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Health and Human Services Committee
January 28, 2011

[LB92 LB95 LR37]

The Committee on Health and Human Services met at 1:30 p.m. on Friday, January 28, 2011, in Room 1510 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LR37, LB92, and LB95. Senators present: Kathy Campbell, Chairperson; Mike Gloor, Vice Chairperson; Dave Bloomfield; Tanya Cook; Bob Krist; and Norm Wallman. Senators absent: Gwen Howard.

SENATOR CAMPBELL: (RECORDER MALFUNCTION, some recording lost)...Legislative District in Lincoln. And I'm going to start on my...I usually say my far right, but Senator Bloomfield is coming in, so I'll let him get to his chair and then he can introduce himself. But he's usually there.

SENATOR BLOOMFIELD: Dave Bloomfield, District 17, up in the northeast part of the state.

SENATOR COOK: I'm Tanya Cook from the northeast part of the city of Omaha and Douglas County.

SENATOR WALLMAN: I'm Norm Wallman, District 30, from south Lincoln to the Kansas border.

SENATOR GLOOR: Mike Gloor, I'm from District 35, which is Grand Island.

MICHELLE CHAFFEE: I'm Michelle Chaffee, legal counsel to the Health and Human Services Committee.

SENATOR KRIST: I'm Bob Krist. I represent District 10, in northwest Omaha.

SENATOR CAMPBELL: And Diane Johnson is our clerk. And they're both here today--Ayisha, want to wave, is one of the pages, and Crystal. They're both seniors. They will be returning to the Legislature in years to come, I can assure you. These two women are just exceptionally good pages. With that, I'm going to cover some of the housekeeping examples before we start out on the testimony. I would like you to silence all of your cell phones so that you do not bother any of your neighbors as they are listening to the testimony this afternoon. Testifiers should have 12 copies of their testimony. And we do not make copies, but the pages can help you locate some place where they can be made. You only need to sign in if you're going to testify. And those are the bright orange sheets. And what we're trying to do is make sure the clerk has everything. So when you come up, before you sit down, hand the clerk your sign-in sheet and 12 copies if you're bringing copies for us. We do run a light system in the committee. You have five minutes. The green light seems like it's on forever, and then all of a sudden it's yellow and then it goes to red. And then you're going to look up and

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I'm going to be going time, time, time, time. We try to be very succinct about the five minutes because we want everyone to be able to testify. And when you come forward please spell your last name for the clerk. This afternoon, we will open the hearings with a legislative resolution, LR37. This is a resolution presented by the Health and Human Services Committee to provide the committee to be designated to review, investigate and assess the effect of the child welfare reform initiative implemented by the Department of Health and Human Services. And I will go to the testifier's chair and testify on behalf of the committee to enter some information into the record. And so at this point, we'll have Senator Gloor take over until I get there, in case they get rowdy or something. (Laughter)

SENATOR GLOOR: Good afternoon, Senator Campbell. The floor is yours.

SENATOR CAMPBELL: Thank you very much. My name is Kathy Campbell from District 25. It's C-a-m-p-b-e-l-l. And as I said, I am opening testimony on LR37, which was introduced by the Health and Human Services Committee. In the introduction I will review the background leading to the introduction of LR37 and briefly summarize for the committee and our hearing guests the provisions of the resolution. After the testimony, I will share some additional thoughts regarding the rationale and goals for this resolution. In July of 2009, the department selected six private agencies as lead agencies to implement the child welfare reform initiative, recently entitled Families Matter. The child welfare reform increased the responsibilities of these private agencies to provide services to children and families. The private agencies were subject to a risk-based rather than a fee-for-service reimbursement. On October 15, 2010, the department announced the remaining agencies would receive greater case management responsibilities. The result of the case management transfer is the reduction of department staff that provides critical case management services and a last safety net if private agencies stop providing services in the future. By November 1, 2010, three agencies had ended their contracts with the state, citing loss of significant funds and only two lead agencies remain. The HHS Committee interim study hearings on LR568 revealed additional serious concerns about the long-term planning and sustainability of the child welfare reform. These included: lack of documentation and records; failure to pay foster care parents and service providers; confusion regarding work responsibilities; and a lack of training and quality of care to ensure the safety and protection of Nebraska's children. The legislative resolution, and here I will provide a summary of its provisions: to review, investigate and assess the effect of the child welfare reform initiative; to consult with a broad array of public and private stakeholders; to utilize existing and past studies, reports and information relating to the effort to improve the child welfare system; hold public hearings on the implementation of child welfare reform utilizing the authority provided by Section 50-406 and the rules of the Nebraska Unicameral Legislature; to consider issues surrounding the implementation of the child welfare reform, including but not limited to: the goals, outcome measures, coordination, and long-term planning; effectiveness of public-private partnership to provide services;

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number of children attaining permanency through adoption; accountability, funding, and financial sustainability; fulfillment of the federal Child and Family Service Review outcomes and indicators; and last, the options of requesting the Legislative Performance Audit Committee and the Auditor of Public Accounts to conduct a joint performance and fiscal audit or separate audits of child welfare reforms. That should provide for not only the committee a reminder of what's in the resolution but for the testifiers to have an idea of what we had planned in this LR37. And with that, Senator Gloor, I think, we can take our testimony from others. [LR37]

SENATOR GLOOR: Are there any questions for Senator Campbell? [LR37]

SENATOR CAMPBELL: I'm sorry. Okay. All right, first we will take testimony from those who wish to testify as proponents for the resolution. Good afternoon. [LR37]

JULIE DAKE ABEL: (Exhibits 1 and 2) Good afternoon, Chairman and members of the committee. My name is Julie Dake Abel, that's D-a-k-e A-b-e-l, and I am the executive director of the Nebraska Association of Public Employees, AFSCME Local 61. I am here to testify in support of this resolution. And I thank the committee for bringing this resolution forward. As some of you may know, we are the union that represents the majority of state employees, including many of the current children and family specialist workers. And, you know, I know that there has been some trouble getting information from the agency. We have experienced some of that same trouble. As I know, unfortunately, some members of the Legislature have as well. We do believe that it's important for there to be oversight for how the welfare reform is being done. We have many case managers across the state. And we feel that oversight is important for this to be in the best interests of the children and families of this state. The department's decision to partially privatize foster care has opened the door for many questions, including funding distribution, adequate services, and consistent policies and procedures throughout the state. But by providing the committee the ability to conduct studies and properly assess the state's welfare system we'll be better ensuring the safety and the well-being of children and their families. I have handed out to you my testimony. I've also done an attachment with that, and you'll see that it is entitled "A memo and contract." That is coming from when the Department of Health and Human Services went to privatize some of the services out they had to submit that to the Department of Administrative Services for the approval. And from that approval and from the contracts that the providers have we were able to go through that and look at that and came up with some concerns that we have. So our international union and myself went through that. We went through and kind of compared as to what we thought might be some issues of concern that the committee might want. And so that's kind of a compilation of those issues. If you have any questions about that or need any additional information or want some of the memos, I do know that Senator Howard's office, I believe, has that. I can also certainly provide that to you as well. But I did want to bring up just a couple of points that, I think, will be important if we are able to be successful in

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having this oversight committee. The memo that the agency had put out falsely assumes that there is no question that a private agency is superior to a public agency for the provision of child welfare services. However, there is no supporting document or evidence that you can find in the information that the department had sent out. Indeed, one of the providers is KVC. And while that staff salary administrator's...or the administrator's salary is approximately \$82,500 versus a child and family services administrator which is \$60,000, so we believe that we're actually going to be adding more administrative costs to the program by some of this change over to the private providers. And it's nothing personal against the providers at all. But we actually believe that it is going to be...not be a cost savings but actually cost the state more, while also we don't believe that it's going to currently meet the needs of the children, because we don't believe the system is set up. And HHS is setup enough to be able to handle this transition. So some of our concern obviously is cost-based. We also have looked at some of the reports on privatization. There have been some privatization initiatives in Kansas, Florida, Missouri, Hamilton County, Ohio, Wayne County including Detroit area, Michigan, and Maine. And there were a number of recurring themes that we saw and recommendations that were developed to help other communities appropriately plan from that. Some of the things that they experienced that I would like for the committee to be aware of is that cost savings cannot be expected when child welfare services are privatized. Another thing is that greater efficiency is rarely achieved through the privatization of child welfare services. Other studies since then have also provided a mixed results on that. And another good reference would be the Child Welfare League of America that has certain standards on that as well. So if you need any additional information, we would be happy to provide that to you. But I'll close very quickly. We do want to thank you for bringing the resolution forward. And we believe that it is necessary to help the children and the families of the state to help give them that last safety net and have some oversight. [LR37]

SENATOR CAMPBELL: Thank you, Ms. Abel. Questions from the senators? Senator Wallman. [LR37]

SENATOR WALLMAN: Thank you, Chairman Campbell. Thanks for coming, Julie. [LR37]

JULIE DAKE ABEL: Sure. [LR37]

SENATOR WALLMAN: As you realize, we're always worried about the bottom dime but also care of the children. [LR37]

JULIE DAKE ABEL: Um-hum. [LR37]

SENATOR WALLMAN: Do you think we didn't send out good enough signals how much of a deal this was going to be, you know, to private contractors? Did we set out...you

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know, when you set out contracts, you think we underestimated the cost of this thing or... [LR37]

JULIE DAKE ABEL: Well, I do think that the cost was underestimated. I don't think that there was also enough detail in it as well. Some of the figures were given, for example, employee salaries were given and they were given how they are now. What we are looking at, at like five years from now, and it's very difficult. While it can be difficult to somewhat look at the costs, I don't think that there was near enough detail in here is how we're...here's where we're incurring the costs, here's our budget line items for this, as far as how is it going to be in the future. And, I think, you can go to other states that have done this and look at some of their results to be able to see that, because, I think, more questions "arised" from that than is apparent from the initial numbers. [LR37]

SENATOR WALLMAN: Yeah, I do too. Thanks. [LR37]

JULIE DAKE ABEL: Um-hum. [LR37]

SENATOR CAMPBELL: Senator Krist. [LR37]

SENATOR KRIST: Are you familiar with the concept of life-cycle costs? [LR37]

JULIE DAKE ABEL: Somewhat. [LR37]

SENATOR KRIST: I found that, in my government background, when you don't send out the correct specs you don't sometimes get good results. But when you say your costs are equal, and if your life-cycle costs are included in terms of retirement, insurance, etcetera, etcetera, etcetera,... [LR37]

