

**MINUTES OF THE MEETING OF THE  
ASSEMBLY COMMITTEE ON WAYS AND MEANS  
AND  
SENATE COMMITTEE ON FINANCE  
SUBCOMMITTEES ON HUMAN SERVICES**

**Seventy-Eighth Session  
April 30, 2015**

The joint meeting of the Assembly Committee on Ways and Means and the Senate Committee on Finance Subcommittees on Human Services was called to order by Chair James Oscarson at 8:18 a.m. on Thursday, April 30, 2015, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, 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 website: [www.leg.state.nv.us/App/NELIS/REL/78th2015](http://www.leg.state.nv.us/App/NELIS/REL/78th2015). In addition, copies of the audio or video of the meeting may be purchased, for personal use only, through the Legislative Counsel Bureau's Publications Office (email: [publications@lcb.state.nv.us](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:**

Assemblyman James Oscarson, Chair  
Assemblywoman Jill Dickman, Vice Chair  
Assemblyman Derek Armstrong  
Assemblywoman Maggie Carlton  
Assemblyman John Hambrick  
Assemblywoman Marilyn K. Kirkpatrick  
Assemblyman Michael C. Sprinkle  
Assemblywoman Robin L. Titus

**SENATE SUBCOMMITTEE MEMBERS PRESENT:**

Senator Mark A. Lipparelli, Chair  
Senator Ben Kieckhefer

**SENATE SUBCOMMITTEE MEMBERS EXCUSED:**

Senator Debbie Smith



**STAFF MEMBERS PRESENT:**

Cindy Jones, Assembly Fiscal Analyst  
Mark Krmpotic, Senate Fiscal Analyst  
Karen Hoppe, Senior Program Analyst  
Karen Daly, Committee Secretary  
Cynthia Wyett, Committee Assistant

Following the call of the roll, Chair Oscarson opened the hearing for public comment. There being no public comment, Chair Oscarson opened the hearing on the Department of Health and Human Services budget closings.

**HUMAN SERVICES**

**CHILD AND FAMILY SERVICES**

**HHS-DCFS - CHILDREN, YOUTH & FAMILY ADMINISTRATION (101-3145)**

**BUDGET PAGE DHHS-DCFS-23**

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, advised that there were two major closing issues for budget account (BA) 3145, Children, Youth and Family Administration, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS).

The first major closing issue discussed by Ms. Hoppe was a request for a new statistician position in decision unit Enhancement (E) 225. The Governor recommended \$106,073 over the 2015-2017 biennium for this decision unit.

According to Ms. Hoppe, the agency stated there was an existing need for continuous quality improvement staff to conduct data collection and analysis to ensure that federal requirements were met.

The federal Administration for Children and Families (ACF), U.S. Department of Health and Human Services, required the establishment of these data systems. Fiscal Analysis Division staff confirmed the ACF had issued guidance for the following requirements:

- Quality data collection.
- Case record review data and process.
- Analysis and dissemination of quality data.
- Feedback to stakeholders and decision-makers and adjustment of programs and process.

The agency stated that the position would have responsibilities specific to the Family Program Office for Child Welfare and would perform statistical computations, draw survey samples, review statistical reports, and interpret the information for use by management.

Ms. Hoppe added that during the review of decision unit E-225, the Fiscal Analysis Division staff noted that building rent costs were budgeted to begin on July 1, 2015, but the position would not start until October 1, 2015. The agency concurred, and Fiscal Analysis Division staff included a technical adjustment in [Exhibit C](#), "Closing List #3," to reduce the rent for three months.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation in decision unit E-225 to add one new statistician position with the technical adjustment noted by Fiscal Analysis Division staff.

There being no comments or questions, Chair Oscarson requested a motion.

SENATOR KIECKHEFER MOVED FOR APPROVAL OF DECISION UNIT E-225 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE THE TECHNICAL ADJUSTMENT NOTED BY FISCAL ANALYSIS DIVISION STAFF.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

The second major closing issue discussed by Ms. Hoppe was a request for one new personnel technician position in decision unit Enhancement (E) 229. The Governor recommended funding of \$94,007 over the 2015-2017 biennium. She added that because of the growing number of staff in the Division of Child and Family Services (DCFS), Department of Health and Human Services, the personnel technician was needed to provide timely and efficient personnel support. Fiscal Analysis Division staff noted that if the request to reopen the Summit View Youth Correctional Center (SVYCC) were approved, 59 new positions would likely be added to the agency.

The agency stated that the new position would primarily focus on recruitment, selection, hiring, and orientation for positions. Ms. Hoppe pointed out that the

agency anticipated the new position would reduce the average number of days that DCFS positions were vacant.

Ms. Hoppe added that during the review of decision unit E-229, the Fiscal Analysis Division staff noted that building rent costs were budgeted to begin on July 1, 2015, although the position would not start until October 1, 2015. The agency concurred, and Fiscal Analysis Division staff included a technical adjustment in the closing documents to reduce the rent for three months.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation to add one new personnel technician position, with the technical adjustment noted by Fiscal Analysis Division staff.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYMAN HAMBRICK MOVED FOR APPROVAL OF  
DECISION UNIT E-229 AS RECOMMENDED BY THE GOVERNOR  
TO ADD ONE NEW PERSONNEL TECHNICIAN POSITION AND  
AUTHORIZE THE TECHNICAL ADJUSTMENT NOTED BY  
FISCAL ANALYSIS DIVISION STAFF.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the  
vote.)

Ms. Hoppe advised there were two other closing items in BA 3145. The first item was the transfer of five positions as recommended by the Governor. The recommended transfers were as follows:

1. Decision unit E-900 transferred a management analyst position with associated costs (\$127,828) from BA 3145 to BA 3143, the Unified Nevada Information Technology for Youth (UNITY)/Statewide Automated Child Welfare Information System (SACWIS).
2. Decision units E-501 and E-901 transferred in an accounting assistant and associated costs from Southern Nevada Child and Adolescent Services (BA 3646). The funding alignment increased State General Fund support by \$26,401 over the 2015-2017 biennium.

