

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON HEALTH AND HUMAN SERVICES**

**Seventy-Seventh Session
April 5, 2013**

The Committee on Health and Human Services was called to order by Chair Marilyn Dondero Loop at 12:56 p.m. on Friday, April 5, 2013, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at nelis.leg.state.nv.us/77th2013. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblywoman Marilyn Dondero Loop, Chair
Assemblywoman Ellen B. Spiegel, Vice Chair
Assemblywoman Teresa Benitez-Thompson
Assemblyman Andy Eisen
Assemblywoman Michele Fiore
Assemblyman John Hambrick
Assemblyman Pat Hickey
Assemblyman Joseph M. Hogan
Assemblyman Andrew Martin
Assemblyman James Oscarson
Assemblywoman Peggy Pierce
Assemblyman Michael Sprinkle

COMMITTEE MEMBERS ABSENT:

Assemblyman Wesley Duncan (excused)

GUEST LEGISLATORS PRESENT:

Assemblywoman Irene Bustamante Adams, Clark County Assembly
District No. 42

Minutes ID: 765



Assemblyman Jason Frierson, Clark County Assembly District No. 8

STAFF MEMBERS PRESENT:

Paul V. Townsend, Legislative Auditor, Audit Division, Legislative Counsel
Bureau
Jane E. Bailey, Audit Supervisor, Audit Division, Legislative Counsel
Bureau
Kirsten Bugenig, Committee Policy Analyst
Risa Lang, Committee Counsel
Janel Davis, Committee Secretary
Macy Young, Committee Assistant

OTHERS PRESENT:

Mike McMahon, Administrator, Division of Welfare and Supportive
Services, Department of Health and Human Services
Lisa Ruiz-Lee, Director, Department of Family Services, Clark County
Ken Lange, representing Nevada Youth Care Providers
Barbara deCastro, President, Nevada Youth Care Providers
Dave Doyle, Director of Operations, Eagle Quest of Nevada, Inc.
Kevin Schiller, Director, Department of Social Services, Washoe County
Steve Dahl, Attorney, Legal Aid Center of Southern Nevada
Robert Durette, Private Citizen, Las Vegas, Nevada
Christina Vela, Chief Program Officer, St. Jude's Ranch for Children

Chair Dondero Loop:

[Roll was called. Rules and protocol were explained.] I will open the hearing on Assembly Bill 495. Assemblywoman Bustamante Adams is here to present the bill.

**Assembly Bill 495: Abolishes the Committee on Co-Occurring Disorders.
(BDR 40-571)**

**Assemblywoman Irene Bustamante Adams, Clark County Assembly District
No. 42:**

During the interim, I had the honor of serving as the Chair on the Sunset Subcommittee of the Legislative Commission. The Subcommittee was created through Senate Bill No. 251 of the 76th Legislative Session. It was responsible for reviewing all boards and commissions in Nevada that are not provided for in the *Nevada Constitution* or established by an executive order of the Governor. The bill was a bipartisan effort. It was sponsored by then-Assemblywoman Debbie Smith and Senator Ben Kieckhefer.

During the interim, we had identified roughly 170 entities that must be reviewed by the Subcommittee over the next ten years. The Subcommittee is charged with determining whether those entities should be terminated, modified, consolidated with another board or commission, or continue as presently constituted.

Thirty-seven entities were selected by the members during the first two meetings, of which we reviewed 29. The other eight will be reviewed in future years. Of the 29 entities reviewed, we recommended terminating 2 boards, terminating 1 board and transferring its duties to another agency, continuing 7 boards with further recommendations, and 19 boards and commissions were to continue with no change.

The Subcommittee voted to terminate the Governor's Committee on Co-Occurring Disorders based upon testimony from representatives of the subcommittee that it met its mandate and its members voted to terminate the Committee in July of 2011. As background, the Governor's Committee on Co-Occurring Disorders was established in 2007 to address problems of a lack of integration, fragmentation, and duplication in the treatment of patients with mental illness and substance abuse. The Committee spent 18 months evaluating the interaction of the criminal justice system with the state agencies that provided services to individuals with mental illness and substance abuse, which is defined as a co-occurring disorder. In 2011, the Committee made several recommendations to the Governor and the Legislature, which included statutory changes and continued funding for programs that benefit those with disorders.

I have provided a letter ([Exhibit C](#)) from Lesley R. Dickson, M.D., Chair, Governor's Committee on Co-Occurring Disorders which supports the Sunset Subcommittee's recommendation to terminate the Committee. As Dr. Dickson noted, and I quote from the letter: "Some of our recommendations have been adopted, particularly with the initiation of a co-occurring disorders program at Southern Nevada Adult Mental Health Services. Unfortunately, our reports have not led to any new legislation in 2011 nor do they appear to have generated much interest . . ." Her letter continues, quote: "Therefore, at this point in time, the members of our committee have concluded that we have fulfilled the mandate of Senate Bill No. 2 of the 23rd Special Session and we no longer see a need to continue meeting as the Co-Occurring Disorders Committee."

Chair Dondero Loop:

Thank you. Are there any questions? [There was no response.] I will call those in support of the bill forward. [There was no one.] Is there anyone in opposition? [There was no one.] Is there anyone in the neutral position? [There was no one.] I will close the hearing on A.B. 495. Our next bill is sponsored by Assemblyman Frierson. He is delayed, so we will begin our work session. I will ask our policy analyst to take us through the bills. We will first review Assembly Bill 1.

Assembly Bill 1: Requires the Director of the Department of Health and Human Services to include certain requirements in the State Plan for Medicaid. (BDR 38-392)

Kirsten Bugenig, Committee Policy Analyst:

[Mrs. Bugenig read a description of the bill and a proposed amendment from the work session document ([Exhibit D](#)).]

Chair Dondero Loop:

Thank you. Is there a motion?

ASSEMBLYWOMAN SPIEGEL MADE A MOTION TO AMEND AND DO PASS ASSEMBLY BILL 1.

ASSEMBLYMAN EISEN SECONDED THE MOTION.

Is there any discussion?

Assemblywoman Fiore:

When we first heard this bill, I was hoping that there would be an amendment to where Medicaid could be reimbursed if they were not eligible. Did we change that?

Chair Dondero Loop:

I do not know. Did you supply an amendment?

Assemblywoman Fiore:

No. It was questioned and discussed during the hearing.

Kirsten Bugenig:

The provisions regarding the presumptive Medicaid eligibility are completely stricken with the amendment that is included in the work session document ([Exhibit D](#)). So the remaining piece of the bill pertains to the emergency provisions for dialysis.

Assemblywoman Fiore:

I will vote yes on this bill, but reserve my right to change my vote.

Chair Dondero Loop:

That is fine. Is there any other discussion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMAN DUNCAN WAS ABSENT
FOR THE VOTE.)

Please continue with the review, Mrs. Bugenig.

**Assembly Bill 8: Makes various changes to provisions governing public welfare.
(BDR 38-315)**

Kirsten Bugenig, Committee Policy Analyst:

Assembly Bill 8 was heard on February 18, 2013. It was brought forward by the Division of Welfare and Supportive Services. It removes the overlap to more clearly reflect the duties between the Division of Health Care Financing and Policy and the Division of Welfare and Supportive Services. [Mrs. Bugenig read a description of the bill and discussed proposed amendments from the work session document ([Exhibit E](#)).]

I would like to defer to Mike McMahon of the Division of Welfare and Supportive Services to explain the attached amendments.

**Mike McMahon, Administrator, Division of Welfare and Supportive Services,
Department of Health and Human Services:**

The document I am speaking from is the side-by-side attachment in the work session document ([Exhibit E](#)). The left side of this document is the bill draft language. The right side is a short explanation in terms of what the changes are in the section.

In section 1, we are essentially importing this particular language from *Nevada Revised Statutes* (NRS) 232.354 as it relates to the Nevada Check Up Program. It is being appropriately placed into the correct NRS chapter. In section 2, we are eliminating the language because it is also in NRS Chapter 422A which is where it should have been originally. In section 3, you are going to see this particular note on a couple of different sections within the bill. Essentially, we are modernizing the language to reflect the new federal regulations. In this particular case, we are striking the terminology "alien" and putting in "a person who is not a citizen or national of the United States."

In section 4, we are deleting the reference to the Temporary Assistance to Needy Families (TANF) and the Program for Child Care and Development because they are already referenced in NRS Chapter 422A. In section 5, we are deleting reference to public assistance. Public assistance is only going appear in Chapter 422A. For clarification purposes, we are going to strike it from Chapter 422A which is an inappropriate place for it to be. You are going to see this reference made in a number of different sections as we go forward.

In section 6, the language is being updated. Again, we are clarifying the language by putting Medicaid and Nevada Check Up specifically within Chapter 422A. On the bottom of page 3, still in section 16, we are talking about the language dealing with the "Program for the Enforcement of Child Support." This is the program that is within Division of Welfare and Supportive Services. It already exists in Chapter 422A so we are striking it for clarification purposes.

In section 7, you will see clarifications to language utilizing the terminology of Medicaid and Nevada Check Up. In the initial presentation, one of the issues that came up was in reference to the word benefit. We put a special note here that a benefit as defined under NRS 422.460 is a benefit authorized by the plan. The plan is defined under NRS 422.480 referencing the state plan for Medicaid. We are not taking anything away here; we are merely clarifying the language for public assistance, which belongs in NRS Chapter 422A.

Some of these provisions are duplicative. We are striking the language in section 8 that is there and using the terminology of Medicaid and Nevada Check Up so that it is consistent and clear. In section 9, we are striking the language and using Medicaid and Nevada Check Up for clarity. In section 10, the provision is being moved to NRS Chapter 422A because the eligibility determinations for Medicaid and for Nevada Check Up are done by the Division of Welfare and Supportive Services. This merely clarifies that the eligibility function only is what the Division is responsible for.

In section 11 and section 12 ([Exhibit E](#)), the language is being updated by striking the reference to public assistance in NRS Chapter 422 because it exists in NRS Chapter 422A. The change in section 12 also includes a definition for TANF. Under section 14, we are adding the definition for the Health Division as it currently exists within NRS Chapter 422A.

In section 15, this particular language exists within NRS Chapter 422, section 30 and deletes the language which is basically being placed in NRS Chapter 422A. This is necessary because the Division of Welfare and

Supportive Services does the eligibility determinations for Medicaid and for the Nevada Check Up Program.