JULIE DAKE ABEL: Um-hum. [LR37]

SENATOR KRIST: ...I'd be interested to see what your numbers look like in terms of, as I hear your argument or your points, you're saying that your salary and contractor salaries are different. And that it's cheaper to do it inhouse as opposed to privatizing and going outside. [LR37]

JULIE DAKE ABEL: Yes, I believe, it is. [LR37]

SENATOR KRIST: Okay. I'd be interested to see what your numbers are based on, because if we're talking about life-cycle cost of an employee, we're also adding in retirement benefits and all that. [LR37]

JULIE DAKE ABEL: Sure, absolutely, and potential raises, yes. [LR37]

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SENATOR KRIST: And I don't need...I don't think that in a services contract base those costs are being paid for by the government. I think that's up to the...so again, specs in terms of sending it out for a contract. So I'd be very interested in seeing the apples to apples comparison between the two. [LR37]

JULIE DAKE ABEL: Well, and if I could comment on that as well. [LR37]

SENATOR KRIST: Sure. [LR37]

JULIE DAKE ABEL: We can certainly get some of that information. But some of that information we also rely on getting from the agency. So while as much, you know, as we can do with what we have for the information. But if we don't have the good initial information to start out with from them then it's a little harder to look at some of the exact numbers. [LR37]

SENATOR KRIST: Just to be specific, the agency you're referring to, HHS. [LR37]

JULIE DAKE ABEL: I'm sorry, yes, yes, I'm sorry. [LR37]

SENATOR KRIST: Okay, thank you. [LR37]

JULIE DAKE ABEL: Yes, from HHS. So while there have been some things that we can look at to see here's where the costs have been higher, and here's where we believe that they're going to be higher, some of that we have to look at based upon what we know and what we believe, you know, working with the numbers that we have from HHS. So I don't know if I'm answering that very well or not. [LR37]

SENATOR KRIST: You are, yeah, that's fine. [LR37]

JULIE DAKE ABEL: And so some of it is a little bit of a projection on our part based upon our experience or what we can get. But some of it you kind of have to fill in the blank when you have some numbers missing. I just think the lower figures that you can have the better off you will be. And we do have some, we don't have every figure there may be out there related to like every staff cost. Like, we have...know more some of the administrators salaries, we do know some of the employee's salaries as well. But then you also have, you know, many other costs that go into... [LR37]

SENATOR KRIST: Sure. [LR37]

JULIE DAKE ABEL: ...the factoring as well. [LR37]

SENATOR KRIST: I appreciate it. And that, I guess, will be our job, collecting that data. [LR37]

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JULIE DAKE ABEL: And I can certainly help with any information I can give the committee. [LR37]

SENATOR KRIST: Thank you very much for your testimony. [LR37]

JULIE DAKE ABEL: Yeah, sure. [LR37]

SENATOR KRIST: Thank you. [LR37]

SENATOR CAMPBELL: Any other questions? Senator Gloor. [LR37]

SENATOR GLOOR: Thank you, Senator Campbell. Thank you for providing testimony, Julie. [LR37]

JULIE DAKE ABEL: Um-hum. [LR37]

SENATOR GLOOR: Is it your understanding that the impetus for privatization was driven mostly or to a large extent by the poor scores the state had in some key areas that related to care of children? [LR37]

JULIE DAKE ABEL: You know, I really don't know. I really can't answer that question. You know, I think, the agency could probably better answer that question. [LR37]

SENATOR GLOOR: Okay. [LR37]

JULIE DAKE ABEL: I'm not really sure as to what led up to it. I mean, I might have my own idea, but I'm not sure that that would be entirely accurate. [LR37]

SENATOR GLOOR: Sure and that's fair. Do we know on those administrative positions that you compared, do we know...have we looked at the job descriptions? Are we sure that an administrator is an administrator in the two different systems? Was that a comparison of job descriptions? [LR37]

JULIE DAKE ABEL: Not much of a comparison of job descriptions. [LR37]

SENATOR GLOOR: Okay. [LR37]

JULIE DAKE ABEL: It was based upon what we knew that the positions did, but we didn't actually physically have each job description to look at. So, I mean, there certainly could be some variables. [LR37]

SENATOR GLOOR: Okay. And this probably is as much an opinion but it, to a large

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extent, is one of the issues we're struggling with. Do you think a child is better off in a home setting, assuming that can be a stable and safe home or under the care of the state? And I understand that foster care, they could still be wards of the state. [LR37]

JULIE DAKE ABEL: Um-hum. [LR37]

SENATOR GLOOR: But trying to decide where they're trying to get children in homes versus protecting them under the care of the state, is this a decision related to either, as far as you're concerned? [LR37]

JULIE DAKE ABEL: As far...related to either or...? [LR37]

SENATOR GLOOR: Stable homes or under the care of the state in state institutions or under the constant monitoring of the state. [LR37]

JULIE DAKE ABEL: Well, I think, there's a balance there. I think that depends upon the situation. And with myself not being in social work anymore, (laugh)... [LR37]

SENATOR GLOOR: Sure. [LR37]

JULIE DAKE ABEL: ...I don't know that, you know, with me representing the organization I represent, that I would be the most qualified to actually tell you that. [LR37]

SENATOR GLOOR: And I'll probably repeat that question several times today, trying to get my arms around that concept. So I appreciate the challenge to you to answer it. But thank you. [LR37]

JULIE DAKE ABEL: Um-hum. [LR37]

SENATOR CAMPBELL: Any other questions? Thank you, Ms. Abel. [LR37]

JULIE DAKE ABEL: Okay. [LR37]

SENATOR CAMPBELL: Other testifiers as proponents? [LR37]

CANDY KENNEDY: Do you mind if we stand? Because we came up together. We decided to... [LR37]

SENATOR CAMPBELL: We can get you another chair. Do we have another chair? [LR37]

PAMELA ALLEN: Well, we could stand. [LR37]

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CANDY KENNEDY: We're not going to be long. [LR37]

SENATOR CAMPBELL: All right. [LR37]

CANDY KENNEDY: Our goal is we're not going to get red-lighted today. (Laugh) [LR37]

SENATOR CAMPBELL: Okay. Ms. Kennedy, I can't remember if you've ever been red-lighted here. [LR37]

CANDY KENNEDY: Couple times. (Laugh) [LR37]

SENATOR CAMPBELL: All right, okay. Good afternoon and welcome. [LR37]

CANDY KENNEDY: (Exhibit 3) Good afternoon. My name is Candy Kennedy, K-e-n-n-e-d-y. I'm the director of the Nebraska Federation of Families for Children's Mental Health. [LR37]

PAMELA ALLEN: I'm Pamela Allen. I'm the executive director of the Nebraska Foster and Adoptive Parent Association. [LR37]

CANDY KENNEDY: And we just simply had a short and sweet statement to say how we feel about this. I mean, you know, we could spend hours and hopefully in the future we can spend a lot more time talking about what's not working or not. But, Senator Wallman, I would like to address the question that you asked at the end to begin with. You know, with the change with our Families Matter, the child welfare reform, that whole philosophy of deciding which is right or wrong is really the issue. It's kind of out the window. It needs to be that really family-centered practice, what does work for the family and what works for the child, not trying to put everyone in slots. So that's the big question. And it's really hard to...those conversations are difficult because everyone has different experiences and opinions. So would you agree with that? (Laugh) [LR37]

PAMELA ALLEN: Well, and, I think, the department was already doing family-centered practice. [LR37]

CANDY KENNEDY: Yes. [LR37]

PAMELA ALLEN: I mean, I don't think family-centered practice is being done because of the reform or Families Matter, it was already being done. [LR37]

SENATOR WALLMAN: Okay, thank you. [LR37]

CANDY KENNEDY: Yes. So while listening to President Obama's State of the Union

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Address, I could relate to so much of what was being said to our journey in Nebraska with the (inaudible) undertaking the Families Matter, our child welfare reform. He said, we have had our differences over the last two years, the debates have been contentious, of course, I could say it clearly until I stepped up here. We have fought fiercely for our beliefs and that's a good thing. That's what a robust democracy demands. That's what helps set us apart as a nation. No matter who we are or where we come from, each of us is a part of something greater. Families Matter was developed on the foundation of systems of care and family-centered practice. Systems of care is demonstrated through multiagency sharing of resources and responsibility and full participation by professionals, families, and youth, and community stakeholders as active partners in planning, funding, implementing, and evaluating services and system outcomes. It's a true collaborative partnership. So we feel that LR37 is a great demonstration of just that philosophy. It's very important that we work together and that the oversight that you're proposing in LR37 is imperative. I know that in the last couple of years there was a couple times that people felt they didn't have anywhere to turn to or a way to communicate what they were experiencing. And this is a way to make sure that everyone is included and that voice is heard. [LR37]

PAMELA ALLEN: So we are in support of LR37. Thank you. [LR37]

SENATOR CAMPBELL: Thank you very much. Nicely done even for standing. (Laughter) Next proponent please. Hold on just a minute. Could we have one of the pages pick up the...good afternoon. [LR37]

JACQUELYN MEYER: I am Jacquelyn Meyer, M-e-y-e-r, from Building Blocks Foster Care Program and northern service area. I started Building Blocks 11 years ago when I had a child in my caseload that I moved 27 times. And I said, I'm going to form an agency where kids never move again. And we've done that. Eighty-five percent of the time a child then will come into Building Blocks Foster Care, never moves again, is adopted or guardian or the child goes home to his birth family. That's why I really, really appreciate your...this particular resolution because we were one of those people who were hurt by Boys and Girls Home. They did not pay us. They would pay us two months late. And so if you can imagine, a year ago at this time we had ten kids placed in Building Blocks. In January of 2011, we had 30 kids placed. What happened was that say in May we would have 15 kids, but two months later they'd pay us for those 15 kids. By the two months we had another five or six kids placed and we would have to pay foster parents based on two months before. And so we went from \$50,000 in our checking account or in our savings account to have to borrow \$50,000 in a line of credit. Lord willing, that money is paid back and we're now solid again. But Boys and Girls still owes us \$104,000. Now as we move ahead, we've been asked to take over all of foster care in the northern service area, that means not just agency-based where we were but all of it. So now we went from 30 kids on January 1 to February 1 we will have 70 kids placed. We're going to have to buy automobiles, because I don't know if you know this