3. Decision units E-502 and E-902 transferred in a personnel analyst position with associated costs from Southern Nevada Child and Adolescent Services (BA 3646). The funding alignment increased General Fund support by \$46,923 over the biennium.
4. Decision units E-503 and E-903 transferred in a personnel technician position with associated costs from Southern Nevada Child and Adolescent Services (BA 3646). The funding alignment increased General Fund support by \$28,231 over the biennium.
5. Decision unit E-905 transferred out a management analyst position with associated costs of \$146,263 to Youth Parole Services (BA 3263).

Ms. Hoppe said the transfer recommendations appeared reasonable to Fiscal Analysis Division staff.

The second closing item was equipment replacement in decision unit E-710, which appeared reasonable to Fiscal Analysis Division staff.

Ms. Hoppe asked whether the Subcommittees wished to approve the other closing items as recommended by the Governor and requested authority for Fiscal Analysis Division staff to make technical adjustments as needed.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN TITUS MOVED FOR APPROVAL OF DECISION UNITS E-900, E-501, E-901, E-502, E-902, E-503, E-903, E-905, AND E-710 AS RECOMMENDED BY THE GOVERNOR AND TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NEEDED.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

**HUMAN SERVICES**  
**CHILD AND FAMILY SERVICES**  
**HHS-DCFS - UNITY/SACWIS (101-3143)**  
**BUDGET PAGE DHHS-DCFS-36**

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, provided an overview of budget account (BA) 3143, UNITY/SACWIS (Unified Nevada Information Technology for Youth/Statewide Automated Child Welfare Information System), Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS). Ms. Hoppe noted there were two major closing issues in this budget account.

The first major closing issue discussed by Ms. Hoppe was for decision unit Enhancement (E) 226—two new information technology (IT) positions to support specialized foster care. The Governor recommended \$260,247 over the 2015-2017 biennium to add one IT professional and one business process analyst position with associated costs. Ms. Hoppe explained the positions would support full deployment of the specialized foster care program that was recommended for Clark County, Washoe County, and the Rural Child Welfare budgets. The agency reported that most of the monitoring and evaluation of the pilot data for the specialized foster care program was performed manually.

According to the agency, UNITY would need enhancement in four functional areas: assessment and evaluation tools, provider training management, provider reporting, and data analysis and monitoring. The IT professional position would be responsible for UNITY programming changes, and the business process analyst position would analyze the business requirements, communicate those requirements to staff, test software, and generate training materials for the users of the system.

The agency testified at the February 26, 2015, budget hearing that there was a backlog of UNITY work requests. The requested positions were needed even if the full startup of the specialized foster care program was not approved.

Ms. Hoppe added that during the review of decision unit E-226, Fiscal Analysis Division staff noted that building rent costs were budgeted to begin on July 1, 2015, although the positions would not start until October 1, 2015. The agency concurred, and Fiscal Analysis Division staff included a technical adjustment in the closing documents to reduce the rent for three months.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation to add one new IT professional and one new business process analyst position, with the technical adjustment noted by Fiscal Analysis Division staff.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN DICKMAN MOVED FOR APPROVAL OF DECISION UNIT E-226 AS RECOMMENDED BY THE GOVERNOR TO ADD ONE NEW IT PROFESSIONAL AND ONE NEW BUSINESS PROCESS ANALYST POSITION AND TO AUTHORIZE THE TECHNICAL ADJUSTMENT NOTED BY FISCAL ANALYSIS DIVISION STAFF.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

The second major closing issue presented by Ms. Hoppe was the request in decision unit E-230 for two new positions, an information technology (IT) professional and a management analyst. The positions were needed to address the shortage of dedicated technical staff with server and network administration skills. The IT professional would manage planning, installation, configuration, administration, and troubleshooting for all of the Division of Child and Family Services (DCFS), Department of Health and Human Services, server and network infrastructure. The management analyst position would serve as a data manager for three DCFS programs and fulfill data requests for both internal and external stakeholders.

Ms. Hoppe added that during the review of decision unit E-230, the Fiscal Analysis Division staff noted that building rent costs were budgeted to begin on July 1, 2015, although the positions would not start until October 1, 2015. The agency concurred, and Fiscal Analysis Division staff included a technical adjustment in the closing documents to reduce the rent for three months.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation to add one new IT professional and one new

management analyst position, along with the technical adjustment noted by the Fiscal Analysis Division staff.

Senator Kieckhefer commented that there appeared to be an overlap of duties for the management analyst in this decision unit and the statistician approved in decision unit E-225 in BA 3145. He requested clarification.

Ms. Hoppe agreed; however, following a review by Fiscal Analysis Division staff it was determined there would not be a significant overlap. The statistician in BA 3145 would be dedicated to the Family Programs Office and federal requirements for the continuous quality improvement process. The management analyst position appeared to be more general in nature and address the data for three DCFS programs: it would not be specific to the federal continuous quality improvement requirements.

SENATOR KIECKHEFER MOVED FOR APPROVAL OF DECISION UNIT E-230 TO ADD ONE NEW IT PROFESSIONAL AND ONE NEW MANAGEMENT ANALYST POSITION AS RECOMMENDED BY THE GOVERNOR, AND TO APPROVE THE TECHNICAL ADJUSTMENT NOTED BY FISCAL ANALYSIS DIVISION STAFF.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

Ms. Hoppe pointed out there were four other closing items for BA 3143. The decision units were as follows:

1. Decision unit E-227—the Governor recommended \$92,874 over the 2015-2017 biennium for an upgrade to computer circuits.
2. Decision unit E-231—the Governor requested the addition of two IT professional positions at a cost of \$156,223 in fiscal year (FY) 2017. The Fiscal Analysis Division staff noted that the agency had withdrawn this request and would resubmit it in the 2017-2019 biennium. A technical adjustment to remove this decision unit was included in the closing documents.



