Foster Care Reimbursement Rate Committee.

LB 530 requires the Division of Children and Family Services implement the reimbursement rate recommendations of the Foster Care Reimbursement Rate Committee and develop a pilot project aimed toward implementing the standardized level of care as required under Neb. Rev. Stat. 43-4212.

The pilot project shall be comprised of two groups: one in an urban area, and the other 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 a tool statewide.

Prior to April 1, 2014, the department must review the pilot project and provide to the department and the Health and Human Services Committee of the Legislature 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. The department must provide the full reimbursement rate to contracted provider agencies in the pilot program.

On or before January 1, 2016, the Nebraska Children's Commission must appoint a foster care reimbursement rate committee to make recommendations to the Health and Human Services Committee for a standard statewide level of care assessment and shall tie performance with payments to achieve permanency outcomes for children and families. The bill specifies the membership of the Foster Care Reimbursement Rate Committee. Members of the committee must serve for terms of four years and until their successors are appointed and qualified. The Nebraska Children's Commission may appoint the chairperson of the committee and may fill vacancies on the committee as they occur.

The Foster Care Reimbursement Rate Committee shall review and make recommendations in areas such as: foster care reimbursement rates, the statewide standardized level of care assessment, and adoption assistance payments as required by 43-117. In making recommendations to the Legislature the committee shall: use current foster care reimbursement rates as the beginning standard; adjust the standard to reflect the reasonable cost of achieving measurable outcomes for all children in foster care; analyze current consumer expenditure data reflecting the costs of caring for a child in Nebraska; identify and account for additional costs specific to children in foster care; apply a geographic cost-of-living adjustment for Nebraska; comply with funding requirements related to Title IV-E and other federal programs as appropriate to maximize the utilization of federal funds to support foster care.

The Foster Care Reimbursement Rate Committee must review the effectiveness and make recommendations on the statewide standardized level of care assessment containing standardized criteria to determine a foster child's placement needs and to identify the appropriate foster care reimbursement rate. The committee must: review other states' assessment models and foster care reimbursement rate structures in completing the statewide review and reimbursement rate structure; ensure the assessment and rate structure provide incentives for performance in achieving the child welfare goals; review and make recommendations on assistance payments to adoptive parents as required by section 43-117; and make recommendations to ensure that changes in foster care reimbursement rates do not become a disincentive to permanency.

The committee may organize subcommittees as it deems necessary.

The Foster Care Reimbursement Rate Committee must provide written reports with its recommendation to the Health and Human Services Committee of the Legislature on July 1, 2016, and every four years thereafter.

LB 530 amends the termination date of the Nebraska Children's Commission from June 30, 2014 to June 30, 2016.

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**Explanation of amendments:**

The Committee amendment adds a deadline of "on or before July 1, 2013" for the Division of Children and Family Services to develop a pilot project, as outlined in the bill, to implement standardized level of care assessment tools as recommended by the Foster Care Reimbursement Rate Committee report to the Legislature from December 2012.

Additionally the Committee Amendment requires the Children's Commission, rather than the department, to review the

pilot project and provide t the department and the Health and Human Services of the Legislature recommendations regarding the implementation of a statewide standardized level of care assessment.

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Kathy Campbell, Chairperson