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northern service area, it's...there's a lot of geography to travel. And so we're going to have to buy cars, we're going to have to buy equipment to hire new people. But we don't have the money. So as you go ahead, we're going to add another lead agency. We're going to need some oversight to make sure that whoever takes over will be able to supervise so this doesn't happen again. And we noticed as people were working with us from Boys and Girls, and they were good people, it's nothing against them personally, but they didn't have the training to know how to work with our kind of kids. By the way, I'm also a therapist. And so you were asking about, you know, we keep the kids in the home, that's what we do. I work very...I have family support workers so that we can keep kids in the home. But if they can't be kept in the home, we want to make sure that if they have to be placed in the foster care system that they will stay there as well. So we have permanency, so these kids have got a place to go for Christmas. And that's basically my goal. And my biggest fear though in all of this, guys, is that all of this, the 85 percent success rate, that some lead agency is going to come in and say this is my program, you're out of here. And so all of the training and all of the work that we've done for this many years could be lost because somebody is thinking a different way. And I would love to share our success rate and why we have the success rate with anybody who would like to share or would like to talk to me about it. I don't think I'm red-lighted. (Laughter) [LR37]

SENATOR CAMPBELL: Questions? Questions? I'm sorry, Senator Krist. [LR37]

SENATOR KRIST: It's all right. I'm just over here in the corner. [LR37]

JACQUELYN MEYER: Senator Krist, by the way I have funny eyes, so one goes this way and one goes that way. And the reason I had these is God knew I was going to be a substitute teacher for 25 years, so it was great. (Laughter) [LR37]

SENATOR KRIST: Both Senator Bloomfield and I appreciate that. [LR37]

JACQUELYN MEYER: Oh okay, got it. (Laugh) [LR37]

SENATOR KRIST: Thank you for coming and testifying. How closely does your model resemble what I'll call the Boys Town model of treating the home, treating the child and reintroducing the child to the birth home as much as possible? Or is there a slightly different... [LR37]

JACQUELYN MEYER: Basically, what our program does is we believe that everyone who works with our "kiddo" has to be supportive. So if we have a teacher that's struggling with the behaviors of a child because he's traumatized because of his early history, we have to help that teacher work with him. We have a caseworker. If we have a mom who's just really sad because they wanted kids so badly and now we got Johnny and Johnny's not like what she expected, so we grieve with that mother over what she

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didn't get. So we're supporting everybody that's around that child. And as a result our kids don't move. It isn't a model so much as it is relationships with everybody we work with. [LR37]

SENATOR KRIST: So what you're suggesting potentially and your fear is that someone would come in and try to change what is working... [LR37]

JACQUELYN MEYER: Yes. [LR37]

SENATOR KRIST: ...at a good success rate. How do we make sure that doesn't happen? Do you have immediate feedback to above the level to let them know that your program is being tampered with? And...what would you suggest? [LR37]

JACQUELYN MEYER: I don't know, because right now in the northern service area we don't have a lead agency. We have no one there. They're going...that would be one of those that they were going to look for a lead agency down the road. That's what I said, we have been asked to take over all of foster care. And that's why we went from 30 to 70 this week. [LR37]

SENATOR KRIST: Okay. [LR37]

JACQUELYN MEYER: Can you imagine that? That's a lot of kids. In 90...we went from 30 homes to 97 homes this week. [LR37]

SENATOR KRIST: Thank you so much for testifying. [LR37]

JACQUELYN MEYER: Anybody else? [LR37]

SENATOR CAMPBELL: Any other questions? I would like to say that, I think, that is one of the key questions that, as Senator Krist has identified and you have too, and that is how to proceed in the northern, western and central areas that do not presently have a lead. This is an opportunity for us to take a look at what services are needed in those areas. So I much appreciate you taking time to come and testify from that... [LR37]

JACQUELYN MEYER: It's a long ways down here. (Laugh) [LR37]

SENATOR CAMPBELL: And that's...we do appreciate it very much. Thank you. [LR37]

JACQUELYN MEYER: Thank you. [LR37]

SENATOR CAMPBELL: Next proponent, please. Good afternoon. [LR37]

SARAH HELVEY: (Exhibit 4) Good afternoon. My name is Sarah Helvey, it's S-a-r-a-h,

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last name H-e-l-v-e-y, and I'm a staff attorney and director of the child welfare program at Nebraska Appleseed. We support LR37 because we believe it would bring much needed legislative oversight to the reform process. And I want to just start by saying, because we've been critical at times, again, that Appleseed has long supported comprehensive reform of the child welfare system, and that we share some of the underlying goals of this reform including safely reducing the number of children in out-of-home care, requiring evidence-based promising practices, and drawing on the strengths of community providers. However, we are concerned about the structure and implementation of the reform and of the effect that the reform has had over the past year on children and families in the system. We are also concerned about the lack of accountability and transparency in the system. Appleseed and others have been calling for an independent evaluation to look at programmatic and fiscal components of the reform that both look forward, but also look back, to try to understand what has gone right and also what has gone wrong over the course of the past year. Therefore, we strongly support the provisions in this resolution that would allow for a performance and fiscal audit. And we believe that such an audit is critically necessary to be accountable, both to families in the system as well as taxpayers and to prevent the continuation of problems that we've seen over the course of the past year. In addition, we have concerns, as I know you do, about financial aspects of the reform. As you know, earlier this month the department announced that they had found \$19 million to provide to the remaining two lead agencies. And Appleseed has said from the beginning that we believe this reform has been underfunded and that we need to invest resources in the right places. But we still have some unanswered questions about where this money is coming from, how it will be used, as well as the timing. We also have questions, as Jackie testified to, about the state's obligation to subcontractors who still have not been paid on outstanding debts. And we're very concerned about the impact that this has had and is having on the service capacity in the state and on the recruitment and retention of foster families. Finally, we have...continue to have fundamental questions about the financial sustainability of the reform. And we believe the reform will not be successful unless the state closely examines structure and adequacy of funding, where and how the money is being spent and, very importantly, the cost drivers in the system, particularly the costs of non-Medicaid covered services and treatment for parents. Unless and until we address these key issues, there are no assurances that the reform is going to lead to the outcomes that we all want for children and families. And we believe that this resolution would create a structure for the HHS Committee to review, investigate, and assess these important issues. In conclusion, I just want to say, as the policymaking branch of government, the Legislature has a very important role to play in guiding and structuring the reform and a reform that is in the best interests of children. And so we urge the committee not only to investigate and assess, but also to begin to address some of these key issues. Several bills have been introduced this session that would begin to do so. And we are hopeful that some of those proposals will move forward. So I just want to thank Senator Campbell for her leadership on this issue and for the many other senators who cosponsored this resolution and are committed to

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prioritizing the improvement of our child welfare system. [LR37]

SENATOR CAMPBELL: Questions? Senator Wallman. [LR37]

SENATOR WALLMAN: Thank you, Sarah, for coming. As I know Appleseed, I've plugged into your organization for numbers before. Would you agree though we needed some reform in the healthcare system before? [LR37]

SARAH HELVEY: In the healthcare system? [LR37]

SENATOR WALLMAN: Yes. [LR37]

SARAH HELVEY: Yes. [LR37]

SENATOR WALLMAN: Okay, thanks. [LR37]

SARAH HELVEY: Um-hum. [LR37]

SENATOR CAMPBELL: Any other questions? Thank you very much for coming today. [LR37]

SARAH HELVEY: Thank you. [LR37]

SENATOR CAMPBELL: The next proponent. Good afternoon. [LR37]

SARAH FORREST: (Exhibit 5) Good afternoon, Senator Campbell, members of the committee. My name is Sarah Forrest, S-a-r-a-h F-o-r-r-e-s-t, and I'm a policy and research associate at Voices for Children in Nebraska. I'm here on behalf of Voices for Children and we just want to express our thanks and strong support for LR37, which would allow the Legislature to review and assess the ongoing child welfare reform, called Families Matter. Legislative oversight and involvement is going to be a necessary piece for a successful and sustainable reform going forward. As you all know, we've been involved over the last year or more in looking at how child welfare reform has been implemented across the state. And I won't echo too much the concerns that have been brought before you today but things like financing, confusion throughout the system on behalf of many parties from foster parents, to judges and, frankly, questions about adequate oversight, evaluation, and the level of data, and the quality of data that we're getting to properly assess this reform and decide how to go forward and how best to finance and support our lead agencies in a public-private partnership. As you know, this January, case management was transferred to lead agencies. And, you know, there is a plan for going forward but specifics still haven't been set out. Financial burdens are continuing. There has still not been adequate communication, in our opinion, and problems that Sarah referenced, including also those for youth involved with the Office

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of Juvenile Services, OJS. That's an area we're looking into as well. It's important that the Legislature help address these concerns. And so LR37 can really help all of you and help us in a couple of ways. It can increase transparency, it can give us a better assessment of results, it can help us determine financial costs, what they are, what they should be, and how we can best use finances to support children, and it can help determine the direction of future legislative action and form your opinions on the many child welfare bills that will be coming before you this session. And so we thank you again for your leadership, Senator Campbell and members of the committee. I'm happy to take any questions. [LR37]

SENATOR CAMPBELL: Any questions that you'd like to ask today? Thank you very much. Oh, sorry. Senator Wallman. [LR37]

SENATOR WALLMAN: Thank you, Chairman Campbell. Sorry for all the questions today. [LR37]

SARAH FORREST: Not a worry. [LR37]

SENATOR WALLMAN: But this is a passion of mine, children. And as dealing with children, you know, we have a lot of private donation money coming in. Do you know about percentage private versus public? [LR37]

SARAH FORREST: In terms of what's going to fund... [LR37]

SENATOR WALLMAN: Yeah, fund, funding. [LR37]

SARAH FORREST: ...the agencies? I don't know. And, I think, certainly one of the advantages of a public-private partnership is that you can get outside donations. But, you know, as of this summer lead agencies had been financing a lot with their own endowments, putting in more money and we have concerns about that, that it simply...there isn't enough public money going into this to truly support it. You know, these are the responsibility...the children of our whole state, we need to adequately finance their care. [LR37]

SENATOR WALLMAN: Thank you. [LR37]

SENATOR CAMPBELL: Senator Gloor. [LR37]

