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**TESTIMONY ON AB 501** 

Good afternoon, Chairwoman Koivisto, members of the committee. My name is Nancy

Ford, Administrator of the Welfare Division. With me is Leslie Danihel, Chief of

Eligibility and Payments at the Welfare Division.

AB 501 amends NRS Chapter 422 to provide additional flexibility to the Welfare

Division and to clean up some matters in the chapter. As you have likely heard,

Temporary Assistance to Needy Families, or TANF as it is commonly referred to, is up

for reauthorization in Congress this year. TANF was set to expire on September 30,

2002, but through continuing resolutions and the final Federal budget for Federal Fiscal

Year 2003, it has been continued through September 30, 2003.

HR 4 is the House bill on TANF reauthorization and it has passed the House. S 5 is the

Senate bill on TANF reauthorization and is currently being discussed. The bills are very

similar to each other. The major debate seems to be over additional child care funds and

increasing work requirements from 30 hours to 40 hours per week. We don't know when

final approval will be forthcoming from Congress, but want to be situated to address any

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changes that may need to be implemented.

I would be happy to go through the bill, with your permission.

ASSEMBLY HEALTH AND HUMAN SERVICES DATE: 03 31 ROOM: 3138 EXHIBIT K SUBMITTED BY: Nancy Ford

## Section by Section Analysis

Section 1: Adds "at least" twice each calendar year—the board tends to meet quarterly and this change will bring the statute into compliance with practice.

Page 2, line 10 reduces the notice period for the meeting of the Board from 45 days to 14 days. The 45 day period was set when the Board was regulatory. The Board is now advisory and it is difficult to schedule meetings with a 45 day requirement. 14 days should provide adequate notice of matters to be discussed at the meeting.

Section 2, page 2: LCB amended this section as it pertains to the Welfare Division and the Welfare Division does not verify treatment and payment to providers—DHCFP performs this function. There is a mirrored statute at NRS 422.2366 which covers DHCFP.

Sections 3 & 4 are changes by LCB due to other changes in the bill.

Section 5, page 3: Provides for compliance with the Medicaid Fraud Control Unit in regards to providers—DHCFP works with providers, so change cooperation to the Department rather than Welfare. Also, there is a mirror statute that pertains to DHCFP in NRS 422.2374.

Section 6, page 4: LCB changed to division designated by the Director since the responsibilities are split between the Welfare Division and DHCFP.

Section 7 is LCB language due to other changes in the bill.

**Section 8**, page 4: The provision of public assistance is shifted from the Welfare Division to the Department due to the split in responsibilities between DHCFP and Welfare. It is suggested there be a technical amendment to indicate the Director can designate which division provides public assistance in which program.

Section 9, page 4-5: Changes the word "shall" to "may" in evaluating recipients of public assistance for domestic violence. The Welfare Division fully intends to continue such evaluations, however, when unexpected events occur, such as 9/11, and caseloads explode, the Welfare Division needs flexibility in allocating its resources rather than being mandated to perform an evaluation.

Section 10, page 5: LCB language due to other changes in the bill.

Sections 11 through 14 are also the subject of AB 445, which has been "do passed" out of Assembly Health and Human Services. These sections change Welfare Division to Department, as, once again, the responsibilities are split between DHCFP and Welfare and in this manner the Director can allocate which Division performs which functions.

Section 15 through 17, page 9, again changes reference from the Welfare Division to the Department due to the split in responsibilities between DHCFP and the Welfare Division.

Section 18, page 10: Requires the welfare division to make assessments of each applicant's abilities, but deletes the requirement that the assessment be done prior to providing benefits. This is again to address emergency situations when caseloads explode so we can provide services to the clients without doing an assessment first. An assessment will still be done, however.

**Section 19**, page 10: Changes the requirement of reviewing a plan from not less than every six months to periodically. This is a subject of TANF reauthorization and we want to insure the flexibility to conform the program to those new requirements. HR 4 § 109 (b), pp. 29-31.

Section 20, page 11 is language by LCG due to other changes in the bill.

Section 21, page 11-12 adds language to indicate we cannot exempt a member of a household for hardship if it would violate federal law or compromise receipt of federal dollars. This is once again so we will be ready to comply with new federal requirements under TANF reauthorization.

Section 22, page 12-13: Deletes the sanction policy in statute and gives the Welfare Division authority to adopt regulations setting progressive penalties. TANF reauthorization is indicating that a household must be terminated from assistance after 2 consecutive months of non cooperation with a plan. Under the current statutory scheme, we would not be able to do that and either be in violation of state law or federal law. Proposed amendment is to add "or terminate" after "reduced". HR 4 § 110 (a) pp. 37-44.

Section 23, page 13-14: Changes the Kinship Care program from being mandated to being permissive and deletes the requirement that the caretaker submit to fingerprinting and criminal history checks. The relative is required to obtain legal guardianship and the court in that proceeding is to verify lack of a criminal record. The finger printing has proven to be difficult as finger prints fade with age and obtaining information is taking an inordinate amount of time.

Section 24 through 28, pages 14 through 20 were also in AB 445 which was a do-pass out of committee. These sections amend statutes to shift responsibility of the Medicaid Estate Recovery program from the Welfare Division to the Department, who will designate the agency to handle. This program is being shifted to DHCFP, where it more appropriately belongs.

Section 29, page 20: LCB made an amendment to change Welfare Division to Department of Human Resources in working with the Attorney General's Medicaid Fraud Control Unit.

Section 30, page 21: 422.391 and 422.393 are deleted. 422.391 defines qualifying relative for kinship care and was placed into the body of NRS 422.392. NRS 422.393 requires fingerprinting for kinship care and is being deleted.

Sections 31 and 32 insure all regulations, contracts, Medicaid cards, etc. remain in force and effect given the transfers of responsibility from Welfare to the Department to designate an agency.

Section 33: Effective date