3. Decision units E-500, E-900, E-506, and E-906—the Governor recommended position transfers between other DCFS budgets. The request appeared reasonable to Fiscal Analysis Division staff.
4. Decision unit E-710—the Governor recommended \$288,127 for the 2015-2017 biennium to replace 88 desktop computers, 4 printers, 13 file servers, and related hardware.

Ms. Hoppe asked whether the Subcommittees wished to approve other closing items 1, 3, and 4 as recommended by the Governor, eliminate decision unit E-231 as requested by the agency, and provide Fiscal Analysis Division staff the authority to make other technical adjustments as needed.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN CARLTON MOVED FOR APPROVAL OF OTHER CLOSING ITEMS 1, 3, AND 4 AS RECOMMENDED BY THE GOVERNOR AND THE ELIMINATION OF DECISION UNIT E-231 AS REQUESTED BY THE AGENCY, AND TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NEEDED.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

**HUMAN SERVICES**  
**CHILD AND FAMILY SERVICES**  
**HHS-DCFS - WASHOE COUNTY CHILD WELFARE (101-3141)**  
**BUDGET PAGE DHHS-DCFS-45**

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, provided an overview of budget account (BA) 3141, Washoe County Child Welfare, Division of Child and Family Services (DCFS), Department of Health and Human Services. Ms. Hoppe advised that this budget account represented the state's portion of costs for child welfare services in Washoe County. There were two major closing issues in BA 3141.

The first major closing issue discussed by Ms. Hoppe was the startup of the specialized foster care (SFC) program for Washoe County. The Governor recommended \$5,398,951 over the 2015-2017 biennium for this program.

Ms. Hoppe said that the SFC was approved by the Interim Finance Committee (IFC) in fiscal year (FY) 2013 and had initially served 70 children, with 30 of those children from Washoe County. The pilot was funded through a State General Fund transfer from the basic skills training (BST) funding in the Nevada Medicaid budget (BA 3243), with the stipulation that the pilot providers could not bill Medicaid for any BST services provided. The providers were instead paid a higher daily rate than the SFC providers that did not participate in the pilot. According to the agency, the funding method was intended to address a dramatic increase in BST services billed by providers with no corresponding improvements in outcomes. In addition, Ms. Hoppe stated that the pilot program was designed to provide youth with additional clinical and behavioral health services and to provide support for education and training for pilot program foster parents.

Ms. Hoppe noted that the agency reported improved outcomes for children in the pilot program, including decreases in placement disruptions, decreases in the number of hospitalizations, and decreases in the number of psychotropic medications prescribed to youths.

Ms. Hoppe reported that there was no net effect on the General Fund, because of the budget transfers from the Nevada Medicaid budget. When the agency was asked whether The Executive Budget had corresponding reductions to the Nevada Medicaid General Fund appropriation, the DCFS indicated Nevada Medicaid (BA 3243) decision unit Enhancement (E) 232 represented the reductions to the BST costs. Ms. Hoppe directed the Subcommittees' attention to the cost for Washoe County Child Welfare, Clark County Child Welfare, and the Rural Child Welfare agencies, as shown in the table on page 12 of the closing document ([Exhibit C](#)). The total net General Fund effect was \$8,661,617 for the biennium. However, with a reduction of \$2,117,812 for the Nevada Medicaid BST costs, the net General Fund required was \$6,544,005.

According to Ms. Hoppe, DCFS testified at the February 26, 2015, budget hearing that Medicaid claims were analyzed prepilot, during the pilot, and postpilot, noting a 72 percent decrease in Medicaid costs. She added that the amount of the decrease was not included in The Executive Budget; however,

those savings might be realized. Fiscal Analysis Division staff noted that the recommended funding for the full startup was based on costs determined by the Washoe County Department of Social Services. The Governor recommended \$5,398,951 over the 2015-2017 biennium to fund the program. The Executive Budget requested \$1,788,675 in FY 2016 for startup and \$3,610,276 in FY 2017 when the program was operational.

Ms. Hoppe stated that the request included four new employees in FY 2016 and an additional four in FY 2017, for a total of eight new employees. The request also included additional foster care provider payments made at two tier levels: \$40 per day and \$115 per day. Fiscal Analysis Division staff noted that the average provider payment for foster care in Washoe County was \$28.94 per day.

Following a review of Washoe County foster care rates, Fiscal Analysis Division staff determined that regular foster care rates were being paid with block grant funds. Therefore, Fiscal Analysis Division staff questioned whether the request included only the incremental portion of the higher level of foster care rates. As a result, Washoe County agreed the average foster care rate of \$28.94 per day should be subtracted from the rates of either \$40 or \$115 per day. Consequently, the request was reduced to \$3,255,367 over the biennium.

Ms. Hoppe stated that in FY 2012, the funding mechanism for Washoe County and Clark County was changed to a block grant. The counties could use the funds without restriction for child welfare services, and unspent money was not reverted to the State General Fund. However, in addition to the block grants, the budgets received a categorical grant for the cost of adoption assistance subsidies to ensure that the adoptions were continuously encouraged. Unlike the block grant, a categorical grant was eligible for caseload growth, and any unspent funds were required to be reverted to the General Fund.

Ms. Hoppe advised that the funding mechanism was designed to give the urban counties flexibility in allocating resources and to limit the state's liability, which had increased 89 percent from FY 2005 to FY 2011.