SENATOR GLOOR: Thank you, Senator Campbell. Ms. Forrest, I'm very much in agreement on a number of things. One that I'm in agreement with is more transparency,... [LR37]

SARAH FORREST: Yes. [LR37]

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SENATOR GLOOR: ...except that the question is then, how do we define transparency? I mean, what...can you help me understand that your...what you would see as some concrete examples of transparency that would be helpful. [LR37]

SARAH FORREST: Some concrete examples, say, for example, the \$19 million that were announced earlier this month, I don't think there's been a lot of communication with legislators or stakeholders or advocates who want to monitor the system--where those dollars are coming from, how they're being spent. And you, as the Legislature, are going to decide how to go forward and are dealing with a significant budget shortfall. We need to know that information from HHS. And we need to have a clearer picture about that. I think just in terms of an action plan and going forward the transfer of case management has occurred. And it very well may be extremely helpful, but we need to have a better picture of problems that are going on, on the ground, and how, as a Legislature and as a state, we can address and support lead agencies as this new step in reform takes place. [LR37]

SENATOR GLOOR: Okay, thank you. That's helpful. We all know that there are problems. We all know that there are challenges. We can all define them generally. But trying to look for solutions with a degree of specificity we can agree on. It's helpful when more of that, I guess, this is a general comment, when more of it can be very specific in nature. And so I agree with you. I mean, I believe, your examples of transparency are good and apt ones. Thank you. [LR37]

SARAH FORREST: Um-hum. [LR37]

SENATOR CAMPBELL: Senator Wallman. [LR37]

SENATOR WALLMAN: Thank you again. Yeah. My concern is are lead agencies or contract agencies getting paid on time by us as a state? [LR37]

SARAH FORREST: You know, that would be something you'd probably have to double check with them. (Laugh) I haven't heard too many complaints,... [LR37]

SENATOR WALLMAN: Okay. [LR37]

SARAH FORREST: ...more of the subcontractor variety. [LR37]

SENATOR WALLMAN: Thank you. [LR37]

SARAH FORREST: Yes. [LR37]

SENATOR CAMPBELL: Any other questions? Thank you very much, Ms. Forrest.

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[LR37]

SARAH FORREST: Thank you. [LR37]

SENATOR CAMPBELL: Good afternoon. [LR37]

KAREN AUTHIER: Good afternoon. Thank for the opportunity to testify, senators. My name is Karen Authier, A-u-t-h-i-e-r. I'm executive director of Nebraska Children's Home Society. We are a statewide agency. I am here representing CAFCON, the Children and Families Coalition of Nebraska, which is a member organization or provider...of entities that provide services to children and families across the state. We are supportive of LR37. We are on the ground floor of what has been happening. We've been partners. All of our member agencies are either partners and lead agencies and/or subcontractors. And in essence all of us are subcontractors in Families Matter in the child welfare reform. We all provide some services through Family Matters, but we also all provide services that are preventive services and other safety net services for children and families. So sometimes, I think, there has been so much focus on Families Matter that we forget that there are a lot of other services out there also that are needed for families. The CAFCON member agencies remain very optimistic that the goals of the reform can be achieved in spite of the rocky road of the first year of implementation. And we definitely have experienced many bumps along the way. We believe that LR37 would place the Legislature in a reasonable oversight role that allows opportunity both for transparency and accountability to elected state senators without placing undue intrusiveness on that role, so that we see you as being a resource for your constituents. We know that across the state when people are upset with the way things are happening in their area that you are often the first ones they call. And so we believe that this role is important for you. We're pleased with the language in LR37 that allows for public hearings and specifies groups of stakeholders as provider organizations. We are all stakeholders in Families Matter. And we serve consumers who are stakeholders and often consumers without much of a voice, especially the children. So we are grateful for this opportunity that we hope does come to reality where we can be part of this process. It would provide an opportunity for these types of hearings and information that can be on the table. I think that what we've been aware of over the last year, and really for longer than that as this has unfolded, is that sometime rumors take precedence over information because there is not always adequate communication. I'm not pointing the finger or blaming, I just think that the Legislature is the perfect body in the state to provide this opportunity for true discourse on what is going on and collection of information and analysis. We believe that the success of Families Matters does depend on the efforts of everyone involved and that the public sector employees, the lead agencies, the subcontractor agencies, all of those involved in working with children and families need to play a role in that success. The CAFCON agencies all have a long history of services...providing services to children and families across the state. And we're very grateful for the role that the Legislature has played thus far in ensuring that

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the services that are provided are best possible for children. Thank you. [LR37]

SENATOR CAMPBELL: Thank you, Ms. Authier. Questions from any of the senators? Thank you for coming today. [LR37]

KAREN AUTHIER: Thank you. [LR37]

SENATOR CAMPBELL: Any other proponents? Good afternoon. [LR37]

SANDRA GASCA-GONZALEZ: (Exhibit 6) Good afternoon, Chairwoman Campbell and members of the Health and Human Services Committee. My name is Sandra Gasca-Gonzalez. And for the record, my name is spelled G-a-s-c-a G-o-n-z-a-l-e-z and I'm the president of KVC Behavioral HealthCare. As a lead contract agency in the Family Matters initiative I very much appreciate the opportunity to testify in support of the resolution. And I want to thank you, Senator Campbell, for introducing the resolution. As we interpret this legislation there are three words that come to mind for KVC and it really is...the importance is on the constituents and everyone involved, and that is transparency, partnership, and accountability across the board. It is our stance that a fully transparent system that allows all aspects to be evaluated is critical to becoming a high functioning system, which is what we're striving to be. We view this as an attempt to move toward being "planful" and proactive as a collective system. Children and families in Nebraska can only benefit by the strong partnership between the Legislature, DHHS, the lead contract agencies, and all the other stakeholders who impact the lives of children and families. We also believe that with privilege comes responsibility. And we really see our work as a privilege. And as many of you know, KVC has made a very strong commitment and investment in the state of Nebraska towards improving the outcomes for children and families. We believe accountability of myself, our administration, staff, families, and stakeholders is paramount. We have a robust quality improvement methodology that we use. We want to be able to share that with the community. We want to be able to explain to the community at large what it is that we're striving to do and get people on board with the key factors--which is permanency, safety, and well-being for children. So my hope is that with this resolution it will highlight the methods of the system that are proven effective and that it will shine a light on the needed system enhancements. So I just wanted to personally come here today and say that we're in support of this. And I know that you've had some questions raised about the lead contract agencies. And I'd be happy to field any questions you might have. [LR37]

SENATOR CAMPBELL: Okay. Questions? I don't know why I look at Senator Wallman right away. (Laughter) [LR37]

SANDRA GASCA-GONZALEZ: And if you don't have any, that's fine too. (Laugh) [LR37]

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SENATOR CAMPBELL: But we will note in the letter that you listed your phone number. And I'm sure we'll be in contact. So thank you for that offer. [LR37]

SANDRA GASCA-GONZALEZ: Sure. Okay. Thank you. [LR37]

SENATOR CAMPBELL: Thanks for coming today. Any other proponents for the resolution? Any other proponents? The clerk is very appreciative of everyone's following those directions. Good afternoon. [LR37]

DAVID NEWELL: (Exhibit 7) Good afternoon, Chairperson Campbell and members of the committee. My name is David Newell. For the record, my last name is spelled N-e-w-e-l-l. I am the executive director of Nebraska Families Collaborative. Nebraska Families Collaborative is an Omaha-based nonprofit corporation that was formed by the Child Saving Institute, Boys Town, Heartland Family Service, Nebraska Family Support Network, and Omni Behavioral Health. We serve the eastern service area which is essentially Douglas County and Sarpy County. And we serve approximately 1,000 children in the child welfare and juvenile justice system in that region. I won't read you all my testimony, I'll just highlight a few points for you. First of all, we would like to thank Senator Campbell and the cosponsors of this bill. We are in strong support of LR37. We agree that transparency will be one of the best ways for us to plan as we move forward with the reform efforts. In 2009, I think, that while there might not have been agreement on the proposed solutions to the challenges that we're facing in the Nebraska system, most people would agree that the system needed to change. Those who are familiar with the system would point out that there were too many kids who were languishing in foster care, that there were too many kids in congregate care, and that there were too many children who were aging out of the system into either homelessness or the criminal justice system. And so we are, you know, very excited that Nebraska decided to embark on a reform effort because in many states that has been the result of class action lawsuits. And, I think, it was an act of really good leadership that Nebraska wanted to change voluntarily. And that was the reason why Nebraska Families Collaborative was created. Since the reforms began, as you heard in the testimony today, there have been many problems. And we need to learn from those examples and plan thoughtfully on how to move forward. And so, I think, that this will bring those problems to light and will allow us to do a "planful" action as we move forward. Just a few things that I would like to highlight for the committee is that we would like to think, at least for ourselves, of Nebraska Families Collaborative as one of the success stories of the reform effort. And so I would just note a few things here is that our partner agencies have invested millions of dollars in the efforts to transform Nebraska's system of care. They did that because they really believe that reform is necessary in this state. We went from a staff of one person, in July 2009, to currently we have 83 employees. Many of our employees came to us directly from Nebraska's child welfare and juvenile justice system, including the majority of our supervisors at our agency. We have a provider

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network of 48 Nebraska agencies. And we pride ourselves in paying our contractors on time every month so that our providers can focus on what is most important, which is the children and families that we serve. We have maintained service capacity in all service categories, and we are working to develop new infant...interventions and services for our children and families. And NFC transitioned to its full caseload in April 2010. And to that time we have maintained staff...caseload ratios of 1:14 which is a nationally recognized standard. And we are actively working on our COA accreditation at this time. And we do not anticipate any difficulties in meeting all of the standards of COA accreditation. So just in summation, I would say that one of the things that very much excites us about this resolution is that child welfare cannot really change in any state unless everybody is at the table, including teachers, lawyers, the clergy, everybody in the community. And, I think, that this resolution will really help us to bring everyone together and give their input as the reforms move forward. And so I would thank you for promoting this resolution. [LR37]

SENATOR CAMPBELL: Questions for Mr. Newell? Senator Wallman. [LR37]

SENATOR WALLMAN: Thank you, Chairman Campbell. Yes, David, thanks for coming. You got a tough job. And as...my concern is as age out of the foster care system, you know, how are we dealing with that? Is it getting any better? [LR37]