Section 17 addresses overpayments and the language requirements in the Medicaid applications. Section 18 modernizes the language to reflect the federal definition. Food stamps and coupons are not the terminology that is used in the federal laws. It is now known as the Electronic Benefit Transfer (EBT) card and the Supplemental Nutrition Assistance Program (SNAP). Section 19 is updating language for the SNAP. Section 20 is modernizing the language and again striking the term "alien" and using the more contemporary language within federal regulations. Section 21 allows the Director the flexibility to hire a person with appropriate experience regardless of whether that person holds a college degree; however, the preference will be given to persons possessing college degrees in certain fields. Section 22 deletes reference to the Welfare Board because the Board is being eliminated in section 30 of the bill. Sections 23 and 24 modernize the language being used to comply with federal definitions.

Section 25 deals with the domestic violence provision. The language was proposed for deletion under the original bill. Under a proposed amendment, we are asking that it be retained. Basically, these are the provisions relating to victims of domestic violence. There was no intent to change any of our operational practices or procedures. It is merely to make sure that the reference is there within the law.

Chair Dondero Loop:

Mr. McMahon, if you want, you can jump forward to the amendments unless you feel that there is something absolutely necessary that we need to hear on the rest of the changes.

Mike McMahon:

Where is it that you would like me to go from?

Kirsten Bugenig:

I think the most beneficial thing for the Committee members would be to focus on the amendments that were in response to their concerns, not necessarily the technical corrections because those are straightforward, but the primary provisions that were being repealed because a lot of the members had questions on that during the hearing.

Mike McMahon:

On page 15, there are three primary amendments ([Exhibit E](#)). The one that is titled NRS 422A.350 refers back to the domestic violence provision. In the

original bill we had that listed as being removed. We are asking that this language stay in statute. The next item is NRS 422.355 which relates to the immunization of dependent children. Similarly, in the original bill, we were going to remove that language. We are now asking that it remain. Essentially, there are no changes per se in terms of our policies and procedures and how we operate the particular programs.

The next proposed amendment is titled NRS 422A.360. This language was originally designed to be removed, but now we are asking that it remain. This is relating to the attendance of children at school. That will still always be a part of the Division of Welfare and Supportive Services' personal responsibility plans. There is no change in terms of how we plan to proceed with that. I think I have addressed the primary concerns. I will take any questions you may have.

Chair Dondero Loop:

Thank you. That was very helpful. Is there a motion?

ASSEMBLYMAN SPRINKLE MADE A MOTION TO AMEND AND DO
PASS ASSEMBLY BILL 8.

ASSEMBLYMAN EISEN SECONDED THE MOTION.

Is there any discussion on this bill?

Assemblyman Eisen:

In reviewing the amendment ([Exhibit E](#)), this addressed the concerns I had about coverages that might have been at risk, such as prenatal care, domestic violence, assistance, immunizations, and some others. I appreciate the work that has gone into this.

Assemblyman Sprinkle:

Ditto.

Assemblyman Oscarson:

I particularly like the way this is laid out; it makes it very easy to read and understand. I also appreciate the immunization component that you added.

Chair Dondero Loop:

Is there any more discussion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMAN DUNCAN WAS ABSENT
FOR THE VOTE.)

Mr. Sprinkle will do the floor statement. We are going to go out of order again. I am going to ask if our members would mind that I stop the work session so we can hear our next bill.

I will now open the hearing on Assembly Bill 348. I would like to welcome Assemblyman Frierson.

Assembly Bill 348: Revises provisions relating to foster care. (BDR 38-457)

Assemblyman Jason Frierson, Clark County Assembly District No. 8:

When we think about child welfare, we generally think about child protective services and permanency services. We do not often think about licensing of foster homes and the management of intense placement processes for children. It can be one of those little known or considered functions of our child welfare agencies. Over the last several years in Clark County, there has been a growing concern regarding the operations of foster care agencies and foster care homes largely due to several high profile incidents that occurred in those homes—many leading to criminal charges related to crimes against children.

In addition to those high profile incidents, the Legislative Counsel Bureau (LCB) regularly conducts audits of foster homes. Their findings are routinely concerning. They find everything from inadequate policies and procedures to unsafe, unsanitary living conditions for children. With these things combined, I reached out to Clark County Department of Family Services (DFS) to discuss shoring up the licensing statutes around both foster care agencies and foster homes.

As I learned more about their operations, I was surprised at the volume of licenses they maintain and issue each year. Today they support more than 1,300 licensed homes with nearly 4,000 approved caregivers. They currently support 23 specialized foster care agencies, though 20 to 25 percent of them have closed over the past year. They pay nearly \$6 million per year to those agencies, and another \$20 million per year to other nonagency homes for the care of children. They investigate nearly 350 licensing complaints per year and complete another 200 child protective service reports per year on licensed caregivers.

The bill draft with the proposed amendments from Clark County [later introduced as ([Exhibit G](#))] would greatly assist the child welfare agencies with setting better and stronger standards for licensing foster care agencies and homes. This, in turn, would help create safer, more secure homes for our communities' most vulnerable children. I have asked Lisa Ruiz-Lee, Director, Department of Family Services in Clark County, to present the proposed bill

draft with the amendments to the Committee. She has spent many hours receiving feedback from the other child welfare and juvenile justice departments and provider partners. She has worked to create language that works better for everyone.

Inextricably intertwined with the intentions of this bill are some facts that are revealed in some of those audits. I would like to have Paul Townsend present to you some factual information about those audits so that when the bill is presented to you section by section, you can put the aspects and intentions of the bill into context.

Paul V. Townsend, Legislative Auditor, Audit Division, Legislative Counsel Bureau:

As LCB staff, we neither oppose nor support the legislation. What we are presenting today relates to our ongoing statutory responsibilities regarding reviewing children's facilities where children have been placed pursuant to an order of a court.

During the 2011-2012 Interim, we issued three fairly lengthy reports. We have lumped them into a summary report ([Exhibit F](#)). This summary provides some interesting statistical information, as well as highlights some of the highest profile problems in doing these reviews. With that, I would like to ask if Jane Bailey can walk you through the detail of some of the items in this report.

Jane E. Bailey, Audit Supervisor, Audit Division, Legislative Counsel Bureau:

I will be presenting a Summary of Reviews of Governmental and Private Facilities for Children from 2011 to 2012 ([Exhibit F](#)). As noted on page 1 of the report, we identified 60 children's facilities that meet the requirements in NRS Chapter 218G. This includes 20 governmental and 40 private facilities. Exhibit 1 on page 2 of the report groups the facilities by type and shows the number of facilities, the capacity and average population, and the number of staff for each type of facility for the year through June 30, 2012.

In addition to youths placed in Nevada facilities, 149 youths were placed in 26 out-of-state facilities in 13 different states across the U.S. On page 4, Exhibit 2 ([Exhibit F](#)) shows the placing agencies and the number of youths placed out of state at the end of the past three fiscal years. A summary of the results of our reviews begins on page 4. The policies, procedures, and processes in place at 16 of the 17 facilities reviewed provided reasonable assurance that they adequately protected the health, safety, and welfare of the youths and respected the civil and other rights of youths in those facilities.

Beginning on page 5 ([Exhibit F](#)) we have included the two most serious observations made during our reviews. In March of 2011, we found that a foster care agency did not provide reasonable assurance to protect the health and safety of the youths in its care. The agency did not ensure that foster parents maintained accurate documentation of medications prescribed or administered to the children, and it did not ensure that the foster homes were free of safety hazards.

The issues observed at one of the agency's higher-level-of-care homes were so significant we contacted DFS, which began an investigation. The six foster children in the home were moved to other homes that evening. In addition, one youth's medication file contained three different medication logs for the same medication and for the same month. Because of a lack of documentation such as physician's prescription orders and transcription errors on the medication logs, we were unable to determine if the youth was overmedicated, undermedicated, or the medication logs were inaccurate.

The Department of Family Services subsequently conducted additional inspections of the agency's foster homes requiring the agency to take further corrective actions, including continued monitoring of the homes. The June 2012 review of a state-operated group home found a lack of adequate supervision, including employee evaluations and training, which may have contributed to numerous incidents regarding inappropriate staff behavior. The incidents included inappropriate use of physical force and lack of supervision of the children by the staff. The incidents had been reported to DFS during the two years prior to our review. Some of these reports were unsubstantiated by the DFS and others were still being investigated at the time of our review; however, these reports, and the subsequent investigations, resulted in a facility corrective action plan with its licensing agency in June 2012.

At the bottom of page 5 of the report ([Exhibit F](#)), we have summarized some of the most common weaknesses found at the 17 facilities. All 17 facilities needed to develop or update policies and procedures. Examples included staff duties as mandatory reporters of suspected child abuse and neglect, and the time frame to complete, review, and revise a youth's treatment plan. Continuing on page 6, we report that medication administration processes and procedures needed improvement at 16 of the 17 facilities. For example, youths' medical files did not contain complete or clear documentation of dispensed medication at 13 of the facilities. At one facility, seven youths' files were missing medication administration records for up to 11 months. At nine of the facilities, medication files did not always contain evidence of independent review. On a positive note, one state facility has implemented an independent review process. It has assigned staff who are not routinely involved in the

medication administration process to compare medication records with physician and pharmacy orders and verify the records are complete. This process has contributed to this facility identifying, documenting, and addressing medication errors.

On page 7 of the report ([Exhibit F](#)) we report that 14 of the facilities need to improve their background check policies and processes. Two facilities did not obtain dispositions of cases against employees when the background check showed arrests with no dispositions. In one instance, management requested an employee provide dispositions for arrest, but there was no evidence that management ever received or reviewed those dispositions. The employee continued working at the facility for two years with a felony conviction for possession or trafficking of a controlled substance. Other issues related to background checks are listed on page 8. At the bottom of page 8, we report that several facilities had issues with their complaint processes. Nine facilities did not make complaint agreement forms readily available, and six did not have lockboxes where youths could file their complaints.

Appendix B on page 11 of the report ([Exhibit F](#)) contains a list of the most common or significant observations made at the 17 facilities and the number of facilities where those observations were made.

Assemblyman Oscarson:

In addressing your review, the medication management, or mismanagement as it sounds, did you break those medications down by the type they were, or was it just medications in general? I am particularly interested in psychotropic medications that were not given.