The Executive Budget proposed to distribute the recommended funding for SFC program execution through the block grant mechanism. Because the amounts recommended for FY 2017 represented 100 percent execution, Ms. Hoppe explained that these amounts would become a permanent allocation

to the urban county block grant in the future. In Washoe County, about \$1.4 million would be added to the block grant.

When queried, DCFS testified that it opposed the SFC program being created as a categorical grant, because the funding mechanism would allow the urban counties to isolate the youth as a specific population with funding beyond the block grant amounts. Ms. Hoppe pointed out that the county could retain the entire block grant and reinvest the remaining funds as it chose. The DCFS testified that flexibility was built into the block grant to allow the urban counties to use savings from declining caseloads to fund increases in other caseloads.

Ms. Hoppe advised the Subcommittees that if the block grant funding mechanism established by *Nevada Revised Statutes* (NRS) 432B.2185 was approved as recommended by the Governor, all or part of the funding recommended for expanding specialized foster care could be used by the urban counties for other child welfare purposes, unless subject to expenditure restrictions or other direction by the finance committees. Consequently, if the program execution was approved with the block grant mechanism, the finance committees could consider additional accountability measures to ensure the success of the program.

In response to the Subcommittees' concerns regarding accountability, Ms. Hoppe advised that DCFS prepared a proposal outlining an evaluation and reporting process. Under the proposal, the DCFS Planning and Evaluation Unit (PEU) would track seven primary criteria statewide and review the outcomes every six months. The PEU would crosscheck data from the local child welfare agencies against the available data in the statewide Unified Nevada Information Technology for Youth (UNITY) and Avatar systems. In addition, children would undergo a statewide, standardized assessment examination prior to acceptance into the program. The DCFS would then produce an annual report for the Legislature.

Ms. Hoppe asked the Subcommittees to consider the following options:

1. Approve the Governor's recommendation, as adjusted to \$3,255,367 over the 2015-2017 biennium, to implement the SFC program for Washoe County using the block grant funding mechanism, resulting in a permanent allocation equal to the

FY 2017 General Fund appropriation of about \$1.4 million added to the block grant.

2. Approve the Governor's recommendation, as adjusted, to implement the SFC program for Washoe County, but use a categorical grant funding mechanism.
3. Do not approve the SFC program for Washoe County.

Senator Kieckhefer believed the program should be continued as a block grant, but with strict entry requirements for the SFC population. He also thought there should be reporting requirements to ensure proper spending. He advised the Subcommittees that Senate Bill (S.B.) 107, which required certain oversight of and reporting concerning children placed in specialized foster homes, was currently in the Senate Committee on Finance. There was also the possibility of requiring a letter of intent. If the Subcommittees were to shift away from the block grant and move to a categorical grant, the result could be micromanagement of both Clark County and Washoe County child welfare programs. Senator Kieckhefer opined that approach should be avoided.

Assemblyman Sprinkle said that he agreed with Senator Kieckhefer and that option 1 appeared to be the best choice. He recommended a letter of intent or language to adopt the specialized foster care evaluation and reporting process outlined on pages 16-20 of [Exhibit C](#). He stressed that the same language should be used in the Clark County Child Welfare and the Rural Child Welfare accounts as well.

Assemblyman Armstrong requested clarification of the funding for the SFC program. It appeared that in the pilot program, the funding was provided and offset by the Medicaid funds from the savings. However, it seemed the funding was changing, and there would be no offset savings.

Ms. Hoppe responded that Assemblyman Armstrong's perception was correct. During the pilot program, there was no General Fund effect. General Fund appropriations from the Nevada Medicaid budget were transferred to the child welfare agencies to operate the pilot. The Executive Budget included approximately \$2 million in Medicaid reductions over the biennium; however, that would not offset the nearly \$8.6 million in General Funds required under this proposal.

Assemblyman Armstrong asked whether this was because the same savings experienced under the pilot program were no longer expected or whether this was a policy decision.

Ms. Hoppe responded that there were costs in the proposal for full operation of the program that were not included in the pilot program, such as the associated costs for the eight new positions proposed for each of the county programs. In addition, the different tier levels had been established. It was possible that for the smaller populations, some of the costs were absorbed by the counties in the pilot program. The costs existed, but were not paid by the state.

It appeared to Assemblyman Armstrong that the same amount of savings achieved during the pilot program would not be realized because funding had to be provided for other areas.

At the request of Chair Oscarson, Amber Howell, Administrator, Division of Child and Family Services, Department of Health and Human Services, explained the funding situation. She testified that DCFS received the funding transfers from the Nevada Medicaid budget account to conduct the SFC pilot program to determine costs for the child welfare agencies to set up individual programs. She noted that Assemblyman Armstrong was correct in that this would be an increase to the child welfare agencies' budgets. Ms. Howell further explained that on the Medicaid side, the funding source would be eliminated for the youth population basic skills training. The costs would be offset by increasing the child welfare agency block grants and shifting the funding revenue.

In response to a question from Assemblyman Armstrong, Ms. Howell explained that DHHS could choose not to accept funding for basic skills training (BST).

Senator Kieckhefer added that there could be potential savings in the Nevada Medicaid budget, but that would not be budgeted through a decision unit enhancement. In the past, there had been reductions in hospitalizations, medication usage, and other areas that were billed to Medicaid, which were not offset in the Nevada Medicaid budget.

Ms. Howell answered that Senator Kieckhefer was correct. There would be a decrease in costs for the children placed in the SFC program in areas such as hospitalizations, multiple placements, and psychotropic medications. For the DHHS as a whole, the costs could be shifted and savings could be realized from

a reduction in funding for BST and in the overall medical claims for the SFC population.

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, indicated that there was a decision unit in the Nevada Medicaid budget that would be heard in the Subcommittees that would reduce the expenditures and corresponding funding sources associated with this decision unit.