DAVID NEWELL: That continues to be a change...challenge. And so it's too early for that at this point is what I would say. I think, you know, there has been progress in Nebraska as well as across the country in that area. But one of the things that really has to change is that we can't let children just stay in the system. We have to find permanency. So they either need to return to their families or they need to be adopted or have guardianships. We can't just let them grow up in the system. Yeah. So we're making progress, but we're not there yet. [LR37]

SENATOR WALLMAN: Okay, thanks. [LR37]

SENATOR CAMPBELL: Senator Gloor. [LR37]

SENATOR GLOOR: Thank you, Senator Campbell. And thank you for your testimony. You actually answered my questions, so that's a plus. But it gives me an opportunity to ask a couple more. And I would be remiss if I didn't say those of us whose areas of the state, districts aren't served by the Collaborative are envious. It would be nice to have organizations of this sort listed on the bottom of letterhead serving our children. You're sort of the NATO Alliance on behalf of kids, I think, in the state, so thank you for that service. But other than money, and I'm sorry, but other than money, what would you like to see changed as a priority? What could we change do you think, knowing that we have challenges with dollars, that would make things easier for the Collaborative? [LR37]

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DAVID NEWELL: I think the most important thing that could change for the state of Nebraska is that we have to have a change in values, and that is in all the systems that touch our children and families. And so what I mean by that is right now the state of Nebraska has one of the highest rates of removal of children from their birth families in the United States. Nebraska's families are not sicker than every other state in the United States, they're not. And so what that means is that we're doing something wrong. We're not adequately supporting children with their birth families and we're not adequately diverting them. And so in other places you have what's called differential response. And so an example of what differential response is, is many families don't need to come into the system. They need help of some kind, but they don't need to be wards of the state, as an example. And so what we really need to do is we need to say that children need to stay with their families in all of the systems, whether it's the judiciary, or the school system, or our provider networks, all of us have to be focused on how do we keep our kids with their families. And other states have done this, we can do it too. And all the data supports that all things considered when you keep kids with their families, most of the time, not in every case, but most of the time they're better off than if they go into out-of-home care. [LR37]

SENATOR GLOOR: You mean the system can't be nurturing? I'm shocked. (Laughter) [LR37]

DAVID NEWELL: You know,... [LR37]

SENATOR GLOOR: I mean in all seriousness, you know, part of the challenge here is that some of what we're being told is we need to shore up the system. We need to revert and we don't need to do things the same way, but in fact the system can be nurturing. And I've been skeptical of that. [LR37]

DAVID NEWELL: There are wonderful people in the service system, and there is no bad category of care. There are children and youth who need to be in residential care. There are children and youth who need to be in foster care. There are children and youth who need to be in treatment foster care. There are wonderful people in every one of those service categories and you can get really good outcomes. And so part of the reform effort is that you can't make any service category evil, because each category can be really useful. And so really what it is, is it's matching this child needs to be in residential care, this child needs to be in foster care, this child needs to be adopted, this child needs to go home. It's just...it's a proportion issue. And the majority of children can be successfully served with their birth families. [LR37]

SENATOR GLOOR: Well, and I agree that there is no bad here. There are a lot of people trying to do a lot of good things. But as they say, change has many enemies and few friends. [LR37]

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DAVID NEWELL: Right. [LR37]

SENATOR GLOOR: And we're dealing with a lot of that, too, I believe. [LR37]

DAVID NEWELL: Yes. [LR37]

SENATOR GLOOR: Thank you. [LR37]

SENATOR CAMPBELL: Senator Krist. [LR37]

SENATOR KRIST: Thank you, Senator Campbell. You're describing what I have referred to as the Father Flanagan syndrome, which is we can always take them out and send them to a boys town or a girls town and solve the problem, but not necessarily treat the problem, which potentially could be the family or the child could be reintroduced. So having made that statement, what we just received from you, how do we get that kind of feedback from every one of the providers out there, whether they're state, contractor, subs, primes, all the way along? Is there really a vehicle or a feedback loop, other than bringing a thousand people into the hearing room? Is there a feedback loop that you could suggest where we could get that kind of input, whether they agree or disagree with your points? [LR37]

DAVID NEWELL: I would really strongly recommend looking to the state of Florida and how they have structured their reform efforts. I think it's a very good model for Nebraska to consider. And one of the things that Florida has done is that they have...they are organized in regions there too. And there are advisory groups that...well, it's actually, I think, even more than advisory, in some cases it's quasi government groups that is comprised of stakeholders in that region who help to advise the reform effort. And I'm not an expert on the Florida system. So one recommendation I would make to the committee is to really research the Florida system. I think it's a very well thought out reform effort. [LR37]

SENATOR KRIST: Thank you, sir. [LR37]

DAVID NEWELL: Um-hum. [LR37]

SENATOR KRIST: Thank you. [LR37]

SENATOR CAMPBELL: Mr. Newell, since you brought up Florida, just as a follow-up, did Florida not spend five years trying to put their whole system together? [LR37]

DAVID NEWELL: When you look at reform efforts in just about any state it is a lengthy process. This is a very difficult process. And you have to, ideally, you have to maintain

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your existing infrastructure, which is one of the problems the committee is aware of in this past year where we were having trouble maintaining the existing infrastructure. So you have to maintain that while you're building an infrastructure that will support where you want to go. And that's the real challenge. And it was rocky in Florida. It has been rocky in most states where they've embarked on this. But there's also...now Florida has made dramatic progress as a result of that. [LR37]

SENATOR CAMPBELL: Thank you. I'm sorry, Senator Bloomfield, did you have a question? Thank you, Mr. Newell, very much for coming today. [LR37]

DAVID NEWELL: Thank you. [LR37]

SENATOR CAMPBELL: Any other proponents? Anyone who wishes to testify in opposition to the resolution? Those who wish to testify in a neutral position. Good afternoon. [LR37]

VICKY WEISZ: (Exhibit 8) Hi. Thank you, Senator Campbell and members of the committee. My name is Vicky Weisz, W-e-i-s-z as in zebra. I'm the director of the Nebraska Court Improvement Project, which is a federally funded project through our Supreme Court that addresses the courts' work with abused and neglected children and children in foster care. Many of you have heard about the Through the Eyes of the Child Initiative which is part of our program. I'm also a research professor of psychology at the Center on Children, Families, and the Law at the University of Nebraska in Lincoln. But please accept my remarks as personal observations rather than as representing the court or the university. I'd like to give you a very brief summary of some of the comments and concerns that I've heard from judges and attorneys across the state in regards to the privatization of child welfare. First, I'd like to start at the beginning of the process. A couple of years ago, when the department announced it was going in this direction there were considerable concerns from the judges about what this was going to mean. We were having a children's summit in Grand Island that we brought lots of people and all the judges. And we brought a panel of four Kansas judges to discuss their experiences at our summit. After the panel, a number of judges told me that they felt more reassured and hopeful with the prospect of privatization. Further, during the first several months of the transfer of service coordination to lead agencies, I heard many positive comments from judges. In most parts of the state, judges were impressed with the energy and commitment of the service coordinators and felt that the transition was going relatively smoothly. There were a few exceptions at that time because it seemed in some places there were fewer caseworkers than there had been before. I want to fast forward to now. And I would say that judges are not feeling very reassured, although they are still hoping for the best. Probably the biggest concern that I've heard from judges across the state is that, in many instances, the child welfare worker, whether a state employee or a lead agency employee, has little knowledge about the child and family situation because they are newly assigned to a case, are standing in for

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someone else, do not have the direct knowledge themselves, or lack experience and are therefore unable to conceptualize or communicate about the complex situations in abuse and neglect cases. In some rural parts of the state there are not enough caseworkers to handle the cases because the Boys and Girls Home workers are no longer working and the state workers are leaving when they can find other jobs because their future is so uncertain. This month's transition really only involved...mostly only involved the separate juvenile courts in Lincoln, and Omaha, and Sarpy County. But there have been a number of concerns already. A judge has reported to me that there are...there have been frequent substantive inaccuracies in the reports that are provided to the court. For example, in one case the court report stated that biweekly, drop-in visits were occurring to check on safety. And the mother testified that she had not seen a worker in over six weeks. The writer of the report was not in the courtroom. So judges very reluctantly are feeling that they have to ask many questions about what is in the report that's given to them to...so they can feel comfortable that indeed it is accurate. In another recent situation, a developmentally disabled child was placed in a shelter four hours away from her home and school, and is being transported eight hours a day so she can keep attending her own school. The worker reported that funding streams were being explored so that they could get a better placement for the child. You know, from the court's perspective, funding streams are all well and good, but this child, you know, it's a bad situation. And the courts, when they hear these things, they do order different things to happen, but this was...had already been going on. Judges have also reported concerns about the OJS population, because a number of the workers assigned to those cases have not had any experience with that population before. I've also heard from clerk magistrates, is that yellow already? [LR37]

SENATOR CAMPBELL: It is. [LR37]

VICKY WEISZ: Okay. I've also heard from clerk magistrates that they can't always find what office, what child welfare office is assigned to the case because that's all very confusing, so they can't tell who to send their information to. I don't need to finish this, you have it in front of you. I do want to say that judges are concerned because, although they expected some bumps in the road, children do have a short shelf life, as one judge has said. They are concerned about the impact of this transition period on children. They do want the reform efforts to succeed. My reason for coming here today is in hopes that solutions can be found. Thank you. [LR37]

SENATOR CAMPBELL: Thank you, Ms. Weisz. Questions? Senator Krist. [LR37]

SENATOR KRIST: Do the judges feel, in terms of the feedback loop, do the judges feel that they have a voice in coming back to either the lead agency or to legislative oversight, or is that part of maybe a fix? [LR37]

VICKY WEISZ: Well, you know, judges are in a...you know, they're a separate branch of

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government. Todd Reckling, Director Reckling, has been in many open conversations with judges. And he constantly says, please call me if you hear of any problems. But judges are also deciding on cases on facts. They really are not permitted to discuss the facts of cases with individual parties because that's not...there are due process protections. So they are kind of in an awkward position to, you know, deal with a particular case, if that makes sense. [LR37]

SENATOR KRIST: It does make sense, although today, the last few days, we've been discussing guardianship, for example. [LR37]

VICKY WEISZ: Right. [LR37]

SENATOR KRIST: And the judges don't feel bashful at all giving us their opinion on some of those issues. So, I guess, what I'm asking is, if we made that avenue open to them on a generic... [LR37]