Jane Bailey:

We did not break that down in the report. Certainly when we looked at the records, the names of the medications were included in the records, but we did not break it down by type of medication. The medications referred to in our report include all types of medications.

Assemblyman Martin:

The audit report is excellent and I like the layout and the comparators. How long have you been doing these types of audit? How has this situation been improving? Or has it not been improving?

Paul Townsend:

The statutes regarding these audits passed in 2009. We have been doing them on an ongoing basis since that time. There are a number of various types of facilities we are looking at throughout the state. It is not just foster care

agencies. It is detention centers, youth detention centers, correctional centers, and mental health treatment centers. As we have gone through, and we are starting to come back around a second time, we are seeing one state facility that has shown great improvement in their medication administration.

In line with that, there were a couple pieces of legislation last session that passed based on these reviews. One was based on background checks and the other on medication management. The medication management one required all of the facilities to adopt specific policies to help improve that situation. The background one provided for more uniformity across all of the facilities that would provide residential care to children. We are seeing some improvement, in large part due to the passage of the legislation, and by us coming back around. When we are not, we are notifying the agencies that this is the same issue we had last time and they need to work on it harder. When we have serious issues, we provide that information to the licensing agencies.

Lisa Ruiz-Lee, Director, Department of Family Services, Clark County:

I would like to thank the Committee members for the opportunity to present this bill and to discuss with you what I believe is one of the most pressing issues that we are facing in child welfare in our community in Clark County.

In Assemblyman Frierson's introduction, he was absolutely correct. When most people think about child welfare, they think about child protective services and adoption services. They do not often consider the administration that goes into providing those services to the community. One of the key administrative components is the licensing of foster homes and/or the operation of the foster care agency. We do not really consider them until something horrific goes wrong in a foster home or with a foster care agency and it hits the nightly news. All of a sudden, the questions abound: What did we know about the caregiver? Did they have criminal history? Were waivers issued on the home? What was the supervision like? Those are just a few that I get routinely every time we have a critical incident in a foster home. My personal favorite question that I routinely hear when these incidents happen is: How could you let this happen? Those are all very tough questions to answer.

I have had oversight of the recruitment in the foster parent licensing functions in Clark County for the last five years. I am very familiar with the way that we operate and do business with regard to licensing. The licenses that are issued through our child welfare agencies statewide to foster and adoptive parents and the placement beds that come with those licenses are absolutely critical to providing our child welfare services to our community. The licenses are privileged licenses. I truly believe that our foster parents are among our most valuable resources in this system.

In Clark County, we license more than 1,300 homes. I believe that is more homes than probably the rest of the state combined. Attached to those homes are 4,000 licensed caregivers. That is a lot of people to manage on a full-time basis, especially since the staff that we have in licensing today is comprised of about 30 individuals who manage and maintain those licenses.

We deal with regular foster home licenses, group home licenses, and specialized foster home licenses. In addition to managing those licenses, we also partner with foster care agencies who recruit their own foster homes, bring those homes back to us as the licensing entity, and then we license those homes, and coordinate services through those foster care agencies. We do not license those foster care agencies, but we all have contractual or provider agreements with them in order to provide services to children.

As we have looked back over the last several years, the question was asked about what we have seen in terms of improvement since we started to pass additional legislation around the licensing of foster homes. I would say that we have seen some improvement in areas and we have begun to highlight additional areas of concern in others. When we were thinking about addressing the issue and talking through what we would like to see in foster care statutes and regulations, we went to a lot of time and trouble to look at other states and what they are doing in regard to foster care licensing. We took a look at all of the LCB audit findings and we cross-walked those to what best statute could look like. In Clark County, over the last couple of years, we have done a couple of in-depth reviews of foster homes. We partnered with Casey Family Programs to conduct a review and used that as the basis of a series of recommendations around therapeutic foster homes. We also contracted with the local mental health providers to take a look at those homes and make some recommendations. We factored in those recording documents as well.

I have to say that the bill draft and amendments ([Exhibit G](#)) that we sent you late last night are immense, but they are what they are because I have spent many hours over the last several weeks meeting with our child welfare partners, our juvenile justice partners, and our foster care agency provider communities to try to get the language to what we believe would better work for us. I am not going to say that we are all in agreement on 100 percent of that language, but I am saying that the amendments are generally more acceptable than the original bill draft we proposed.

I would like to go on the record indicating that the bill draft is not in any way, shape, or form my intent to offend or to criticize any of our community partners. They are outstanding and come to the table frequently to help us serve children and families. It is an attempt and effort to reshape some of the

foster care licensing parameters, and to create an improved child welfare system as a whole.

I would like to walk you through the highlights of the bill draft and the amendments that were made. I do not want to bore you, but I do want to give you some of the rationale behind the language that is proposed. It may be helpful to have the original bill draft and the amendments ([Exhibit G](#)) open at the same time. I will walk you through the language.

If you look at section 2 of the bill, we identify a brand new type of foster home. This foster home does not currently live in statute or regulations. It is a home that is specifically defined and designed to provide care for independent living children. These are the children who fall between the ages of 16 and 18 years old or who are over 18 under voluntary court jurisdiction, a child welfare system, or who may be between the ages of 18 and 19 who are still working on some of their educational goals. In our community, we have found that this is an extraordinary problem. There is no single entity that licenses independent living foster homes or programs today anywhere in the state. These are the homes in the program that do not look, act, and feel like regular foster homes. They are not a traditional family foster care model. This is where we send our independent living youth to live. Sometimes they are living in an apartment complex, are working independently, and going to school. These are the providers that we would hope to help to provide with some self-sufficiency and life skills. Because they do not necessarily fall under a traditional family foster home model, this is a program area that has truly fallen through the cracks.

Over the last six months, we did an audit of what we consider to be independent living programs in the Clark County community. We found that many of them were not providing the kinds of services to these youths that they needed. In one of the more significant instances, they were preying on those youths. We ended up with a four-plex that was not in one of the best neighborhoods. We had six children living in unfurnished apartments. All six of them had been put on food stamps, it was the end of the month, and they were out of food. It was two days before school started and they had no school supplies, yet we had a provider who was using them to bill for Medicaid services. We really feel that this is an area that we need to pay attention to and write regulations for.

Assemblywoman Benitez-Thompson:

By creating this new type of licensure in this new category of NRS, at the county and state level, will this allow you to have different criteria for that licensure as well? That is what this is enabling you to do, correct?

Lisa Ruiz-Lee:

That is correct. If by defining this as a type of foster care, it would enable us to set a regulation to license these types of programs. Right now, because of the way the statute is constructed and the way regulations exist, it does not fall into any of those categories. It literally falls through the cracks.

[Chair Dondero Loop stepped out of the meeting. The Vice Chair, Mrs. Spiegel, assumed the position as Chair to facilitate the meeting.]

Assemblywoman Benitez-Thompson:

Would those regulations be specific to Clark County, Washoe County, and the state, or are we talking about one common set of regulations?

Lisa Ruiz-Lee:

Typically, the regulations that we write are common regulations. They would be regulations that would be applicable to all of us in the state.

Assemblyman Eisen:

I have a few questions that are focused on the amendment language. I thought it might be easier if we do that as we progress through the bill. My question in this section has to do with the amendment language that has been proposed. The bill says, "for children between 16 and 18 years of age." There is additional language that states, "or who are less than 19 years of age and are full-time students . . ." I presume that was only intended to extend the upper age limits because of the way it is laid out? It looks like it could apply to a 9-year-old who is expected to complete secondary schooling before the age of 19. I want to make sure that the intent was to allow for an 18-year-old who is going to finish secondary schooling before their 19th birthday.

Lisa Ruiz-Lee:

That is correct. The green language that you see ([Exhibit G](#)) is actually the language that exists in federal statute. One of the troubling parts about licensing foster homes is that we often assume foster home children are between the ages of 0 and 18. We have many children who turn 18 and are still in high school and do not graduate until they are close to, or right on top of, their 19th birthday. The addition of the federal language allows us to cover that period of time within a youth's life so that they still fall under this category.

Assemblyman Eisen:

I wanted to make sure that there is no intent here, and it might need to be clarified, that the addition of that clause does not include children younger than 16 years of age. Because that is in the previous clause. I just want to make sure that it was not a completely separate condition.

Lisa Ruiz-Lee:

No, it does not, especially for independent living homes. Typically, you see the age range across the country start at 16. If you feel that section needs additional clarity, we can add that.

Vice Chair Spiegel:

Thank you. Please continue.

Lisa Ruiz-Lee:

If you continue on to section 3 of the bill, we add the definition of juvenile court into the bill language ([Exhibit G](#)). Juvenile court, or the concept of juvenile justice, has not previously existed within our licensing statute or regulations. The bottom line is that when we license foster homes, we often license them for juvenile justice placement, as well as for child welfare placement. We felt that we had reached a point that it was time we start to incorporate them into this statute.

Sections 4 through 7 of the bill draft focus on how we define foster care agencies and what their organizational structure or governance structure should look like. Today, we have seen a variety of instances with foster care agencies where they are not licensed by any entity. Some of them are nonprofits and they may register with a local jurisdiction, but there was a period of time where even some of the local jurisdictions did not require any sort of registration. In Clark County, we ran into a very significant hiccup with this about 14 months ago with the City of North Las Vegas. They had no idea that they had had a pop-up of what they considered to be a considerable number of large foster group homes, and started to issue complaints against those homes. In the end, it was a struggle for us because we were balancing maintaining those placements with what to do with the licenses. They were not licensed by anyone and they were not registered as nonprofit. We were able to smooth those waters, but we do believe that the foster care agencies that we work with need to have a valid business license from the state. We believe that offers some additional assurances to us.

We also requested that the foster care agencies have a governing body. When we originally proposed the language, and we looked at other jurisdictions, what we typically saw in that language is that the governing body would not have fewer than five members. In conversations with our provider community, they felt that this was an unreasonable stretch and that we needed to do something that was a little broader and allowed flexibility, which is why you can see in the amendment language, we took it out ([Exhibit G](#)). We have still maintained that they need to have a governing body of some sort that has articles of incorporation, they have a constitution and bylaws; that they define

qualifications for membership within that governing body; and that, ultimately, the governing body should appoint an individual to provide oversight of the foster care agency. Originally, we had defined it as an executive director, but the providers were afraid that title would get wrapped up and it would become a mandate. Ultimately, we were looking for a person to be in charge.