Assemblywoman Titus expressed concern that often pilot programs appeared to be beneficial and save money; however, they ended up costing the state money. She preferred to review the data to determine whether there was a cost savings associated with the program.

Chair Oscarson commented that the proposed letter of intent could include that information.

Assemblywoman Carlton commented that moving forward with a block grant would not prohibit the Legislature from reverting to categorical funding in the future. The counties could be considered independently. She commented that the BST program had gone from a pilot program to a demonstration program. After reviewing the data, the Legislature could determine whether the program would be ongoing for the children.

Chair Oscarson concurred with Assemblywoman Carlton's analysis of the program. It appeared that because a cost savings was realized, moving forward with the program was the next step. Changes could be made in future legislative sessions.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE OPTION 1, THE GOVERNOR'S RECOMMENDATION, AS ADJUSTED TO \$3,255,367 OVER THE 2015-2017 BIENNIUM, TO EXECUTE THE SPECIALIZED FOSTER CARE PROGRAM FOR WASHOE COUNTY USING THE BLOCK GRANT FUNDING MECHANISM, RESULTING IN A PERMANENT ALLOCATION EQUAL TO THE FY 2017 GENERAL FUND APPROPRIATION OF ABOUT \$1.4 MILLION ADDED TO THE BLOCK GRANT.

Assemblyman Sprinkle asked whether the motion included the letter of intent.

Assemblywoman Titus withdrew her previous motion and offered a new motion.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE OPTION 1, THE GOVERNOR'S RECOMMENDATION, AS ADJUSTED TO \$3,255,367 OVER THE 2015-2017 BIENNIUM, TO EXECUTE THE SPECIALIZED FOSTER CARE PROGRAM FOR WASHOE COUNTY USING THE BLOCK GRANT FUNDING MECHANISM RESULTING IN A PERMANENT ALLOCATION EQUAL TO THE FY 2017 GENERAL FUND APPROPRIATION OF ABOUT \$1.4 MILLION, AS ADJUSTED, AND TO REQUIRE A LETTER OF INTENT TO INCLUDE THE SPECIALIZED FOSTER CARE EVALUATION AND REPORTING PROCESS AS OUTLINED IN [EXHIBIT C](#).

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Armstrong voted no. Senator Smith was not present for the vote.)

Ms. Hoppe advised that the second major closing issue was the adoption of the subsidy caseload growth in decision unit Maintenance (M) 201. In addition to a block grant, NRS 432B.219 provided for a categorical grant for the cost of the adoption assistance subsidies within the county to ensure that adoptions were continuously reinforced.

The Governor recommended \$2,738,861 over the biennium for caseload increases based on actual growth of 4.28 percent in FY 2014. The DCFS submitted a new caseload projection on April 1, 2015, decreasing adoption subsidies by \$219,987 over the 2015-2017 biennium. Ms. Hoppe stated that the new projection included four additional months of data in FY 2015, a revision to the blended federal match participation (FMP) rate for FY 2017, and a correction to FY 2014 actual costs that Fiscal Analysis Division staff identified as an incorrect calculation. Ms. Hoppe noted that with the technical adjustments included in the closing document, decision unit M-201 appeared reasonable.

Ms. Hoppe asked whether the Subcommittees wished to approve the adoption subsidy caseload growth, as adjusted.



There being no comments or questions, Chair Oscarson requested a motion.

SENATOR KIECKHEFER MOVED FOR ADOPTION OF THE SUBSIDY CASELOAD GROWTH IN DECISION UNIT M-201 AS RECOMMENDED BY THE GOVERNOR, WITH TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

Ms. Hoppe explained that because funding was provided through a block grant, the 77th Session (2013) approved back language for inclusion in the Appropriations Act that provided that funds allocated to the Washoe County and Clark County Child Welfare budgets were limits; however, DCFS could request additional sums for the adoption assistance categorical grant.

Fiscal Analysis Division staff recommended inclusion of similar back language in the 2015 Appropriations Act. Suggested language would allow requests to the Interim Finance Committee for the Clark and Washoe County Child Welfare budgets only for additional funding for adoption caseloads.

Ms. Hoppe asked whether the Subcommittees wished to include clarifying back language in the 2015 Appropriations Act to allow the DCFS to receive additional funding for the adoption subsidies and limit the block grant funding for the Washoe County Child Welfare and Clark County Child Welfare budgets.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN DICKMAN MOVED FOR APPROVAL OF CLARIFYING LANGUAGE IN THE 2015 APPROPRIATIONS ACT TO ALLOW THE DIVISION OF CHILD AND FAMILY SERVICES TO RECEIVE ADDITIONAL FUNDING FOR ADOPTION SUBSIDIES AND LIMIT THE BLOCK GRANT FUNDING FOR THE WASHOE COUNTY CHILD WELFARE AND CLARK COUNTY CHILD WELFARE BUDGETS.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

Ms. Hoppe said that the Fiscal Analysis Division staff requested authority to make other technical adjustments for the account as needed.

Chair Oscarson requested a motion.

SENATOR KIECKHEFER MOVED TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED IN BUDGET ACCOUNT 3141.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

**HUMAN SERVICES  
CHILD AND FAMILY SERVICES  
HHS-DCFS - CLARK COUNTY CHILD WELFARE (101-3142)  
BUDGET PAGE DHHS-DCFS-48**

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, advised that there were two major issues in budget account (BA) 3142, Clark County Child Welfare.

The first major issue discussed by Ms. Hoppe was the full execution of the specialized foster care (SFC) program for Clark County. The Governor recommended \$6,541,298 over the 2015-2017 biennium for the Clark County pilot program. The program started with 30 children and was expanded to reach 180 children. The request was based on what Clark County determined would be in the best interest of the community.

