SENATE BILL NO. 447-COMMITTEE ON FINANCE

(ON BEHALF OF THE DIVISION OF BUDGET AND PLANNING)

MARCH 28, 2011

Referred to Committee on Health and Human Services

SUMMARY—Makes various changes concerning the administration of child welfare services. (BDR 38-1218)

FISCAL NOTE: Effect on Local Government: No. Effect on the State: No.

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to protection of children; revising provisions governing the corrective actions that are required when an agency which provides child welfare services is not in compliance with certain laws, plans or policies; providing for the Division of Child and Family Services of the Department of Health and Human Services to award block grants and to administer a program to award incentive payments to an agency which provides child welfare services in larger counties; requiring the Division to submit an annual report to the Governor and the Legislature concerning the block grants and the program to award incentive payments; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law the Division of Child and Family Services of the Department of Health and Human Services provides child welfare services directly or arranges for the provision of such services in smaller counties. The Division further administers all federal money granted to the State for child welfare services and coordinates and monitors the delivery of child welfare services in this State. The Division further evaluates all child welfare services provided throughout the State and is required to ensure that agencies which provide child welfare services carry out corrective actions when the agencies are not in compliance with the law or with statewide plans or policies. (NRS 432B.180) **Section 2** of this bill requires an agency which provides child welfare services to carry out such corrective actions or develop and submit a corrective action plan to the Division within 60 days. **Section 2** further requires the agency which provides child welfare services to





carry out the corrective action plan within 90 days after it is approved. If it is not carried out within that time, the agency which provides child welfare services is subject to certain actions by the Division, which may include having money withheld

Section 3 of this bill provides for the Division of Child and Family Services to award block grants for each calendar year to an agency which provides child welfare services in larger counties. Beginning January 1, 2013, **section 3** requires a request for a block grant to be accompanied by an improvement plan submitted by the agency which provides child welfare services. Such an improvement plan must cover a period of 2 years and include specific performance targets for improving the services provided to children in the care of the agency.

Section 4 of this bill requires the Division of Child and Family Services to administer a program to award incentive payments to an agency which provides child welfare services in larger counties and sets forth the requirements for any agency to apply for and the Division to award such incentive payments. **Sections 5** and 6 of this bill provide the manner in which an agency which provides child welfare services may apply for incentive payments for the fiscal years following an award of an incentive payment and provides that the amount of such subsequent incentive payments will be determined based upon whether the agency achieved the goal for which the incentive payment was made and, if not, the percentage of the goal that was achieved.

Section 7 of this bill requires the Division of Child and Family Services to prepare and submit a report concerning the block grants, improvements plans and the program for incentive payments to the Governor and the Legislature on or before January 31 of each year.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** Chapter 432B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.
- Sec. 2. 1. When the Division of Child and Family Services determines pursuant to subsection 7 of NRS 432B.180 that corrective action by an agency which provides child welfare services is necessary, the Division shall notify the agency which provides child welfare services of the specific areas in which the agency is in noncompliance with the federal or state laws, regulations adopted pursuant to such laws or statewide plans or policies and inform the agency which provides child welfare services that it must, within 60 days, carry out the corrective action or develop a corrective action plan.
- 2. The Division of Child and Family Services shall determine whether to approve a corrective action plan submitted pursuant to subsection I within 30 days after receipt. If the Division of Child and Family Services does not approve the plan, the Division of Child and Family Services must notify the agency which provides child welfare services of the deficiencies and allow the agency which provides child welfare services 30 days in which to submit a





revised corrective action plan for reconsideration. If a revised corrective action plan is not resubmitted within 30 days, the Division may take any of the actions set forth in subsection 4.

3. After the Division of Child and Family Services approves a corrective action plan, the agency which provides child welfare

services must carry out the plan within 90 days.

 4. If the agency which provides child welfare services fails to take corrective action or to carry out a corrective action plan within the required period, the Division of Child and Family Services may take one or more of the following actions:

(a) Withhold money from the agency which provides child welfare services:

(b) Impose an administrative fine against the agency which provides child welfare services;

(c) Provide the agency which provides child welfare services with direct supervision and recover the cost and expenses incurred by the Division in providing such supervision; and

- (d) Require the agency which provides child welfare services to determine whether it is necessary to impose disciplinary action that is consistent with the personnel rules of the agency which provides child welfare services against an employee who substantially contributed to the noncompliance of the agency which provides child welfare services with the federal or state laws, regulations adopted pursuant to such laws or statewide plans or policies, including, without limitation, suspension of the employee without pay, if appropriate.
- 5. The Division of Child and Family Services shall adopt regulations to carry out the provisions of this section, including, without limitation, regulations which prescribe the circumstances under which action must be taken against an agency which provides child welfare services for failure to take corrective action and which specify that any such action by the Division must not impede the provision of child welfare services.
 - Sec. 3. 1. On or before January 1 of each year, an agency which provides child welfare services in a county whose population is 100,000 or more may request a block grant from the Division of Child and Family Services.
- 2. An agency which provides child welfare services that submits a request for a block grant on or after January 1, 2013, must include an improvement plan with the request.
- 3. Before submitting an improvement plan pursuant to subsection 2, the agency must solicit public input regarding the proposed improvement plan. The agency which provides child welfare services shall submit with the improvement plan an





explanation of the manner in which the agency solicited such public input and a summary of any input received.