VICKY WEISZ: But, no, they would...on generic and system issues for sure. [LR37]

SENATOR KRIST: Okay. [LR37]

VICKY WEISZ: I'm just saying that if a judge, you know, here is in a courtroom deciding on a particular case that... [LR37]

SENATOR KRIST: Right. [LR37]

VICKY WEISZ: ...seems something that they can't call up, you know, Todd and say, hey, can you take care of this case, because that would be violating...but, no. Certainly, I think, many judges are quite open to discussing about systems issues. [LR37]

SENATOR KRIST: Thank you. [LR37]

SENATOR CAMPBELL: Senator Wallman. [LR37]

SENATOR WALLMAN: Thank you, Senator Campbell. Yes, you know, I've talked to judges before. Don't you think in certain areas we're overworking them? You know, how can they look over all this material in that short a time? [LR37]

VICKY WEISZ: Well, I think, the judges often are overworked and have different cases. And, I think, you know, one of the other impacts of this is by congressional action. In 1980, the courts were given an oversight responsibility over child welfare cases and it's tied to the receipt of federal monies. You know, in the best situation that oversight function would require reviewing reports, hearing some testimony and, basically, feeling okay about how things are going. (Laugh) So their workload increases greatly if they're

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not feeling comfortable on, you know, what's going on and whether what they're reading is actually accurate or if they're hearing bad things that they think are happening, so... [LR37]

SENATOR WALLMAN: And if they become wards of the state how long does that take to resolve that to get foster care or something, a long time? [LR37]

VICKY WEISZ: To become a state ward? [LR37]

SENATOR WALLMAN: Yeah...to get off of being a state ward. [LR37]

VICKY WEISZ: To end? [LR37]

SENATOR WALLMAN: Yeah. [LR37]

VICKY WEISZ: Well, once a child comes into the care and custody of the department, becomes a state ward with an oversight responsibility of the courts, there is a legal trajectory. Now if people can demonstrate within the first few weeks before this, an adjudication, that things have been resolved, most judges are equally interested in not having children stay in foster care one day longer than they need to be. And one of the functions of the Through the Eyes of the Child Initiative and the court improvement project is to try and make sure that the court system process is not keeping children in foster care longer than they need to be. To kind of push along. But there are issues that happen sometimes. [LR37]

SENATOR WALLMAN: Okay. [LR37]

SENATOR CAMPBELL: Senator Gloor. [LR37]

SENATOR GLOOR: Thank you, Senator Campbell. You heard Mr. Newell's comment about values. And so, I guess, my question would be, do you believe the courts share the right kind of values? I mean, your comment about believing that judges don't want children to stay in foster care one day longer than they need to be, but perhaps foster care is more nurturing than the system that they're thrown to by the courts. I mean, I worry sometimes that the courts are trying to be so protective of kids that they remove them from situations that, in fact, might be more nurturing, might be a better value. Just your thought. [LR37]

VICKY WEISZ: Right. Well, you know, the entire...the Through the Eyes of the Child Initiative is sort of focused on the purpose of not keeping children in foster care any longer than they need to be or not at all. That said, you know, I can't speak to every judge and judge's values. I do think, and this is a little bit off topic, and off the court's topic, children are often moved...when children are removed in Nebraska the most

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common way is with...by the police. And that is an unusual setup. I mean, most states have child welfare people either accompany the police or whatever when they are doing investigations. And when law enforcement is going to homes by themselves and they're seeing kind of bad situations and they don't have anything really to offer to, sort of, stabilize the situation. And then we do know that once children are removed, it is harder to get them back in. The courts have, in most parts of the state, put in a much more detailed preliminary, pre-hearing conference before the very first hearing, so that if there, you know, if the department can come in and say, we think we can have this child go back home right away and we'll put in this kind of safety plan, I think, that's happening more and more. But one of the things that judges say to me all the time is that everyone thinks that they are the ones that know the most about what's going on. They are the ones in the courtroom that know the least because all they know is what is brought to them by the different people. So they have to make decisions often with incomplete information that...and it may be that, you know, if you don't really know what's going on, you're going to err towards safety. But, you know,... [LR37]

SENATOR GLOOR: Sure. [LR37]

VICKY WEISZ: ...I think that most judges that I talk to want children to be with their families, if at all possible. [LR37]

SENATOR GLOOR: Okay, thank you. [LR37]

VICKY WEISZ: Thank you. [LR37]

SENATOR CAMPBELL: Any other questions? I'd just like to follow-up to Senator Krist's comment. And, Senator Krist, before Christmas, the Lincoln senators met with the juvenile judges from Lincoln and Lancaster County and we had a great exchange. And so what Ms. Weisz is saying to us in terms of their willingness to talk about it, they were very helpful in helping us understand how the court works with children and some of the things they're seeing. So, I think, that they certainly were very helpful, so just so you know. Ms. Weisz, thank you very much... [LR37]

VICKY WEISZ: You're very welcome. [LR37]

SENATOR CAMPBELL: ...as always for your testimony. [LR37]

VICKY WEISZ: Thank you very much. [LR37]

SENATOR CAMPBELL: (Exhibits 9-12) Others who wish to provide neutral testimony? Okay, before we conclude today, and I will be making some concluding remarks on behalf of the committee, I just wanted...several announcements here. One is Senator Howard would have been with us today, but she slipped and fell on the ice this morning.

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And she bravely came until noon, but her ankle was swelling, and so, I think, all of us encouraged her to go home and have it checked out. We'd like to welcome this afternoon a former colleague, Senator Gay is here with us. If he'd just wave. We're really glad to see him. Another announcement is that Mr. Winterer, on behalf of the department, had asked if we would sponsor a briefing for the senators on Family Matters. And so, Monday morning, this sounds like a commercial announcement, but Monday morning from 9:00 to 10:00 there will be a briefing for senators. And I'm assuming that, Director Reckling, you will be giving that briefing. And truly, it probably is just the beginning of a number of briefings that we will hold for senators, should the resolution pass the full Legislature. Before we depart today, I want to make some closing comments. And I'm going to stay here just because it just seems awkward to be moving back and forth. I want to thank the committee and all of my colleagues sitting here who have been just extremely helpful in putting the resolution together and senators who are not on the committee who added comments and language for the resolution. It is particularly helpful to know that this is an issue that has engendered a lot of support across the body. As a standing committee of the Legislature for Health and Human Services, this is the appropriate body to review the issues raised regarding public policy in this area. And I want to clarify that the goal of this process is not to return to the past in child welfare. I think the audience members who testified today, a number of people that we talked to agree that the goal of improving the system is all of our goals, and particularly as we build a vision for children's future. That is the purpose of LR37, to review, investigate, and assess the effect of the current initiative to improve and facilitate positive change. And second, I want to address some concerns that have come forward about the Legislature micromanaging child welfare reform. It is the responsibility of the Legislature to set policy and to oversee the appropriateness of funds to fulfill those policies. The health, safety, and best interests of children are the core guiding principles for policies of child welfare in the state of Nebraska. The issues raised, beginning in April of last year with the bankruptcy of a lead agency, the withdrawal of a second and then the third in October, with all the ramifications as a result require the action outlined in LR37. It is helpful to be reminded of the language in current Nebraska law. And I quote, "To maximize resources the state shall develop methods to coordinate services and resources for families and children. Every child-serving department, agency, institution, committee, court, or commission shall recognize the jurisdiction of such department, agency, institution, committee, court, or commission in serving multiple needs children is not mutually exclusive." To the point that this was a family policy written in 1985, LR37 takes action congruent with this legal mandate--the child welfare system is not the mutually exclusive jurisdiction of any one entity. The child welfare system is highly complex. It involves all three branches of government. It involves public and private entities. It requires substantial investment of resources in order to be sustainable. Coordination, collaboration, evaluation, and communication are essential in filling...fulfilling our responsibilities to children. Child welfare is fundamental to the core purpose of government action of ensuring the health and safety of Nebraska's most vulnerable, its children. LR37 is introduced to that end.

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And we will close the hearing. Thank you all for coming this afternoon. And we'll take just a minute to let our guests quietly leave because we have two other bills we're hearing. So if you could just quietly...we'll get you all a copy of this, of the introduction and so forth, which was well written by our legal counsel. Okay, if we could ask our guests to just exit into the hallway if you are not staying. Okay. We will go ahead and open the public hearing on LB92, put forward and sponsored by Senator Howard, to change the caseload provisions for public child welfare service caseworkers. And as I explained, Senator Howard is, hopefully, home, getting her ankle looked at by a physician or an x-ray to see that she's okay. And so her aide is filling in this afternoon. And I promised, I faithfully promised Senator Howard that whatever questions we had would be asked of the testifiers and not of her aide. (Laugh) So we don't want you to be nervous. So with that, would you state your name for the record and feel free to start your testimony. [LR37]

FRANCESKA CASSELL: (Exhibits 14-16) Thank you, Senator Campbell and members of the committee. For the record, I am not Senator Gwen Howard, I am Franceska Cassell, F-r-a-n-c-e-s-k-a C-a-s-s-e-l-l, and I am Senator Howard's legislative aide. Senator Howard is introducing LB92 as part of several measures that recognize the new reality of child welfare in Nebraska but seek to ensure that children in the system are never left behind. LB92 does this in two ways. It requires the Department of Health and Human Services and the lead agencies maintain caseloads within two cases of the recommendations by the Child Welfare League of America and includes the private agencies in the report that HHS must issue each year concerning caseloads. Because there's been some problem with time limits of that report, it would also suspend the salary of the CEO of Health and Human Services, if the report is not issued by the required date. The child welfare system works best if children are served by dedicated workers who are intimately involved in working to move children towards permanency. Whether it is reunification with their families or adoption, caseworkers who are overwhelmed by the number of children and families they must serve are not able to give these children the attention they deserve. Caseload size is often associated with worker burnout. This leads to instability for children and families who may have two, three or four different workers if they are working with private agencies. Moreover, when seasoned workers leave the field, valuable knowledge is lost forever. High caseloads cause caseworkers to operate in triage mode. Children who are doing well in foster care likely do not receive the attention that those with crises do. There is some academic research that calls this "banking," and it can mean that for all intents and purposes the agency has withdrawn from the case. Whether or not a child is banked, high caseloads make it difficult or not...if not impossible to move towards permanency. Caseworkers need to establish relationships with families so that they can ensure that the family is engaged. Time-intensive assessment and permanency planning are made even harder when the worker...when worker time is short. Requiring the private agencies to adhere to these standards should not be much of a burden because it is already stipulated in their contracts. Right now, I believe, the caseload requirements in the child welfare