Ms. Hoppe pointed out the composition of the request from Clark County included eight new employees beginning in fiscal year (FY) 2016. Under this scenario, provider payments would be made at four tier levels: \$44, \$52, \$63, and \$100 per day. These amounts compared to the regular provider rate for foster care of \$25.37 per day.

Ms. Hoppe stated that unlike the Washoe County recommendation, the Clark County request reflected only the incremental costs for the full deployment of the SFC services. Therefore, no technical adjustments to The Executive Budget were necessary.

As with Washoe County, the request represented 50 percent of the basic startup costs for FY 2016 and 100 percent of full startup costs for FY 2017. As a result, the State General Fund portion for FY 2017 of \$2,998,632 would become a permanent allocation to the Clark County block grant.

Ms. Hoppe suggested that the Subcommittees might consider the following options:

1. Approve the Governor's recommendation to initiate the specialized foster care program for Clark County using the block grant funding mechanism. This option would result in a permanent allocation equal to the FY 2017 State General Fund appropriation of \$2,998,632 and would become a permanent allocation to the Clark County block grant.
2. Approve the Governor's recommendation to initiate the specialized foster care program for Clark County using a categorical grant funding mechanism.
3. Do not approve the specialized foster care program for Clark County.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYMAN SPRINKLE MOVED TO APPROVE OPTION 1, THE GOVERNOR'S RECOMMENDATION TO INITIATE THE SPECIALIZED FOSTER CARE PROGRAM FOR CLARK COUNTY USING THE BLOCK GRANT FUNDING MECHANISM, RESULTING IN A PERMANENT ALLOCATION EQUAL TO THE FY 2017 GENERAL FUND APPROPRIATION OF \$2,998,632, AND TO REQUIRE A LETTER OF INTENT TO INCLUDE THE SPECIALIZED FOSTER CARE EVALUATION AND REPORTING PROCESS AS OUTLINED IN [EXHIBIT C](#).

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Armstrong voted no. Senator Smith was not present for the vote.)

Ms. Hoppe stated that the second major closing issue was the adoption subsidy caseload growth in decision unit Maintenance (M) 201. As with Washoe County, this request was for the adoption subsidy caseload growth based on the FY 2014 actual growth of 8.02 percent. In the Clark County budget, this represented a total of approximately \$9.9 million over the biennium.

The Division of Child and Family Services (DCFS) submitted a new caseload projection on April 1, 2015, that would add a net total of \$98,861 over the biennium. Ms. Hoppe advised that this was a combination of changes to the Federal Medical Assistance Percentage (FMAP) rate for FY 2017, actual data from FY 2015, and a correction to the FY 2014 actual costs. With the technical adjustments included in the closing document, this decision unit appeared reasonable to Fiscal Analysis Division staff.

Ms. Hoppe inquired whether the Subcommittees wished to approve the adoption of the subsidy caseload growth, as adjusted, in decision unit M-201.

There being no comments or questions, Chair Oscarson requested a motion.

SENATOR LIPPARELLI MOVED FOR APPROVAL OF THE ADOPTION OF THE SUBSIDY CASELOAD GROWTH IN DECISION UNIT M-201 AS RECOMMENDED BY THE GOVERNOR, WITH TECHNICAL ADJUSTMENTS AS NOTED BY FISCAL ANALYSIS DIVISION STAFF.

ASSEMBLYWOMAN DICKMAN SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

Ms. Hoppe said that Fiscal Analysis Division staff requested authority to make other technical adjustments as needed for the account.

ASSEMBLYWOMAN KIRKPATRICK MOVED TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NEEDED.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

**HUMAN SERVICES**

**CHILD AND FAMILY SERVICES**

**HHS-DCFS - RURAL CHILD WELFARE (101-3229)**

**BUDGET PAGE DHHS-DCFS-51**

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, provided an overview of budget account (BA) 3229, Rural Child Welfare, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS).

Ms. Hoppe said there were four major closing issues in BA 3229. The first major closing issue was the expansion of the specialized foster care program in decision unit Enhancement (E) 226.

The Governor recommended \$1,005,415 over the 2015-2017 biennium for the full operation of the specialized foster care (SFC) program for the rural regions. Ms. Hoppe pointed out that because of the lack of SFC services in the rural areas, DCFS had long required children to be moved away from their communities and into the urban areas to receive services. According to DCFS, during the SFC pilot program, the children showed increased stability in their placements and schools and had better outcomes in their well-being when foster parents received additional training, in-home supportive services, and a higher rate of payment.

The pilot program, according to Ms. Hoppe, was funded for 10 children. When in full operation, the program would serve approximately 40 children in the rural region. To serve this population, DCFS requested eight new positions with associated costs. The requested positions consisted of one clinical program manager, four mental health counselors, two social workers, and one administrative assistant. According to the agency, the mental health counselors and the administrative assistant would devote 100 percent of their time to unit functions. The clinical program manager could supervise other programs that worked closely with the unit. The agency advised that social workers could be assigned cases both within and outside of the specialized foster care program because children could move in and out of the program. It was preferable for children to have continuity with the same social worker.

In response to the Subcommittees' questions regarding why eight new positions were required to serve a population of 40 children, Ms. Hoppe stated that the agency testified the positions were necessary for coverage in the large geographical area.

Fiscal Analysis Division staff noted that additional building rent costs were budgeted to begin on July 1, 2015, even though the positions would not start until October 2015. The agency agreed with the reduction of building rent costs for three months. Technical adjustments were included in the closing documents.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation to add one clinical program manager, four mental health counselors, two social workers, and one administrative assistant position for startup of the specialized foster care program in the rural region, with the technical adjustment noted by Fiscal Analysis Division staff.

Assemblyman Sprinkle received confirmation that the letter of intent that included the specialized foster care evaluation and reporting process as outlined on pages 16-20 of [Exhibit C](#) would apply to the rural region pilot program.