4. The improvement plan must cover a period of 2 years and include, without limitation:

(a) Specific performance targets for improving the safety, permanency and well-being of the children in the care of the agency which provides child welfare services; and

(b) The approach that the agency which provides child welfare services will take to achieve the specific performance targets, including, without limitation, specific strategies that will be used.

5. The Division of Child and Family Services shall award a block grant to an agency which provides child welfare services that complies with the provisions of this section to the extent that money has been appropriated for that purpose.

6. On or before December 31 of each year, an agency which provides child welfare services that receives a block grant pursuant to this section after submitting an improvement plan must submit to the Division of Child and Family Services data demonstrating the progress that the agency which provides child welfare services has made towards meeting the specific performance targets set forth in the improvement plan.

Sec. 4. 1. The Division of Child and Family Services shall administer a program to award incentive payments to an agency which provides child welfare services in a county whose population is 100,000 or more.

2. On or before May 1 of each year, an agency which provides child welfare services may submit an application to the Division of Child and Family Services for an incentive payment.

3. The application for an incentive payment must include, without limitation:

(a) A description of the specific goal that the agency which provides child welfare services agrees to achieve by June 30 of the following year if the incentive payment is awarded;

(b) Baseline data to support the need to achieve the specific goal and which will provide a manner in which to measure whether the goal is achieved or to determine the percentage of the goal that is achieved; and

(c) The amount requested by the agency which provides child welfare services as an incentive payment.

4. If the Division of Child and Family Services does not approve the application, the Division must notify the agency which provides child welfare services of the specific deficiencies in the application and allow the agency to resubmit the application within 30 days.





5. If the Division of Child and Family Services approves the application, the Division of Child and Family Services shall, to the extent that money is available for that purpose, award an incentive payment to the agency which provides child welfare services for the fiscal year beginning on July 1 of the year in which the application is submitted.

Sec. 5. 1. Each year following the award of an incentive payment pursuant to section 4 of this act, the agency which provides child welfare services may submit an application on or before May 1 for an incentive payment to be awarded for the next fiscal year beginning on July 1 following approval of the

application.

2. The agency which provides child welfare services shall submit the application in the manner set forth in section 4 of this act and must, in addition to the information required pursuant to section 4 of this act, include an estimate of the percentage of the goals established in the prior application that will be achieved by the agency which provides child welfare services by June 30. If the agency which provides child welfare services does not estimate that it will achieve at least 75 percent of the goal that was established, the application must be denied and the agency which provides child welfare services will not be eligible for an incentive payment.

- 3. If the Division of Child and Family Services approves the application, the Division shall, to the extent that money has been made available for that purpose, award an incentive payment to the agency which provides child welfare services for the fiscal year beginning on July 1 of the year in which the application is submitted in an amount not to exceed a percentage of the amount awarded for the current fiscal year as determined pursuant to subsection 4.
- 4. The amount of an incentive payment that may be awarded for the next fiscal year pursuant to this section must not exceed 40 percent of the amount awarded for the current fiscal year if the agency which provides child welfare services estimates that it will achieve not less than 75 percent and not more than 76 percent of the goal established for the current fiscal year by June 30. The amount of an incentive payment that may be awarded increases by 3 percent for each additional percentage point of completion of the goal established for the current fiscal year, up to a maximum of 100 percent of the amount of the incentive payment awarded for the current fiscal year.
- Sec. 6. 1. On or before September 1 of the year following the year in which an agency which provides child welfare services is awarded an incentive payment from the program established





pursuant to section 4 of this act, the agency which provides child welfare services shall submit to the Division of Child and Family Services a report which demonstrates whether the goal established pursuant to section 4 of this act was achieved and, if not, the percentage of the goal that was achieved by June 30 of the fiscal year in which the incentive payment was awarded.