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contracts are unique...they're unique to each service area and each provider, but they range from 14 to 16 families per worker. Both are squarely within the range that LB92 would require. LB92 would require HHS to observe these same caseload standards in the area where they are still actively involved in case management. The second part of LB92 is the requirement that private agencies be included in the annual HHS reports on caseloads. Right now HHS is required to report on caseload size, factors considered, and the resources necessary for their maintenance. This requirement simply recognizes the new reality of child welfare in Nebraska. The responsibility of welfare...child welfare has largely shifted to these private agencies, as have the resources. However, the Legislature has not abdicated its responsibility for oversight. Thank you. [LB92]

SENATOR CAMPBELL: Okay. Ms. Cassell, will you be staying around? (Laughter) [LB92]

FRANCESKA CASSELL: Well, I'm going to stick around for the other bill, but I'm not going to close. I'm...she wishes to waive. [LB92]

SENATOR CAMPBELL: Okay, on either. [LB92]

FRANCESKA CASSELL: Right. [LB92]

SENATOR CAMPBELL: Okay. Senator Wallman does not get a chance to ask you a question. (Laughter) Okay. Can I see a show of hands of those who are with us today who would like to testify on LB92. Okay. We will start with the proponents for LB92. Good afternoon. [LB92]

JULIE DAKE ABEL: (Exhibit 17) Good afternoon, Senator Campbell, once again, and members of the committee. I would like to thank Ms. Cassell for presenting for Senator Howard while she's out. Hopefully, she will be doing better. And I would certainly like to thank Senator Howard for bringing this bill forward. We do believe that this is a very important bill and that it should be advanced. I'm sorry, I forgot to state my name and spell my name. [LB92]

SENATOR CAMPBELL: Thank you, you're helping me out today. [LB92]

JULIE DAKE ABEL: (Laugh) I apologize. My name is Julie Dake Abel, D-a-k-e A-b-e-l and I'm the executive director of the Nebraska Association of Public Employees, AFSCME Local 61. And we are the union that represents the majority of the state employees, including many of the caseworkers who would be affected by this bill. Now I'll go back to my testimony. By requiring all the child welfare caseloads not to exceed the standard set out by the Child Welfare League of America by no more than two cases would be a very positive thing for our children and our families. The caseload comparison report issued by DHHS includes caseloads from lead agencies contracting

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with the state to provide those child welfare services. So by actually having recommended caseloads for both the state, DHHS, and also the agencies would be very beneficial to our children. LB92 will better ensure the safety and well-being of our children through looking at caseloads. Currently, in Nebraska the number of case managers versus caseloads is very disproportionate, thus directly affecting recommendations and outcomes, positive outcomes for Nebraska families and children. We believe that through this bill moving forward, and with hopes that this bill will pass, that those numbers can finally become more in line with national standards and ultimately lead to more successful results. When I testified previously, one of the handouts I gave you also had information in there regarding caseloads and sizes and, you know, why it would be good to move to have, you know, an actual cap on caseloads, so to speak. Some of that information in there is taken from the CWLA. So I just wanted to point you back to some of the information that I provided you when I testified on LR37. Again, we would certainly be supportive of this. I think that Ms. Cassell, you know, laid out a lot of the reasons that we have for being very supportive of this bill, so I don't want to duplicate her opening statement. [LB92]

SENATOR CAMPBELL: Questions for Ms. Abel this afternoon? I don't have any questions either. Thank you very much. [LB92]

JULIE DAKE ABEL: Okay, thank you. [LB92]

SENATOR CAMPBELL: Other proponents for LB92? Good afternoon. [LB92]

JOAN KINSEY: (Exhibit 18) Good afternoon, senators. Thank you for this opportunity and for all the work that you do. My name is Joan Kinsey, K-i-n-s-e-y. I am here on behalf of the Nebraska Foster and Adoptive Parent Association. The Nebraska Foster and Adoptive Parent Association is in support of LB92. Successful foster care is built on relationships, relationships with foster parents, birth parents, children, and case managers. When case managers have manageable caseloads that allow for appropriate interaction with everyone involved, knowledgeable, informed decision-making can be made in the best interests of the children and their families. Often, caseloads do not allow for appropriate visitation between case managers, foster families, birth families, or the children involved in the case. Timely permanency should always be the goal when children come into care as they are taken from their birth family homes. When case managers are trying to manage an overload of cases, it is the children and family that suffer the consequences of languishing in the foster care system. The NFAPA office receives calls from foster parents who may go months without seeing the person that is making decisions about the children in their home. It is not because the workers don't care or they are disinterested, rather it is because they are asked to manage caseloads that are overwhelming. NFAPA believes that with the passing of LB92 we will see more timely permanency for our children. Thank you. [LB92]

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SENATOR CAMPBELL: Questions from the senators this afternoon? Thank you very much. Other proponents for LB92? Okay. Those who wish to testify in opposition to LB92. Those who wish to provide testimony in a neutral position on LB92. Okay. Any other comments from the senators? Ms. Cassell, would you take a note and we will discuss with Senator Howard, but one of the questions that I had in reading it is, what national organization... [LB92]

FRANCESKA CASSELL: I can actually answer that question. [LB92]

SENATOR CAMPBELL: See, now we were trying to protect you and you know the answer. [LB92]

FRANCESKA CASSELL: (Laugh) The reason that the...that language actually came from the drafters. Senator Howard did intend it to be the Child Welfare League of America standards. But the drafters were concerned that if they put Child Welfare League of America the name could change. And so if it was passed into law and then the Child Welfare League decides to change their name to the Children's...or something else that has a different name, that it would mean that the law was no longer accurate. So that's why we used the national organization. That's...the description that they used is actually taken directly from the Child Welfare League of America's mission statement or stuff on their Web site, so... [LB92]

SENATOR CAMPBELL: Because that was my other question was on the definition. And you've answered that. And I have to say, I thought maybe the standard had been set by an accreditation agency. [LB92]

FRANCESKA CASSELL: I believe... [LB92]

SENATOR CAMPBELL: I guess, I was thinking more like COA there. So I'm glad you clarified that. [LB92]

FRANCESKA CASSELL: Sure. [LB92]

SENATOR CAMPBELL: (Exhibits 19 and 20) Thank you. Any other questions? Why don't you just stay right there. We won't tell Senator Howard that you knew all the answers (laughter) and she needn't come, if you were going to fill in. All right. We will now move to LB...we'll close the hearing on LB92 and move to LB95, also introduced by Senator Howard, to require accreditation for lead agencies contracting with the Department of Health and Human Services. And, Ms. Cassell, you are opening again. [LB92]

FRANCESKA CASSELL: I am. Thank you, Senator Campbell and members of the

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committee. For the record, I am Francesca Cassell, that last name is C-a-s-s-e-l-l. LB95 would require the lead agencies contracted by the department to provide child welfare services are accredited by a national accrediting entity with respect to the services being provided by such lead agency. The benefits of accreditation are many. Accreditation is a peer review process that establishes that services provided to meet standards...that services provided meet standards of quality. Requiring accreditation assures that the public...to the public that the agency meets rigorous standards that are not swayed by passion or politics but scientific study of what works best. An accredited agency provides that they have effective management and that programs are designed to meet needs and achieve desired outcomes. In short, requiring that agencies be accredited is one more way of ensuring proper oversight. This bill would not prove onerous to the current lead agencies. The child welfare contracts require that the lead agencies maintain existing accreditation or are in the process of becoming accredited. Currently, the member organizations of the Nebraska Families Collaborative are accredited. Boys Town and Omni Behavioral Health are accredited by the Joint Commission, while the Child Saving Institute and Heartland Family Services are accredited with the Council on Accreditation of Services for Families and Children. KVC is seeking accreditation from the Joint Commission. I want to...I need to reiterate that this bill is targeting lead agencies that are engaging in child welfare case management, traditionally undertaken by the Department of Health and Human Services. The language of the bill reflects the terminology of the time it was drafted. Reference to out-of-home care refers to the child welfare reform that the department has recently named Families Matter. This bill is not seeking to require accreditation of youth correctional or juvenile justice facilities. We got a few calls on that, so we thought that we'd clarify it for the record. LB95 is about ensuring the best outcomes for children and families. Accreditation provides another layer of oversight by experts who are able to evaluate programs in an evidence-based manner. Thank you for your time and attention to LB95. [LB95]

SENATOR CAMPBELL: Questions? We are going to ask questions this time. (Laughter) [LB95]

FRANCESKA CASSELL: Okay. I'll do my best. [LB95]

SENATOR CAMPBELL: Senator Bloomfield. [LB95]

SENATOR BLOOMFIELD: I just want to thank her. She's given me a wonderful idea here. When I got to testify I'm going to send my LA and go home. (Laughter) This works great. [LB95]

SENATOR CAMPBELL: And we will have caught on by then, Senator Bloomfield. Other questions? [LB95]

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SENATOR BLOOMFIELD: I can do that. (Laugh) [LB95]

SENATOR CAMPBELL: Other questions? Oh, Senator Gloor. [LB95]

SENATOR GLOOR: And I want this on the record so this isn't a softball underhand lob to you. I'm trying to figure out, Franceska, how to ask it though. Having come from an organization that valued its accreditation, Joint Commission as an example and several others. It's also clear to me that the accreditation is only as good as the quality of the accrediting agency, and you've named several. I mean, is there a universe for accrediting agencies that anybody can hang their hat on to accomplish this? Or are we going to be exacting enough so that we can be comfortable that the accrediting agency really is a good, worthy measure of quality when it comes to kids? [LB95]

FRANCESKA CASSELL: I think I'm going to defer to Senator Howard on that one, so... [LB95]

SENATOR GLOOR: Okay. Yeah, and I'm not surprised. But I wanted to inquire. Yeah, thanks. [LB95]

FRANCESKA CASSELL: (Laugh) She knows a lot more about it than I do, so... [LB95]

SENATOR CAMPBELL: And I believe that Mr. Newell mentioned this afternoon, in the information on LR37, that the collaborative itself, I think, is going for accreditation. Is that accurate? Does anybody know? Mr. Newell. [LB95]