In response to a question from Assemblywoman Titus regarding the location of the new positions, Ms. Hoppe explained that the mental health counselors would be assigned to Carson City, Fallon, Elko, and Pahrump; however, she did not know the locations for the other positions.

Assemblywoman Titus asked whether the positions would be mobile, located in the office, or assigned to a specific geographical area.

Jill Marano, Deputy Administrator, Family Programs, Division of Child and Family Services, Department of Health and Human Services, responded that the clinical program manager could be located in any of the four district offices. The administrative assistant position would need to be located closest to the clinical program manager. The social worker positions would be located in the offices that had the highest caseloads, which were currently Elko and Pahrump.

Assemblywoman Titus said that there were two questions that needed to be addressed: which geographical areas had the greatest need and where would the agency find the qualified personnel. Assemblywoman Titus was pleased

that the positions were fluid and could be assigned to one location to serve the rest of the state.

There being no additional comments or questions, Chair Oscarson asked for a motion to approve.

ASSEMBLYWOMAN TITUS MOVED FOR APPROVAL OF THE GOVERNOR'S RECOMMENDATION, AS ADJUSTED, TO ADD ONE CLINICAL PROGRAM MANAGER, FOUR MENTAL HEALTH COUNSELORS, TWO SOCIAL WORKERS, AND ONE ADMINISTRATIVE ASSISTANT POSITION TO INITIATE THE SPECIALIZED FOSTER CARE PROGRAM IN THE RURAL REGION, AND TO REQUIRE A LETTER OF INTENT TO INCLUDE THE SPECIALIZED FOSTER CARE EVALUATION AND REPORTING PROCESS AS OUTLINED IN [EXHIBIT C](#).

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

The second major issue was decision unit Enhancement (E) 230, a request for seven new positions and associated costs. Ms. Hoppe explained that the requested positions would support the rural infrastructure and included three social worker supervisors, one social worker, two family support workers, and an administrative assistant.

Ms. Hoppe said that DCFS testified that this decision unit represented a rural region initiative that would emulate the infrastructure of the child welfare agencies in Clark and Washoe Counties. The initiative would ease the burden on the caseworkers and address the attrition rate for social worker staff in the rural region. The DCFS reported that the attrition rate for social worker staff was 42 percent in 2012 and 36 percent in 2013.

In Washoe County, numerous support positions existed to aid the caseworkers: intake staff, on-call staff after hours, office assistants to transport the children and families, and search workers who attempted to locate missing parents or relatives. These support positions were not currently available in the Rural Child Welfare account. In addition to working with families, the rural caseworkers were currently responsible for those tasks. The rural caseworkers served

a large geographical area, which presented significant challenges for the caseworkers when performing their duties.

Ms. Hoppe advised that the three social worker supervisor positions would be located in the Winnemucca, Fallon, and Carson City offices. The supervision ratio was currently 1:8 for three units in the rural region. With the new supervisor positions, the ratio would be reduced to 1:5 in the rural region. The new social worker positions would assist with the significantly increased responsibilities resulting from the new Safety Assessment Family Evaluation (SAFE) model, which required assessment of the family to identify the appropriate services needed. The SAFE model included in-home services, allowing children to remain in the home rather than being removed by child protective services. The administrative assistant would be responsible for entering and maintaining data in the UNITY system, thus reducing the data entry workload for the social workers.

The agency testified at the budget hearing on February 26, 2015, that the lack of adequate resources for the rural caseworkers had resulted in increased length of stays in foster care, a decrease in timely responses to investigations, and a decrease in caseworker contact with children. According to Ms. Hoppe, DCFS had met the federal requirement of 90 percent response rate until 2011. Since 2014, the agency's timeliness response had declined to 84 percent. The DCFS expressed concern regarding the declining response rate and believed the proposed positions would enable them to meet the federal requirement again.

Fiscal Analysis Division staff noted that additional building rent costs were budgeted to begin on July 1, 2015, even though the positions would not start until October 2015. The agency agreed with the reduction of building rent costs for three months. Technical adjustments were included in the closing documents.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation in decision unit E-230 to add three social worker supervisors, one social worker, two family support workers, and one administrative assistant position to support the child welfare infrastructure in the rural region with the technical adjustment noted by staff.



Assemblyman Armstrong commented that it appeared the rural areas were not requesting the additional positions because of an increase in caseload, but rather to begin the SAFE program and to achieve the same staffing ratio as Washoe County.

In response, Ms. Hoppe explained that the request would not directly address the caseload increases in the rural child welfare agencies. She said that the purpose of the decision unit was to shore-up the existing infrastructure, which in contrast to Washoe and Clark Counties, did not have the same support levels. Such a large geographical area required more personnel to cover the area.

Assemblyman Armstrong wondered whether the increase for the SFC would reduce the number of children this program could assist and whether there would be an overlap of positions between the two programs.

It was Ms. Hoppe's understanding that the SFC positions would be exclusively devoted to the specialized foster care population, and the infrastructure positions would serve a different population.

Assemblyman Armstrong requested further clarification regarding whether increasing caseloads from 10 to 40 children would result in 30 children being removed from the agency's ratios.

Jill Marano, Deputy Administrator, Family Programs, Division of Child and Family Services, answered that the SFC program was performing differently with the 40 children and would not reduce the requirements of the agency for the other infrastructure needs addressed in this decision unit.

Assemblyman Armstrong was unclear about whether there would be a lowering of the ratio. It seemed that if the agency based this action on a ratio of 1:10 versus the Washoe County ratio of 1:6, the ratio of 1:10 would be reduced because some of the children were moved into the SFC program.

Ms. Marano responded that the ratios referenced were staff-to-supervisor ratios—not child-to-social worker ratios.