Assemblywoman Benitez-Thompson:

I am referring to the amendment ([Exhibit G](#)) on lines 12 through 13 where it talks about not fewer than five members. I do not want to throw a wrench in anything, but I think especially those who are for-profit, it is not too much of a burden to spell out and get more specific on the requirements. This is their bread and butter, and if this is their business, then they need to be doing a heck of a lot better job than we are seeing in this report.

Lisa Ruiz-Lee:

I think that we can factor that into any future amendments in terms of separating out those who are nonprofit versus for-profit and looking at an organizational structure that might be different depending upon what universe they are coming from, so to speak.

Assemblywoman Fiore:

In regard to the last statement about having different sets of rules and regulations for nonprofit or for-profit, I would disagree with that.

Lisa Ruiz-Lee:

In section 4, I mentioned earlier the deletion of the executive director title, replacing it with a more generic individual to provide oversight of the foster care agency. We felt that offered some flexibility for the agencies in terms of not getting stuck on a particular title. We also asked, as part of the organizational structure, that if a foster care agency is coming from another state, that they meet at least one time within our state, and that they have a subcommittee comprised of members who are residents of our state so that they can be connected to the communities that they serve.

We have issues now with agencies who are largely running from out of state. Some of them are large and they operate very effectively within our community. Some of them are small and their directors and owners are living out of state. We have issues within those agencies or homes that can be very challenging if they are out of state to get a response to those issues and concerns. At the end of the day, we have children who are placed in agency homes, and I need to work to try to maintain that placement stability and support those foster homes. It is very difficult if somebody is out of state who is not as responsive as they need to be. We identified this as a primary concern.

Section 5 further defines some of the responsibilities of the governing body of the foster care agency including such things as overseeing management and operations of programs and services, and ensuring that the agencies are in compliance with the rules. Section 6 addresses some financial solvency issues. The original language in the bill had identified that the agencies would be able to demonstrate that they had adequate monies available to support and sustain their activities for at least 12 months. In many of the conversations we had with our provider agencies, they indicated that they felt that this language was too rigid or may not be reflective of what their needs were. We agreed to simplify it a bit and to say that they have to be financially able to sustain their activities. We agreed that the definition for what we consider financial sustainability could be hashed out in regulations in terms of what evidence they would provide to us as proof of that financial solvency.

We still believe and maintain that financial solvency is important because, if we have agencies that go out of business and they have licensed homes and there are children placed in those homes, I am left trying to figure out what to do with those licensed homes and those placements. I would like to tell you that it has not happened, but as Assemblyman Frierson indicated, in Clark County alone, we have had 20 to 25 percent of our foster care agencies go out of business in the last two years. Some of them were because we have had horrific incidents in those homes, and others because they had not been able to make it financially. We really want to address the financial solvency piece.

Section 7 of the original bill draft contains some language around conflict of interest for the governing body of the agency. We received a lot of feedback from the provider community that conflict is usually addressed in their governing body bylaws. It may differ from entity to entity. They felt that because we had also addressed some other conflict issues later in the bill, that this section could easily be deleted and we could rely back on the bylaws and further explore what conflict of interest looked like in a regulation setting and what the expectations were. We were okay with doing that.

Assemblyman Eisen:

I was surprised by the deletion of this section in the amendment ([Exhibit G](#)). As you might imagine, I was not crazy about this deletion. I am trying to understand the rationale here. The explanation that you gave said that feedback from the providers in the community was that this was addressing their bylaws, but they make their own bylaws. I think that we have a responsibility to set a standard, particularly in light of what we have seen going on. We need independent oversight to ensure that the quality of services is what they should be. I think it is very clear in the original language in the bill

that we are talking about a conflict of interest that potentially could interfere with their ability to make objective decisions.

I was wondering if there was anything more than what you already mentioned about why it would be a good thing to take that language out. If it reinforces what is already out there, I am okay with that. I would really need a better reason to say that we should not reinforce it or we should not set a minimum standard in terms of conflict of interest.

Lisa Ruiz-Lee:

I think what you are saying is exactly why the original language was included in the bill. If you look at section 4, subsection 2, paragraph (d), there is language here under the governing body that specifically states it prohibits a conflict of interest of members of the governing body, employees, volunteers, and independent contractors of a foster care agency. It basically says that they need to stipulate as to what that would be. That needs to be covered in their governing bylaws. You are correct, they would set those on their own.

When we looked at this language and looked at other language in the previous section, one of the things that we talked about was that we, through the regulation process, could identify if these were the things that we wanted to see within those bylaws. We have already said to them, "You have to stipulate them, you have to include them," but then through regulation, we could look at that section and say, "These are the things, as a licensing authority, we want to see within the content of those bylaws." We knew there would be a subsequent conversation where we could address some of these needs in that language and through the regulation development process.

Assemblyman Eisen:

I would be far more comfortable with the retention of that section.

Assemblyman Hambrick:

I would like to address section 6. Looking at the financial stability of these agencies, I am not sure whether requesting these agencies be bonded for X amount of dollars is a good idea. What if they shut down? In some areas, very tragically, it is bad enough these children suffer the consequences from bad management, but it is even worse when the county cannot respond quickly enough. Again, under financial burden, if these groups may be bonded and fail to meet the expectations that are set forth, at least we may have recourse to recover some of that, which would then assist in a ripple effect down the line. We need to make sure these organizations are financially sound. I appreciate the once-per-year review. Would it make sense to have a bonding requirement to insulate the youth? It is possible Mr. Townsend may want to answer this.

Vice Chair Spiegel:

Mr. Townsend, do you feel comfortable coming up and addressing the question?

Paul Townsend:

Certainly, it does provide an additional layer of protection. Sometimes it is also done through the contractual arrangements that are made. I think there could be a couple ways to approach bonding.

Assemblywoman Fiore:

I would caution my colleagues to consider the foster care facilities that we have in the state and the duress they are under. The more rules, regulations, and fees we put on them might result in fewer places for children to go. It is a big balancing act.

Vice Chair Spiegel:

Ms. Ruiz-Lee, can we go back to talking about the amendment?

Lisa Ruiz-Lee:

Sections 8 through 14 in the amendments ([Exhibit G](#)) start to establish some of the additional requirements for the folks who work for the agencies. When we started to discuss titling of positions and what the layout looked like in the original bill, I think we had more than the smaller agencies could sustain, so we went back through to look at that. We set the criteria for the individual who is appointed for oversight of the foster care agency education requirements. The original bill required a master's degree in the field of social work. Our actual intent there was for them to have a master's degree. We were not specific to the field of social work; it could come from anywhere because we paired it up with five years of experience in providing social services. We have many successful agencies across the state who are headed up by individuals who have a master's degree in public administration or education or psychology. We are comfortable with that, but we did feel that the master's degree was an important component.

In section 8 of the amendment ([Exhibit G](#)), we added the language "by an accredited college or university" because the current regulations that we have stipulate that for directors of agencies; they are actually low requirements. They require a bachelor's degree or a combination of education and experience in lieu of that degree. It does not specify that the institutions these degrees are coming from be an accredited college or university. A too-large number of agencies that have closed in Clark County have been involved with significant high-profile incidents. One of the things that we discovered was that the degrees were coming from diploma mills. They were not actually degrees from

accredited colleges or universities; hence, the reason for the insertion of this language.

We also took a look at the definition of program director. On line 6 in section 8, ([Exhibit G](#)), we deleted that at the request of our community partners. They felt that some of the smaller agencies may not justify a program director, but instead, may have program supervisors. We were comfortable with leaving that language in. Again, we set the requirements for the supervisors at the master's degree level, but requiring less experience. This flexibility is actually key for agencies. We have some agencies that function effectively in this state that are not big agencies; they are small. We have approached some in Clark County and asked if they would be willing to offer this type of program or do additional service. Some of them have been frank with us and said, "No, we do not want to consider that." They say they are happy with the size of their agency and the services they provide. They are able to manage them effectively. We do not want to penalize those who do not want to grow big. We felt that this was a fair exchange and fair feedback.

We also took a look at the caseworkers. We set some minimum requirements for agencies who employ caseworkers. Not all agencies employ caseworkers; some of them are not that big and some of them do not offer those types of services and are not required to. For those who do, we want to set some requirements for that. The language added ([Exhibit G](#)) is very similar to the qualifications that we use with our child welfare agency caseworkers. We felt that was a fair exchange. If they were going to be performing services, they could have like qualifications to ours.

The original language in section 9 referred back to the executive director. We wanted to move that language out and replace it with the foster care agency because it may not be the executive director who does all of those things. They may just be happening within the foster care agency. The first provision in this section refers to the acceptance of volunteers. This was very important to us because we needed to communicate that agencies cannot rely solely on volunteers to provide the services they are offering. They need to have appropriate staff to be able to perform those functions. Sometimes, volunteers decide to not volunteer at a particular date and time. We needed to have more stability. We are not saying that they cannot have volunteers, but we are saying that they cannot rely solely on those volunteers for their services. We also asked that if they were using volunteers to perform certain functions that would normally be performed by their staff, those volunteers would have to have the same qualifications the staff would have. If you want to use a volunteer as a caseworker, for example, that person should have those same qualifications.

In section 10 ([Exhibit G](#)), we included some things about what agencies would do to support their staff, including providing them appropriate orientations that included specific information. We routinely hear from agency staff and from foster parents that they are not familiar with certain protocols of their agency. We felt identifying the fact that the orientation needed to occur was important and that we also needed to identify some of the things that we would like to see within that orientation.

There is also a section that allows us, as a licensing authority, to require training. During regulation, we would have an opportunity to flesh out exactly what some of those kinds of trainings may be. It is not that we, as licensing authorities, use training as a punishment, but we usually would like to use it out of need. We have development issues with our foster homes and foster agencies, and would like to provide them some additional development opportunities to improve whatever it is we are seeing.

Also in section 10, there was some language that started on line 29 that moved its way down to line 35 in the original bill. The original intent of this language, which was hard to understand before, was related to the hiring or employment of staff who had licenses that were issued through the state when there were actions taken against those licenses. We still would like to have further discussions around what happens when a social worker's license, or that of a therapist who is providing therapy, is suspended and action is taken against that particular license. We struck the language out ([Exhibit G](#)) because one of the issues that we have to address is when a complaint is filed against a license, it can take a very long time to resolve. We needed to acknowledge and recognize that.