- 2. If the report submitted pursuant to subsection 1 demonstrates that the agency which provides child welfare services achieved:
- (a) A greater percentage of the goal than estimated pursuant to section 5 of this act, the Division of Child and Family Services shall increase the incentive payment to the agency which provides child welfare services by an amount equal to the additional amount that should have been awarded pursuant to subsection 4 of section 5 of this act; or
- (b) A lower percentage of the goal than estimated pursuant to section 5 of this act, the agency which provides child welfare services shall reimburse to the Division an amount equal to the additional amount that should not have been awarded pursuant to subsection 4 of section 5 of this act.
- Sec. 7. On or before January 31 of each year, the Division of Child and Family Services shall prepare and submit a report to the Governor and the Legislature which includes, without limitation, information concerning:
- 1. The progress made by each agency which provides child welfare services in a county whose population is 100,000 or more toward achieving the specific performance targets set forth in an improvement plan submitted by the agency pursuant to section 3 of this act; and
- 2. Whether the agency which provides child welfare services in a county whose population is 100,000 or more achieved the specific goal established pursuant to section 4 of this act during the previous fiscal year and, if not, the percentage of the goal that was achieved.
 - **Sec. 8.** NRS 432B.180 is hereby amended to read as follows: 432B.180 The Division of Child and Family Services shall:
- 1. Administer any money granted to the Štate by the Federal Government.
- 2. [Plan, coordinate and monitor the delivery of child welfare services provided throughout the State.] Request appropriations from the Legislature in amounts sufficient to:
- (a) Provide block grants to an agency which provides child welfare services in a county whose population is 100,000 or more pursuant to section 3 of this act; and





- (b) Administer a program to provide additional incentive payments to such an agency pursuant to section 4 of this act.
- 3. Monitor the performance of an agency which provides child welfare services in a county whose population is 100,000 or more through data collection, evaluation of services and the review and approval of agency improvement plans pursuant to section 4 of this act.
- **4.** Provide child welfare services directly or arrange for the provision of those services in a county whose population is less than 100,000.
- [4.] 5. Coordinate its activities with and assist the efforts of any law enforcement agency, a court of competent jurisdiction, an agency which provides child welfare services and any public or private organization which provides social services for the prevention, identification and treatment of abuse or neglect of children and for permanent placement of children.
- [5.] 6. Involve communities in the improvement of child welfare services.
- [6.] 7. Evaluate all child welfare services provided throughout the State and, if an agency which provides child welfare services is not complying with any federal or state law relating to the provision of child welfare services, regulations adopted pursuant to those laws or statewide plans or policies relating to the provision of child welfare services, require corrective action of the agency which provides child welfare services.
- [7. If an agency which provides child welfare services fails to take corrective action required pursuant to subsection 6 within a reasonable period, take one or more of the following actions against the agency which provides child welfare services:
- (a) Withhold money from the agency which provides child welfare services;
- (b) Impose an administrative fine against the agency which
 provides child welfare services;
 - (c) Provide the agency which provides child welfare services with direct supervision and recover the cost and expenses incurred by the Division in providing such supervision; and
 - (d) Require the agency which provides child welfare services to determine whether it is necessary to impose disciplinary action that is consistent with the personnel rules of the agency which provides child welfare services against an employee who substantially contributes to the noncompliance of the agency which provides child welfare services with the federal or state laws, regulations adopted pursuant to such laws or statewide plans or policies, including, without limitation, suspension of the employee without pay, if appropriate.





The Division shall adopt regulations to carry out the provisions of this subsection, including, without limitation, regulations which prescribe the circumstances under which action must be taken against an agency which provides child welfare services for failure to take corrective action and which specify that any such action by the Division must not impede the provision of child welfare services.

8. In consultation with each agency which provides child welfare services, request sufficient money for the provision of child welfare services throughout this State.

- 9.1 8. Deposit any money received from the administrative fines imposed pursuant to this section with the State Treasurer for credit to the State General Fund. The State Treasurer shall account separately for the money deposited pursuant to this subsection. The money in the account may only be used by the Division to improve the provision of child welfare services in this State, including, without limitation:
- (a) To pay the costs associated with providing training and technical assistance and conducting quality improvement activities for an agency which provides child welfare services to assist the agency in any area in which the agency has failed to take corrective action; and
- (b) Hiring a qualified consultant to conduct such training, technical assistance and quality improvement activities.

[10.] 9. Coordinate with and assist:

- (a) Each agency which provides child welfare services in recruiting, training and licensing providers of family foster care as defined in NRS 424.017;
- (b) Each foster care agency licensed pursuant to NRS 424.093 to 424.097, inclusive, in screening, recruiting, licensing and training providers of family foster care as defined in NRS 424.017; and
- (c) A nonprofit or community-based organization in recruiting and training providers of family foster care as defined in NRS 424.017 if the Division determines that the organization provides a level of training that is equivalent to the level of training provided by an agency which provides child welfare services.
 - **Sec. 9.** This act becomes effective on July 1, 2011.