DAVE NEWELL: The concern we would have is the time line (inaudible). [LB95]

SENATOR CAMPBELL: I think I'll call you up in just a minute and then we'll clarify that so we get it on...and the clerk gets it on in the right place, and I don't get into trouble. Thank you, Ms. Cassell. And we understand you will waive closing. Those in the hearing room who wish to testify in support of LB95. [LB95]

JULIE DAKE ABEL: (Exhibit 21) I'll try and be quick this time and follow proper procedure this time as well. Good afternoon. My name is Julie Dake Abel, D-a-k-e A-b-e-l, and I'm the executive director of the Nebraska Association of Public Employees, AFSCME Local 61. And again, we would like to thank Senator Howard for introducing LB95 and also Ms. Cassell for her wonderful opening. NAPE/AFSCME does stand in support of this bill. As NAPE is an organization with substantial membership of case managers, we feel that the advancement of this bill is much needed and vital to serving our children and families. By requiring all the lead agencies contracting with the Department of Health and Human Services to provide child welfare services under the reform to be properly accredited, LB95 will better ensure the safety and well-being of children and families. By mandating accreditation standards for all those...for all the

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service contracts it will ensure quality services. So we believe that this legislation would be another step towards protecting the safety net for Nebraska's children and families. Again, we do want to thank Senator Howard for introducing this. And we thank the members of the committee for their leadership and their time. [LB95]

SENATOR CAMPBELL: Questions for Ms. Abel on her testimony today? Seeing none, thank you very much. [LB95]

JULIE DAKE ABEL: Thank you. [LB95]

SENATOR CAMPBELL: Those who wish to testify in favor of LB95. Those who wish to provide neutral testimony. Good afternoon. [LB95]

TODD RECKLING: (Exhibit 22) Good afternoon, Senator Campbell and members of the Health and Human Services Committee. My name is Todd Reckling, R-e-c-l-i-n-g, and I'm the director for the Division of Children and Family Services of the Health and Human Services. I'd like to also thank Senator Howard for introducing LB95 and certainly all the bill's cosponsors: Senators Cook, Cornett, McGill, and Wallman. I'm here today, obviously, to testify in a neutral capacity. My testimony will focus on the department's current requirements regarding accreditation and actions needed by the department and impacts of this bill. LB95 would require each lead agency contracting with DHHS to provide out-of-home care for children, under the age of 18, to become accredited by a national accrediting entity with respect to the service being provided by that lead agency. The department recognizes the importance of having a child welfare and juvenile services system that requires lead agencies providing services to children and families to become accredited. As required by the department's current contract, KVC and the Nebraska Families Collaborative are both in the process of becoming fully accredited no later than July 1 of 2013. Our contract in fact reads: The contractor will maintain its existing accreditation relevant to the services provided under the terms of this contract or provide to DHHS, by January 1 of 2011, documentation that it is in the process of becoming accredited and shall be fully accredited no later than July 1 of 2013. Again, KVC and Nebraska Families Collaborative are in the process and they have provided copies of their applications for accreditation but are not accredited at this time. In order for an agency to be eligible for accreditation it must adhere to particular requirements. For example, one of those requirements expected by the Council on Accreditation or COA is that the agency has provided services to consumers for at least six months at the time of application. The process to become accredited takes approximately one year from the date of application. At times, agencies are informed of standards and practices they must adopt or change in meeting their requirement to become accredited. DHHS and contractors have agreed that the date of July 1 of 2013 is a reasonable expectation for them to be fully accredited. LB95 as written would require DHHS to only contract with lead agencies that already have existing accreditation. If KVC or NFC are not able to comply with the requirements of LB95 upon

its effective date, DHHS would either assume direct responsibility for the delivery of services and case management responsibilities or possibly have to secure an alternative contractor or contractors to provide service delivery and case management to our families. From experience, it's unlikely that an alternative contractor would be able to build such an infrastructure, implement a program to offer service delivery and case management, and become accredited within the 90 days of the bill becoming fully effective. Passage of LB95 as currently drafted has great potential to result in a negative impact to our children and families served through our child welfare and juvenile services system. For example, children and families previously assigned to perhaps Visinet or CEDARS may have to once again be assigned to a different case manager under a different agency. This in turn could delay timely reunification or adoption of our children. This could also potentially impact up to 5,600 children that are currently being served by KVC and NFC. DHHS would need to hire approximately 62 children and family services specialists and 16 children and family services supervisor positions if we had to resume case management responsibility. Lastly, Department of Health and Human Services, if we did have to resume responsibility for services in case management directly, there would be a fiscal shift of funding related to the hiring, training, and wages of staff. I do want to reiterate that I understand and appreciate the importance of requiring lead contractors to provide quality services to children and families in Nebraska. If the committee does decide to advance LB95, I would suggest providing flexibility to allow current and future contractors the chance to become accredited. I appreciate this opportunity to address the committee and would be happy to answer any questions. [LB95]

SENATOR CAMPBELL: Questions? We'll take Senator Gloor. [LB95]

SENATOR GLOOR: Thank you, Senator Campbell. Todd, can you answer my question about do we have a smorgasbord of accrediting agencies here or is there a tight enough universe of accrediting agencies that that's not a concern? [LB95]

TODD RECKLING: Let me qualify my statement a little bit. I'm not the most informed, but I can tell you what I know. There are a few major bodies that typically "accreditate" other entities. Typically, as you heard earlier, the...kind of the parent agencies that have come together, for example, to form Nebraska Family Collaborative, they have had that prior accreditation at their individual organizations. Typically, what we see in our profession is through the Council on Accreditation or COA or typically through the Joint Commission. That's certainly not all-inclusive, but, I think, to address your point it's not such a large menu that, I think, it would get cumbersome or complicated. There's typically a few main qualified body's that do the accrediting. [LB95]

SENATOR GLOOR: Well, my concern...I only have one concern, and that is that there are enough accrediting agencies that some are well recognized and trusted, maybe COA and Joint Commission. But there are others where the jury may still be out. And so

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I'm just looking from a quality standpoint, do we need to speak with specificity? It doesn't sound like it. [LB95]

TODD RECKLING: I would concur with some other statements, kind of a separate matter that you asked before, but, I think, it has relevance here. I, too, as Fran testified earlier, would be concerned about being overly prescriptive in the language in the bill. I think through contracts and just best practice we are able to pick and choose and decide which of those agencies would meet our intent versus putting something in statute that would have to perhaps be updated periodically or changed in the future. [LB95]

SENATOR GLOOR: Okay, thank you. [LB95]

SENATOR CAMPBELL: Senator Wallman. [LB95]

SENATOR WALLMAN: Thank you, Chairman. Yeah, you knew you'd ask a question from me, didn't you? (Laugh) In regards to these 2013, or is that when our lead agency contracts are all up? Are they staggered or everybody's contracts are up at that time? [LB95]

TODD RECKLING: No, let me try to answer your question as quickly as I can. The contracts actually run through June 30 of 2014. We picked a date of July 1 of 2013 just to be out there. I've learned that I'm going to overproduce and underpromise. And so what we have talked about is KVC is currently in the process. They will have their body come in and review them yet in '11. My understanding is NFC is also in the process. But that for them, for the site visit, will probably occur in 2012. So we think that clearly we will meet those requirements of accrediting both KVC and NFC prior to the 13th date. But we thought, worst case scenario, if changes do have to be made that was a reasonable time frame to select. [LB95]

SENATOR WALLMAN: Okay, thank you, Todd. [LB95]

SENATOR CAMPBELL: Any other questions? Director Reckling, so at this point it takes about two years doesn't it? [LB95]

TODD RECKLING: Again, by...you have to...what some people don't understand is when an entity comes in they have to be able to show and demonstrate that they've provided services the way they're going to provide them for about a six-month period. And then that's when you can submit your application. And by the time you go through all the standards, the site reviews, and so forth, you're talking another 12 months. So as you indicate, Senator, you're probably at the 18-month mark or maybe the 24-month marker. It really depends. And it does vary depending on a lot of different factors. But that's why we wanted to allow enough time that either the current contractors or future

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contractors coming in would have that flexibility to get the accreditation if they weren't at the time. NFC, I think, represents a great example of where we may have providers that would want to come together and form a new entity. And despite the fact that they are individually accredited, doesn't mean that the new body has the...it has accreditation and therefore would have to get accredited. [LB95]

SENATOR CAMPBELL: And I can just speak from experience, I didn't have to have anything to do with our agencies because I was on the foundation side. So I just kind of watched the other side go through this. But I know that there were two postponements of even the visiting team, because this is all bound by when the teams can come to visit you and carry this out, which extended the reapplication, I think, by three or four months. So to some extent, even your 2013, I mean, you could run into an unusual situation of which it would be hard to become accredited just from a time schedule. [LB95]

TODD RECKLING: You're right. There are factors beyond the agency or entities purview that are dependent on such as you're saying, the site team. But again, we felt that 2013 gave us that flexibility that we needed. [LB95]

SENATOR CAMPBELL: Okay. Any other questions? Thank you very much. [LB95]

TODD RECKLING: Thank you. [LB95]

SENATOR CAMPBELL: Anyone else wishing to testify in a neutral position? Anyone wishing to testify in opposition? Mr. Newell, would you come forward just so that we can have your answer to my question on the record. And for the clerk, would you state your full name and spell the last name. [LB95]

DAVID NEWELL: Sure. For the record my name is David Newell, N-e-w-e-l-l. [LB95]

SENATOR CAMPBELL: And you started to answer the question because you all are separately accredited in the collaborative. But now the collaborative itself is becoming accredited. [LB95]

DAVID NEWELL: Right. So we are going through the accreditation process with COA. But our site visit has not been scheduled yet. We're in the process of scheduling that. And going to the point that you just made, there's a variety of challenges to getting those scheduled that aren't strictly limited to the agency. We won't...I don't know when the date will be at this point. But it won't be by the time, if this bill were to pass as it's currently written, it won't be in time for...if it went into law like this. [LB95]

SENATOR CAMPBELL: Okay. Any other questions? Thank you for clarifying the record for me. [LB95]

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DAVID NEWELL: Okay. Thank you, Senator. [LB95]

SENATOR CAMPBELL: (Exhibits 23 and 24) With no other testimony before us on LB95, we'll close the public hearing. And we have completed our hearings for the day. And would ask the committee to just stay for a small time period. [LB95]