We also asked that foster care agencies maintain records and that those records be available to us. It is not that we want to regularly and routinely go snooping through their personnel records, but there are times when those records are valuable to us. For example, when we are doing licensing investigations or child protective services investigations, it can be helpful to us to look at those personnel records.

Sections 11 through 13 start to take a look at criminal history requirements for the members of the foster care agency. I would like to spend some time looking at line 42 ([Exhibit G](#)) in section 11 in terms of what criminal history we are going to be looking at and for whom. We have identified that we would like to run criminal history on the foster care agency owners, anyone who is applying for the application, or holder of a license to conduct a foster care agency. In conversations with the providers, they were concerned about doing criminal history checks on members of governing bodies. Part of the reason for that

was that oftentimes the members of their governing bodies live out of state. They felt that it might limit their ability to attract governing body members, generate fundraising, or those types of things. We were okay with striking that language out.

Assemblywoman Fiore:

I have a home health care agency where we do background checks because of children and the sex trafficking issues we have. In terms of out-of-state background checks of certain employees—and I just got done saying that we are overregulating background checks on every employee—but they need to be done. Do you think you should revisit this? Anyone who has access or is near the child or is in contact with the child or knows the child is in foster care and is on the governing body has access. I am very concerned if there are not background checks on these people.

Lisa Ruiz-Lee:

We are also very concerned with background checks. It was a little bit of a push for us to start to factor in this governing body concept. Oftentimes, for some of our larger agencies that are nonprofits, their governing board or body is located out of state, so it is an issue of how to get their prints and how to get them processed. All of those are logistical kinds of questions. They also have concerns with the broadness of the language that we were using in general. If you look at the list we included in section 11 ([Exhibit G](#)), we have pretty much everybody here. The original language was each of the owners, the governing bodies, the employees, the paid consultants, the contractors, the volunteers, and the vendors. We couched all of that in our discussions with them with the clause that says "who may come into any contact with a child placed in a foster care agency." We get questions like: "What do we do about the folks who process the laundry who are just dropping off towels once a week? Do you expect us to background check them?" We would get questions about food vendors who may come in to drop off a platter of Subway sandwiches for a party. I am very cautious. My personal philosophy leans towards yours because I have seen, on too many occasions, horrific things that happen to children from people who supposedly never came into contact with them. In trying to be somewhat understanding and flexible with the challenges this would present to the provider agencies, I was at least willing to come to agreement on the clause "who may come into any contact with the child." Some of the language that was proposed was just looking at criminal history for people who have direct supervision of the children, and I am not okay with that.

In one of the most critical incidents we had in a licensed foster care agency in the last year, one of the perpetrators of the crime was an owner who was never background checked because he never came into contact with the children and

was not actively involved in the business. He was also the information technology (IT) employee. I believe that those positions, no matter who they are, are critical. I am going to present another bill this legislative session that is about doing background checks for child welfare employees. In that bill, I did not segregate out our employees or support staff. I made sure that we included all of them because I know that when we are running large events, or when a crisis comes up and there are children who need transportation, sometimes I will call on folks who do not provide primary support and supervision of children. I was willing to go with this language. I am certainly willing to reconsider it, but I am a big proponent of background checks on anyone who comes into contact with children.

Assemblyman Hambrick:

I think the language could go back in, but make a parenthetical statement. There is not a state or state agency that will not have some of these requirements. As long as a member of a governing board receives the clearance from the state in which they live, then the agency in this state could get a copy or get the governing agency in the other state to say, yes, they meet our standards. At least there will be something. I appreciate that we cannot go interstate on some of these things, but within their residency, there is no reason that they most likely have not gone through that in their own state.

Lisa Ruiz-Lee:

Sections 11 through 13 address the criminal history requirements. Most of this language contained here already is in the existing statute, but it looks brand new because it is specifically applied to the foster care agency as an entity. As we move our way through the bill, you will see the criminal history pieces are repeated because every section gives us authorization to do something different. It gives us authorization to access them, to get the records back, to ship those records back to the entities so that they can do something with them, and we can help them to do something with them.

Section 13 is really where the criminal history sections conclude. Essentially what it says is that if you have folks who are coming into contact with children who have been arrested for, or convicted of, those charges, we have to address them and move them out of the agency or out of contact with children, and it gives them certain parameters of time in which they have to resolve those issues.

Section 14 talks about conflict of interest. We specified that we did not want certain members of the agency, like the governing body and the employees, to have consultant contracts. Under section 13, line 31 of the bill says: "Actively seek to adopt a child in the custody of, or seek to use adoption services through

an agency which provides child welfare services." The original intent behind that was, oftentimes, we, as child welfare agencies, can see manipulations that occur through the system when it comes to the adoption of children. It is not just with foster care agencies and foster homes; it is with our own staff who perhaps are licensed to care for children. What we were originally trying to say through this language is reunification is our first goal when we are dealing with children. We want to get them home. We want to avoid that conflict of interest and the behind-the-scenes dealing that can occur. We agreed to take the language out because we listened to the agencies who said this was very specific, very stringent, and there may be extraordinary circumstances; it does not account for that. We agreed that we could delete the language and we could look at some flexibility and talk about where—if anywhere—it fit within the regulations. We also looked at those folks who would serve a dual role as a member of a governing body, an employee, contractor, or volunteer, while also serving as a provider of foster care. We still held to that requirement. If you are working for a foster care agency, then we really do not want you to hold a contract with them and also be a provider of foster care for them. Those waters get muddy quickly.

We also included language ([Exhibit G](#)) around folks who are allowed to authorize a mental or behavioral health service on behalf of children who are placed in the foster care homes. In many of the audits and reviews we have seen, we believe this is a conflict of interest because oftentimes it is the funding that is coming in through Medicaid that allows the child to stay placed within that foster care agency. The problem is that we have a lot of children who look as though they may be getting better on paper, but are, in fact, getting worse because the services need to be maintained, because the money needs to come through the door. We want to get away from that model as a system. We want children to get better and we want to pay reasonable rates to foster home providers; we do not want that conflict of interest to exist. We do not want them to have that financial incentive to exist within the agencies. This does not mean that the services will not be authorized; it simply means that we do not want them to coexist.

We also asked, as an individual who has a relationship with the agency, that you not be a biological parent of a child in custody. You could not work for an agency if they have your child placed in a foster home in that same agency and are providing services to you in that way. We believe that also presents a very significant conflict of interest. You will see that language appears in section 14, paragraph (d) in the amendment ([Exhibit G](#)).

Section 15 talks about what we would like to see in terms of an annual report. We cleaned up the language here, which you can see in the amendment

([Exhibit G](#)). We were able to look at line 1 in section 15 and say that we wanted an annual report. We were able to delete subsection 2 in section 15 knowing that the contents of that annual report would be fleshed out in regulations. We were comfortable with that. In the report, we want to see descriptions of programs or services provided by agencies. As we interact with many agencies in the community or those who are coming to us saying that they have an interest in being an agency, we still are surprised by how many of them cannot tell us or give us a description of what their programs are going to be within their own agencies.

Sections 16 and 17 depict how and who does what when we license these foster homes. Essentially, there are the homes or the individuals who go to the agencies and say they are interested in being a licensed foster home, send us certain information about those individuals as a licensing entity, and then the licenses are issued. We want to walk through what that process could look like. You will see that outlined in the amendment ([Exhibit G](#)).

Section 18 of the bill was also important to us. Essentially it says that if you are a foster care agency and you are affiliated with licensed foster homes, and you are using them as part of that placement process to place children in, that you have a contractual relationship with them. We even go on to say what we would like to see within the contents of that contract. I cannot speak for the rural counties or Washoe County, but I do not go a week without receiving five to ten phone calls from foster parents who are affiliated with agencies of some sort who are saying to me, "I have not been paid for caring for this child for X amount of days." The issue that I have is that I am paying the agencies for the placement of that child in the foster home. Those monies have to be transferred in some way, shape, or form from that agency to the foster home. Otherwise they do not have the monies they need in order to provide care for the children. I am stuck between a rock and a hard place because I am holding the license on the home, but my contractual relationship is with the agency. We need that contract to exist and we need to have access to that contract as a licensing authority so that we know it exists and what the terms are so that when we get those phone calls, we can go back to the contracts and help to deal with some of those issues.

These are the kinds of issues that lead to placement disruption. They lead to people saying, "I do not want to be a licensed foster parent." They return their license and ask us to come pick up the children because nobody is paying them. That is not what we want to see. We believe that the contract piece is very important. Some of the things we have included and what we would like to see within those contracts is—we are hearing in some of the contracts the agencies have with the foster homes is that there is a non-compete clause contained in

those foster homes, which basically says that if they want to leave that agency and go to work for another agency, or they want to become a regular Department of Family Services (DFS) home, that they are prohibited from doing that. We have gotten stuck in the middle of managing those relationships when they want to sever those ties. At the end of the day, it is still about the children who are placed in a home. I do not want to disrupt those children. Most of what you see in section 18 is here because these are the most significant issues that we have to address in helping to manage that relationship.

In section 19 of the bill, we start to refer to policies and procedures. Particularly for specialized foster homes, we are looking for policies that clearly delineate what we need those homes to be and what we need them to look like. If you look at line 26 under section 19 in the bill, you will see that we made a couple of changes when compared to the amendment ([Exhibit G](#)) to help better address the issue of disruptive care. We asked the agencies who are running specialized foster homes to have a written plan for alternative care in the event of an emergency or should the placement disrupt. We believe it is important to have alternatives for children should something go wrong within those homes.

Section 20 of the bill is where you start to see us delineate some of the characteristics of independent living homes or independent living programs. As I mentioned earlier, this is completely new to statute and regulation, but will help us address some of the more "rogue" providers who are providing these sorts of services to children and youth to set a structure for them so that we can make sure that they are providing what we need for children.

As you make your way through section 21 ([Exhibit G](#)), you will see the basic expectations we should have of independent living service providers as they are providing assistance to these youth. We also ask the agencies to assist us with getting medical records and documentation associated with medical records for children. This is a huge issue for us right now. Medical records are what hold everything up from quality medical care to adoptions. If I do not have all the medical records on a child, I cannot move an adoption forward. We are asking that the agencies be supportive of that and to facilitate that with their foster families.

We also made some additional requirements ([Exhibit G](#)) in terms of oversight of their homes. We believe that foster care agencies are another quality assurance "arm" to care for children within the community. We want to identify some of the needs that we had of them. You will see that we asked them to do things like if there is not a child placed in a home for 60 days, go out to that home and make sure that they still meet all of the requirements so that if they get that

phone call, and we want to make a placement, that they are ready to go. One of the audit findings that was discussed earlier today had to do with a critical event that occurred in the home. The result of that event snowballed into a series of other events that led to the removal of six children. If there is a foster home that has a sudden death or a disability, or deals with a divorce or marriage, an address change, or they have a child—all of those things would warrant that agency or agency staff going out and checking if everything is okay.

Assemblyman Oscarson:

On page 14, line 35 of the bill, it reads: "A foster care agency shall conduct an evaluation of each foster home with which the foster care agency has a contract for the placement of children at least once each year . . ." Do you find that to be enough, or do you think that twice-a-year inspections of those places might make a difference in some of these incidents?

Lisa Ruiz-Lee:

Bottom line, I think the more often we are in these homes, all of us—whether you are agency staff or child welfare staff or juvenile justice staff—the better off we all are. The more times we are in those homes, the more eyes are on the quality of those homes and the quality of the parents. When we see the family dynamic, that is always a plus. The problem with that has to do with staffing and resources. When you are trying to manage 14 homes, it can become difficult. Do I think once a year is enough? Probably not, but I think once a year is a fair start when we are not anywhere today in terms of evaluation. I think starting with that once-a-year evaluation combined with the fact that licensing goes out to those homes at least once a year is good. Quite honestly, it is more often than that. I have permanency workers who are in those homes at least once a month. Juvenile justice staff has probation and parole officers who are in those homes also. I think that combined helps to make the situation better than what it is today.

Assemblyman Oscarson:

I understand the staffing constraints and the budgetary issues that go along with those kinds of obligations, but I am wondering if you do it now, rather than later. As long as you are doing it and there is an opportunity to fix that right now, would you be interested in looking at that?

Lisa Ruiz-Lee:

I would absolutely be willing to look at that and have those discussions with the providers to see what might be a more reasonable review or evaluation. I think the most important part about this particular language has to do with the fact that we are asking agencies to conduct the evaluation. We want the agencies

to look at the homes in a constructive way and to report back on it. Every other year we reissue the license and every year we visit the homes, we issue those licenses based on what we know. If we do not know, we cannot make good licensing decisions. I think expecting that formal feedback is incredibly helpful.

Assemblyman Eisen:

Section 21, subsection 3, reads: ". . . children does not have any children placed in the home, the foster care agency must visit the home at least once every 60 days . . ." Perhaps there needs to be something in here clarifying that when there are children placed in the home, it is those other visits that you talked about from case managers and juvenile justice, and whomever else. I think something giving a minimum frequency of visits from that whole team combined. If those folks are coming in every 30 days when there are children there—and if there are no children, it is the 60 days—to make sure that the home remains an appropriate place. I think that would help address the issue for me.

Lisa Ruiz-Lee:

We are still talking about what we are asking the foster care agencies to do in terms of helping to provide us with information about those families. We are asking them, in the evaluation, to also take a look at the family's ability to work with biological parents to support reunification to the extent that it is consistent with the child's permanency plan. We did add that language in ([Exhibit G](#)) because sometimes it is not consistent with the child's permanency plan, so we did not want to unnecessarily or unfairly bind foster parents to something that we did not want them to be doing.

We struck the language regarding completion of our required background investigations because we did not feel like that was a responsibility of the agencies. That is our responsibility as a licensing authority and we are the ones who conduct those.

We asked the foster care agencies to help provide crisis intervention to their homes 24 hours a day, 7 days a week. We believe that is critical to having successful placements in foster care agencies and in foster care homes. We see that when we do not have this crisis intervention available 24/7, we tend to see an increase in psychological hospitalization for children because people do not know how to manage the behaviors that sometimes occur. We also see an increase in law enforcement callouts. We would like the agencies to have that support made available to them.

In section 23, we modified the language ([Exhibit G](#)). Originally it read that the provider of foster care shall not use physical restraint on a child placed with the provider. We added language: "unless a child presents an imminent threat to self or others." When we talk about policies and procedures that are required, that they have to have policies and procedures on restraint.

Assemblyman Eisen:

My question is the deletion of the latter part of that subsection with regard to the specificity of the written report about an incident. I saw the explanation on the cover page of the amendment ([Exhibit G](#)) suggesting that this was something that could be in regulation. To me, this is very much along the lines of what we see in child abuse and neglect. For good reason, there is very specific language in the statutes, that you know very well about the reporting of child abuse and neglect, NRS Chapter 432B. I am wondering why it was determined that that same sort of thing, which I think is surrounding similar issues, would not be appropriate in the statute here.

Lisa Ruiz-Lee:

When I went back through and took a look at this language, we had a lot of internal conversation. We knew that with the written report, we would want to see much more than the information contained in these few lines. We thought, in that instance, it may be better to delete what we have and to leave that to the development of regulations instead of expanding it and making it longer. Make no mistake about the deletion of this language. The intent is not that we do not believe we need the written reports or they should not be comprehensive; we believe that they may need to be more comprehensive and may better fit into regulation than here.

Assemblyman Eisen:

The original language of the bill specifically says, "must include without limitation." There is nothing that would prohibit, in regulation, additional requirements being put on the report. I would be more comfortable with the original language of the bill.

Lisa Ruiz-Lee:

Section 24 talks a little about a foster care agency notifying a licensing authority before they authorize placement of a child who is not being placed through the licensing authority or juvenile court. This is an important and oftentimes little known fact about foster homes or foster care agencies—many of them take private or parental placements. They are taking children into those homes that we may never have any knowledge about.

It is important that those agencies notify us of that because it helps to make sure that we are keeping track of the license status and that they are acting in accordance with the number of beds for those homes. It also helps us to take a look at the composition of those homes and make sure that all of the children who are placed in those homes are safe.

Further on in section 24, we also identify that if foster care agencies are taking children in from out of state, we need to make sure that they are compliant with the interstate contract on the placement of children and the interstate compact for juveniles. In Clark County, we have had a couple of good instances where we have had out-of-state placements into agency homes and we bypassed both of those processes. The problem that we have is, if something goes wrong with those children in those homes, we have no process in place for who is responsible for that child and how we go about it. In Clark County, we noticed that we have somewhat frequent issues with California children who are under the jurisdiction of the child welfare agencies in California or the juvenile justice agencies who are coming in and being placed within our homes. We need to stipulate this because they need to follow the appropriate processes.

Section 25 talks about quality assurance and having the foster care agency partner with us to be responsible for monitoring and evaluating the quality and effectiveness of its own programs. We talk about what their written plans must include. In section 26 in the amendment ([Exhibit G](#)), we deleted some language about the charge of licensing foster homes. We license foster homes. We will license all foster homes free of charge, whether or not they are regular foster homes or coming from an agency. We believe that is the service we are mandated to provide to the community, and we need great foster homes for children who exist within the child welfare system. Our intent was never to charge agencies for the licensure of those homes. We would like to have the ability to charge them for other things, but not for the licensure of homes. I received a lot of feedback from the provider community on that section.

The next section ([Exhibit G](#)) talks about our ability to charge for certain things. It is for licensing investigation for Child Protective Services (CPS) investigations that occur within the homes that are associated with those agencies. We spend a lot of time, energy, and effort dealing with licensing complaints and CPS investigations for homes that are attached to foster care agencies in Clark County. In fact, about 47 percent of the ones we deal with are attached to the agencies. I should clarify by saying that the foster care agencies that we have today deal with some of the hardest-to-place children. We know that when you have hard-to-place children and you have children who have severe emotional or behavioral issues, you are going to have more licensing complaints. This language says that we do not want to charge them for the complaints that

are unfounded and for the complaints that come in for which no evidence to support or sustain them can be found. We would like to have the ability to charge them a reasonable rate, which would just be the cost of what it took the staff who did that work.

In sections 27 through 28, you start to notice that there is less and less new language. We are just cleaning up the existing statute language. On line 9 in section 28, you will see that federal language about children who are less than 19 years old in the proposed amendment ([Exhibit G](#)). In section 29, you will see that we redefine the foster care agency as a business entity that recruits and enters into contracts with foster homes; we made no modifications to that. In section 31, line 35, you will see that we add that 19-years-of-age language. Again, most of the rest of it in the bill draft is just cleanup.

Section 33, line 8 contains the federal language as discussed. The original bill draft contains independent living foster home every time we define any type of foster home. That appears multiple times.

Section 35, line 20 was the most controversial language that was contained within the original bill draft. Part of the reason why it was controversial is because it dealt with the segregation or absence of comingling of juvenile justice and child welfare youth who are often placed within the same home. We had a lot of discussion around that. The language that you see in the proposed amendment ([Exhibit G](#)) was the language that we all agreed we could support. We could all agree that foster homes that accept the placement of child welfare and juvenile justice youth shall work cooperatively with the courts, licensing authorities, and the legal guardians of the other children who are placed in those homes to ensure that everybody is safe in that home. Ultimately, that is what we are charged with and charged to do. In line 28 of section 35, you will see that we start to require some form of general liability insurance for specialized foster homes or group foster homes. Issues come up in these homes. Some of them we cover and some of them we cannot. We believe that liability insurance would be helpful to providers.

As we make our way through the rest of section 35, you will see a lot of statutory cleanup in the language. You will see additions in criminal history that we had made in the previous sections, we added back into this one so that the language was the same everywhere. I am moving quickly now because most of it is cleanup language. I would like to just highlight where there are changes.

In section 44, we inserted some language ([Exhibit G](#)) that allows us to essentially charge for the completion of home study for people who are interested in adoption. A lot of folks come to us; in fact, the numbers have

gotten higher over the last couple of years. Most of the folks who come to us say, "I am interested in partnering with you and working with your kids." Many of them come to us and say, "We have no intention and no desire to foster; we only want to adopt." The challenge we have is that we need folks who foster. About 80 percent of the children that are adopted are adopted by their foster parents. Sometimes, adoptions start with fostering, but a lot of folks come to us and are not interested in that. They are looking for us to license them so that "completed" home study can be shipped off to private adoption agencies. The going rate for a home study in Clark County is anywhere from \$5,000 to \$15,000 depending upon where you are going. That home study has value. I want to be able to say that if you are coming to me because you only want to adopt and within a very short period of time, you want me to shut that home study off, I would like to have the ability to charge you for that because as a child welfare agency, I am not getting any service from you in terms of providing fostering or adoption services for our children.

The language originally contained in section 45, line 7 was also highly controversial. I heard things like, it is extraordinarily harsh, it penalizes foster parents the way you originally had it. So, I spent some time softening the language to make it somewhat different than what it was in the original version. It is now set to read that we have the ability to suspend or revoke licenses for foster care providers if they refuse to accept the placement of a child or unreasonably or excessively request the removal of a child placed in the home who generally meets the preference outlined in their provider of foster care's home study.

About 23 percent of my licensed foster homes have taken no placements in the last six months. That is huge, and it is really hard to manage because I am maintaining those licenses. Many of them are waiting for that perfect blonde-haired, blue-eyed, three-year-old cherub. Those sometimes are not the children who come through our system, but they want to hold on to that license for as long as they possibly can because they think that child is going to come into our system and then can be placed through their home. I do not want to discourage those folks. There are a lot of other avenues they can take to do private adoptions, but at the same time, if you told me what the characteristics are of the children you are looking for and you would like to foster or adopt, and I am calling you month after month and it turns into years, and you are still telling me no, then the question is why am I maintaining that license? It is a lot of work. I would like the ability to say I do not want to maintain it.

I would also like the ability to look at our providers and say, if you have told us that you want to foster or adopt young children, and I have placed several young children in your home, and you have either tendered notice of those

children or you have turned them back within 24 hours because they wake up in the middle of the night and they jump on the couch, make a mess, et cetera, I would like to have the ability to say to some of those foster parents, maybe this is not the exact fit for you. Right now, under the current regulations, I cannot do that. In fact, I have taken several of those kinds of cases to fair hearing in order to attempt to revoke a license under some not-so-specific statute or regulation, and I have failed. We need to have something in here that sends that message. This language is also permissive; it does not say that I have to do it, it does not say I shall do it; it just gives me the option.

Section 51 talks about the licensing authority who licenses foster care agencies. Keep in mind that none of us license foster care agencies yet. The original statute had requested a fee of not more than \$150 for a provisional license and not more than \$300 for the issuance of a license. I would like that language so that if we get to the point of licensing foster care agencies, that will determine what amount of money it costs based upon the work it takes to do it, which is exactly how we tried to structure the other language throughout the bill draft.

I would like to say that I know the bill draft language in the amendment ([Exhibit G](#)) is going to create some level, if not many levels, of opposition from different partners within the system. I imagine that you will hear folks say that they are not able to meet the new requirements because they are too restrictive, or maybe the juvenile justice provisions are still stringent, or maybe they will say that this will simply cause chaos. I would respond to all of these with this: these are our most vulnerable children. These are the children who we should be taking the very best care of. I believe that the language that we have presented to you will help us be able to do that. We are charged with working collaboratively to ensure the safety of the children who are placed in foster care homes whether they are coming from juvenile justice or child welfare. I think that these changes are not going to cause any more disruption or issues than the issues we already see today. My hope is that in time if we can enact some of this new language, we may actually see stability within the system. I appreciate your time in seeing some of our recommendations that we believe will help to make the system better.

Assemblywoman Fiore:

I have so many questions for you. We will be in contact.

Assemblywoman Benitez-Thompson:

I appreciate the thoroughness of this because in terms of creating a legislative record, this is a section of the NRS that is going to change dramatically. I applaud the department for doing so because if we go back 10 to 12 years ago when we first looked at the child improvement program, everyone went

kicking and screaming in trying to figure out a way to define child well-being and child safety. To me, legislation like this is hallmark because it cements that shift to child welfare and child well-being. It is not about an individual agency or a system; it is focused on children. I know this legislative record is going to help us flesh out all the regulations and will be involved in different types of legal matters down the road, so I think all of the comments have been useful and our legislative colleagues who proceed us will look back to this record.

Vice Chair Spiegel:

We will now hear testimony in opposition to A.B. 348.

Ken Lange, representing Nevada Youth Care Providers:

I served eight years as a trustee on the Board of Olive Crest, four of those years as a corporate board member in a multistate corporation, and then I served three-and-a-half years as the Executive Director. I think there is more to the story than what you just heard. It is difficult to hear terms like "horrific" and "muddy the waters" without a lot of specific substantiation about the homes.

Four years ago, the 2009 Legislature passed Assembly Bill No. 227 of the 75th Session which provided for a process to establish licensure for foster care agencies. We were the originating organization for that bill. We wanted licensure. We knew we needed it, we knew we had rogue agencies on the side, we knew they were getting by the Department, and we wanted a way to stop it. We are overjoyed at the emergence of the desire for licensure. There are agencies that need to be licensed; unfortunately, a number of those have gone out of business. To the best of our knowledge, none of the high profile cases involving child endangerment happened in a foster care agency home. It happened in regular foster care. That is not to say there have not been egregious financial issues within some of the rogue agencies who probably should have never made it through the screen or received a contract in the first place.

Relative to the report that you received from Mr. Townsend ([Exhibit F](#)), some of that data is old. You will hear testimony today about some of the corrective action that was taken. There was no substantiation that a child was ever harmed. It is more about record keeping. We are in an odd dilemma as foster care agencies. Every single child is important to us. You have to ask yourself, how do we make it better? Our member agencies—and we represent most of the foster care agencies in Nevada—work to that end. In every case when they have been audited, been through an accreditation process, or been through other processes in the Department, they come to the table and make the changes that they needed to make. They will do so under licensure.

Assembly Bill No. 227 of the 75th Session codification in NRS 424.093 articulates the process of regulatory development leading to establishment of minimum standards and other operational and quality rules. It also sets up that regulatory development for a reason. We have sat through an hour-and-a-half of testimony of a large number of details. We appreciate the director's willingness to discuss and work on these things, but all it has done is shown us how detailed and how concerned we need to be about the consequences and the impact. We are not hollering and screaming that we should not do this and that we should not have rules, but we want those to be reasonable and thought out, and we want all the stakeholders at the table. This has been a fragmented process and it puts a sizeable chunk of the rule-making in the legislative process that should be in the regulatory process. That is not my judgment call to make, but there is a lot of stuff in this bill that looks like regulation. Our president in Las Vegas will testify to this today that the child welfare community has been working for seven years on revised regulations for NRS Chapter 424, and they are stuck in LCB. This bill fundamentally ignores that process of months of development of rules and standards for foster family homes and foster care agencies.

I think the conversation with the Director indicates that we can move quickly in a regulatory environment given direction from the Legislature and a certain time. We are asking that the whole first section be followed through as intended by the 2009 Legislature. Let us take it to the regulatory process and involve DHHS and DCFS and get a codified uniform approach that gets everybody involved. We are asking that you make the language in the bill found in section 51 mandatory instead of permissive; and to set a time certain by which the regulations have to be enacted.

There are some other pieces in here that we think are important and we agree with the Director, Ms. Ruiz-Lee. They are not quite as regulatory-like as the others. In our testimony in front of the Senate during the bill hearing of Assembly Bill No. 227 of the 75th Session, we ask that this bill be treated just the same. In section 11, in terms of felonious actions, we respectfully disagree with members of the Committee who suggest that we might need to fingerprint and background check all of our board members, volunteers, and vendors. That is an absolutely onerous requirement. Within the context of performance plans, we would suggest that we develop safety plans.

For example, as a board member, I would go to the fall festival or to the Christmas event. I do not have a problem with being background checked, but then to have the agency bear the burden of every board member and every vendor, seems to be a problem. We are proposing that we work on language

that goes back to directly supervising children; and have internal policies and procedures in the agency that would help us cover those situations.

We do not know what "reasonable charge" means when it is used in the context of this bill. It could mean \$10,000 or \$5,000. We would someday like to have a conversation about how badly funded this stream is for our agencies, that we rely on the assignation of mental health issues to children in order to run our agencies; that money is just going to circulate. It has to come from somewhere. Not all of our agencies do fundraising or philanthropy. They rely on the money they are able to get from the state and county. [Continued to read from prepared testimony ([Exhibit H](#)).]

Section 20 is a section that we struggled with. We think it is more appropriate for regulation, but we know—and this is true to the environment four years ago—that we are looking down the barrel of groups and agencies popping up to take advantage of Medicaid money and independent living grant money. There is not a lot of oversight. We think that the needs of the children in this case far out-weigh the conversation between regulatory and statutory language.

We agree with the DFS on section 25. We want a more comprehensive and collaborative process. We would like to insert Nevada Youth Care Providers (NYCP) as an intricate part of that process as we go forward. In addition to the NRS Chapter 424 process, we have had a wonderful collaboration in Washoe County around the contract. That conversation has not taken place in Clark County in a number of years, and needs to take place to renew that contact. Many of the issues that Ms. Ruiz-Lee was talking about can be addressed through contractual language. It may mean that she has to enforce that contract language directly as opposed to creating a statutory requirement, but the contract can work for us in a number of ways. We did not submit that, but we can get that to you. [Continued to read from prepared testimony ([Exhibit H](#)).] We are not even sure what it will cost DFS to license us. We do most of the work.

I think we will let the juvenile justice system and the DFS have section 35. We do not believe that there is a quality of difference between a juvenile justice child and a higher level of care child except that they got arrested and adjudicated, or they may have had a better attorney. We have successfully merged and combined those children for a long time. They have a need to check off with each other and we are fine with that.

When we get to section 51, we want to reinforce that we would like to send the licensing language to the regulatory process. We would like to put a time certain on it because we are going to have to build regulations for this anyway.

The question is how much of this do we want in statute and how much do we want to take the time to come up with a better system or negotiate out in the next week? That is our dilemma. We appreciate the Director of Department of Family Services' amendments. They are helpful and worthy of consideration, but we think that the needs of the Department and select situations that have emerged have driven this process and flipped it on its end. We have four years to develop a licensure process and we are here today developing it literally on the fly. That is where you hear our frustration as a group of providers. We want to do it well and we want to do it in a way that we can comply and that we can meet the requirements of the licensure.

Vice Chair Spiegel:

Mr. Lange, we do have your written testimony ([Exhibit H](#)). There are a couple of questions for you.

Assemblywoman Benitez-Thompson:

Thank you for being involved in the process. I hope that, over the course of the next week before Committee first house passage, these conversations to make this language are good and sincere. I sit on the Legislative Commission's Subcommittee to Review Regulations so if this ends up in regulations, believe me that I will be very involved so that we have really good regulations that cover this. I think you might have more ability to get the language that is workable for you out of an NRS than might come from regulations. I hope that is the spirit you are working from.

Ken Lange:

I think one of the things that I may have missed is that you heard about the horror stories. We have about 400 beds and 400 children on average that we serve, and we have far more success stories and far more satisfactory living situations and sustainable efforts toward permanency. It is always easy to jump on the spectacular and not so easy to jump on the day-to-day. We submitted an amendment ([Exhibit I](#)) that shows everything I have discussed.

Barbara deCastro, President, Nevada Youth Care Providers:

One of the exhibits that was submitted to the Committee is the proposed foster care regulations ([Exhibit J](#)) which have been sitting in LCB for years. They are a collaborative effort and have been in the works for years. All parties were invited to sit at the table to come up with some solid regulations in regard to foster care. These have gone through public workshop and are now pending in LCB, having some difficulty coming out of there due to calendar issues. We would implore your assistance to get these out of LCB and taken to public hearing. A lot of what is in A.B. 348 is already addressed in foster care regulations that are pending.

We are very much in support of the independent living homes and would hope that those homes, and the regulations for the development of those homes, will be a collaborative effort where NYCP and other providers, can sit with the entities and come up with some firm regulations for those homes. Our concern has always been the safety, well-being, and permanency of children. We appreciate any collaborative efforts that are brought our way. We will always welcome any opportunity to sit at the table with any entity to ensure that children receive the best services. Our concern is in regard to the disruptions and the penalties for disruptions that might occur in a foster home. Under NRS 424.075, foster parents are permitted to ask for the removal of a child in their home through proper means should that placement not be the most appropriate placement for a child.

Our concern with the penalty factor in the current proposed bill A.B. 348 is that a license could be revoked if a foster parent acts on this. We will need to have further discussion with the Department of Family Services in regard to that issue. Again, I would ask that any efforts going forward involve providers from the NYCP as we appreciate any collaborative efforts.

Vice Chair Spiegel:

Thank you. I would ask that you and Mr. Lange work with the bill sponsor to talk about the issues that you brought forth today.

Dave Doyle, Director of Operations, Eagle Quest of Nevada, Inc.:

I am a dedicated foster parent of ten years, a NYCP member, and Director of Operations for Eagle Quest. My speech will not be as eloquent or refined as everyone's today, but it will be sincere.

There are a lot of things in this bill that are over-restrictive. I was surprised and disappointed that nobody asked how many homes or how many children are affected. There are 35 to 50 homes in Clark County that are run by agencies who are employees and also foster parents and serve dual roles, which are conflicts of interest. Those are some of our best homes. What will happen to those children if this is not allowed? Where will those children go?

I have been a foster parent since my early 20s. I have dedicated my life to this. I have had four children in my home, steadily, almost without one bed opening. I have never had a disruption. I have never had a complaint; I have never had a CPS investigation. Sounds a lot different than some of these providers and agencies represent it. There are concerns that we can do better, but I think we have to look at some things. There is a way to address this on an individual basis. There are ways that this can be done through mutual cooperation and partnership. There is a lot of disconnect between the Department and the

providers. What happens when DFS and providers are not working well together cohesively, the children get lost in the middle, and that is when things happen.

The Director of DFS mentioned the beautiful blonde-haired, blue-eyed cherub that everyone wants. I happen to work with a 6'3," 230 pound 16-year old boy with acne that nobody wants. I love that kid. Not a lot of people out there do. We do not want to limit resources. Where will these children go? The child juvenile justice system will be full. A lot of juvenile justice children are in the same homes; where will they go? This will become very costly, and I think we are missing some things. Juvenile justice children will become part of child welfare because we lack resources. There are always media attempts for recruitment of homes, are there not? We know that, but why? We are tough on our foster parents. It is a thankless profession almost all the time. I do it because I love the children. I do not want it to go away, and I have a conflict of interest under this bill.

[Chair Dondero Loop has reassumed her position as Chair.]

Chair Dondero Loop:

Are there any questions from the Committee? [There were none.] Is there anyone in the neutral position?

Kevin Schiller, Director, Department of Social Services, Washoe County:

We have continued to work with Clark County on this bill. We recognize it is extensive. There are a lot of quality issues. This is a system that is very complex. I will tell you as a licensing entity, it is something we face every day. We have about 383 homes in Washoe County. We continually face these issues. We have dealt with regulations and been in that process. What we will do is continue to work with the bill sponsor and move forward on this. I think this language can be looked at and amended toward a successful outcome. Given Ms. Ruiz-Lee's extensive detail that she went over, I think she has covered a lot of the issues that we face.

Assemblyman Hambrick:

Would you want this bill to be limited to counties in excess of 700,000?

Kevin Schiller:

As you might have guessed, we kind of talked about that because of the issues that we face and some of those differences. The problem with that is if we have two distinct different terms of licensure, it will directly impact our 4-E funding. From a federal funding perspective, it is essentially disallowed.

Chair Dondero Loop:

Is there anyone else wishing to testify on A.B. 348?

Steve Dahl, Attorney, Legal Aid Center of Southern Nevada:

We are in favor of the proposed statute, especially attorneys who work for the Children's Attorney Project (CAP). We deal with these issues every day. I have been an attorney in Las Vegas for about 30 years, a judge for 18 of those, and just recently started working for Legal Aid Center of Southern Nevada. When I came to work here, the biggest surprise that I had was the extent of the foster care industry. It is a multi-million dollar industry.

The thing that went a little beyond surprising and was maybe unsettling is the control this industry has over the lives of the children in their care and the invasive amount of things that they are involved with in these children's lives. That is not to say there are not good providers. There are some in this room that I have worked with and have good experiences with, but that does not mean there are not problems. Many times we find that our clients are overserved and underserved.

If we have anything in the foster care system or in the juvenile justice system they are working with, the rules should do no harm. The fact is, there are children being harmed in the system right now, unfortunately, by foster care providers. This statute will provide some of the controls and some of the things necessary to make sure that harm does not occur, because it is occurring despite people's best intentions and good people being involved. That harm happens. I have watched it happen. If you really want people at the table, talk to all of the CAP attorneys. It is not all good, and this statute will help alleviate those problems.

Robert Durette, Private Citizen, Las Vegas, Nevada:

I have a bachelor's, master's, and Ph.D in psychology from the University of Nevada, Las Vegas. I operate a mental health group here in town where we house three of the nine child and adolescent psychiatrists in the entire Las Vegas valley. We have a vested interest in some of the points that this bill discusses. One is medication administration and the training of the foster parents in doing so. Many of our children of higher level care are there because of mental illness and are taking one or more psychotropic medications. We support this legislation to help make sure that these children are actually receiving the medication that they have been prescribed by their doctors.

Christina Vela, Chief Program Officer, St. Jude's Ranch for Children:

Our organization is taking a neutral position on A.B. 348. I wanted to share some brief comments for your consideration. As a provider of specialized foster

care services to children and families in southern Nevada for over 40 years, St. Jude's Ranch for Children has been and continues to be committed to positive working partnerships with the state and county to achieve the best possible outcomes. To that end, we recognize that this also includes organizational commitment to excellence, quality improvements, accountability, and transparency to which St. Jude's Ranch for Children, and many other providers, are committed as evidenced by our participation in LCB audits and other reviews from the state.

I personally have participated in countless work groups and collaborations over the last five years, specifically around the *Nevada Administrative Code* (NAC) regulation changes. Documents not coming out of the LCB over the last five years have really posed some ongoing challenges for organizations. Many providers of specialized foster care are looking for that clarification, direction, and regulation on how to move forward, yet, oftentimes, that is not provided. We, however, are often the first who the fingers are pointed to when things do not go right. We certainly are here to own our part of this process. I want to recognize how open the sponsor of the bill, Director Ruiz-Lee, has been to amendments. Since providers were not initially included in the creation of the bill, we certainly appreciate many of the conversations had and the amendments that have been made thus far.

We know that our system needs reform. I am here as a supporter to that reform. However, we need to make sure that children and youth are not treated differently despite through which door they enter our system, be it juvenile justice or child protective services. St. Jude's Ranch for Children is incredibly committed, as are several of my colleagues, to doing the hard work to make changes, but in order to achieve the best result, we must come together. We need to partner and we need to have true opportunities for that engaged conversation. We know that it is not an easy conversation to have, and we know that we will not always agree, but for us to have the outcomes we are looking for and that sustainable change in our community, it comes through partnerships.

Chair Dondero Loop:

Are there any questions from the Committee? [There were none.] I will close the hearing on A.B. 348. I do not see the bill sponsor, so there will be no closing remarks. I apologize, but because of the lateness of the hour, we are going to roll the remainder of our work session to Monday's meeting.

Assembly Bill 183: Allows a person who is 16 years of age to donate blood with the consent of his or her parent or guardian. (BDR 40-1015)

[This bill was not heard during the work session.]

Assembly Bill 200: Revises provisions relating to food establishments. (BDR 40-129)

[This bill was not heard during the work session.]

Assembly Bill 221: Requires the Director of the Department of Health and Human Services to consider measures to revise the manner in which payments are reviewed and made to providers under Medicaid and the Children's Health Insurance Program. (BDR S-232)

[This bill was not heard during the work session.]

Assembly Bill 344: Provides for the use of Physician Orders for Life-Sustaining Treatment in this State. (BDR 40-682)

[This bill was not heard during the work session.]

Chair Dondero Loop:

This meeting is adjourned [at 3:24 p.m.].

RESPECTFULLY SUBMITTED:

Janel Davis
Committee Secretary

APPROVED BY:

Assemblywoman Marilyn Dondero Loop, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Health and Human Services

Date: April 5, 2013

Time of Meeting: 12:56 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 495	C	Lesley Dickson	Letter
A.B. 1	D	Kirsten Bugenig	Work Session Document
A.B. 8	E	Kirsten Bugenig/Mike McMahon	Work Session Document. Amendment
A.B. 348	F	Paul V. Townsend	Audit Review
A.B. 348	G	Lisa Ruiz-Lee	Amendments
A.B. 348	H	Ken Lange	Written Testimony
A.B. 348	I	Ken Lange	Amendments
A.B. 348	J	Barbara deCastro	Revised Regulations