There being no additional comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN TITUS MOVED FOR THE APPROVAL OF THE GOVERNOR'S RECOMMENDATION, AS ADJUSTED, TO ADD THREE SOCIAL WORKER SUPERVISORS, ONE SOCIAL WORKER, TWO FAMILY SUPPORT WORKERS, AND ONE NEW ADMINISTRATIVE ASSISTANT POSITION TO SUPPORT THE CHILD WELFARE INFRASTRUCTURE IN THE RURAL REGION.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

The third major closing issue addressed by Ms. Hoppe was for caseload changes in decision units Maintenance (M) 201 and M-202. The Governor recommended \$781,696 for caseload increases in adoptions over the biennium. The Division of Child and Family Services (DCFS) submitted a new caseload projection on April 1, 2015, resulting in a net reduction of \$3,244 over the biennium. This included the FMAP adjustment, fiscal year (FY) 2015 actual numbers, and a correction in FY 2014 actual costs. With the technical adjustment, the Fiscal Analysis Division staff advised that the decision unit for adoption subsidies appeared reasonable.

Regarding the foster care caseloads, Ms. Hoppe said the Governor recommended \$1,209,792 over the biennium for three types of foster care caseloads: substitute foster care, specialized foster care, and court jurisdiction foster care.

The court jurisdiction foster care began in FY 2012 with the passage of Assembly Bill (A.B.) No. 350 of the 76th Session (2011). The caseload addressed the population of former foster care youth who were between the ages of 18 and 21. While under court jurisdiction, former foster care youth were eligible to receive financial support and independent-living services to make the transition to self-sufficiency. According to the agency, the monthly payments made to court jurisdiction youth were based on the rates paid to foster care providers before the child reached the age of 18. Federal funding did not reimburse foster care expenditures after a youth reached the age of 18; therefore, the population would be entirely supported by State General Fund appropriations.

According to Ms. Hoppe, Fiscal Analysis Division staff questioned the accuracy of the supporting calculations for the court jurisdiction foster care caseload. In response, the Budget Division, Department of Administration, submitted a budget amendment that decreased the court jurisdiction foster care caseload costs from \$1,762,166 to \$403,909 over the 2015-2017 biennium. The adjustment appeared reasonable to Fiscal Analysis Division staff.

Ms. Hoppe pointed out that the requested budget amendment included an increase in substitute foster care of \$563,024 and a decrease in specialized foster care of \$139,218. These projections were based on three factors: revision of the blended FMAP rates, correction of the original calculations for FY 2014, and caseload trends in FY 2015. Because of the budget amendment, the foster care caseload costs for the biennium totaled \$275,341. The Fiscal Analysis Division staff reviewed the supporting calculations for the budget amendment, and with the adjustments requested, the decision units appeared reasonable.

Ms. Hoppe asked whether the Subcommittees wished to approve the adoption subsidy and foster care caseload decision units, as amended, resulting in a General Fund decrease of \$1.1 million over the 2015-2017 biennium.

Assemblyman Armstrong requested clarification regarding why the agency's projections were higher than the information submitted in the budget amendment.

Ms. Hoppe replied that the original calculations included a large percentage projection based on FY 2014 actual numbers. The methodology used for the other caseloads in DCFS was agreed upon by the Fiscal Analysis Division, the agency, and the Budget Division, Department of Administration. For this particular caseload, this methodology worked differently. The agency could project for the exact population, including how many of the youths entered and exited the program. Therefore, the original methodology used for this population was not appropriate for the general youth population.

There being no additional comments or questions, Chair Oscarson requested a motion.

SENATOR KIECKHEFER MOVED TO APPROVE THE ADOPTION  
SUBSIDY AND FOSTER CARE CASELOAD DECISION UNITS  
M-201 AND M-202 AS AMENDED.

ASSEMBLYMAN SPRINKLE SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

The fourth major closing issue discussed by Ms. Hoppe addressed budget amendment A150613229. The budget amendment was received from the Budget Division, Department of Administration, on April 13, 2015, and proposed to decrease county assessments for child protective services (CPS) by about \$1.5 million and increase State General Fund appropriations by the same amount. The amendment reduced the county assessments to the levels budgeted in FY 2013.

Ms. Hoppe provided background for this closing item. The county assessments began in FY 2012 with passage of Senate Bill (S.B.) No. 480 of the 76th Session (2011). Pursuant to *Nevada Revised Statutes* (NRS) 432B.326, the cost of child protective services was assessed for rural counties. Clark and Washoe Counties were not included. The services included the prevention, investigation, and treatment of children who were abused or neglected. Fiscal Analysis Division staff reviewed the minutes from the Committee hearings for S.B. No. 480 to understand the legislative intent of the statute. The review revealed that the allocation of CPS costs to the rural counties was recommended by the Legislative Committee for the Fundamental Review of the Base Budgets of State Agencies for consideration by the 76th Session (2011). Historically, Clark and Washoe Counties funded and provided CPS in their jurisdictions. To be consistent throughout the state, the legislation was intended to require the rural counties to fund their own CPS services through an assessment to the rural counties.

Ms. Hoppe discussed the history of the budgeted county assessments, actual county assessments collected, and total expenditures for the Rural Child Welfare budget. The total expenditures reflected all functions performed in the Rural Child Welfare budget, including the CPS costs. The amount recommended for allocation to the rural counties in FY 2012 was \$2,396,258. In FY 2013, the amount increased to \$2,441,086 because of the slight increase in budgeted expenditures for those two years.

Ms. Hoppe noted that not all of the FY 2012 county assessments were collected, as Nye County did not pay the \$274,527 assessment in that year. As a result, the total amount collected for FY 2012 was \$2,121,731 of the

legislatively approved \$2,396,258. The Office of the Attorney General and Legal Division, Legislative Counsel Bureau, sent correspondence to the Nye County District Attorney on October 5, 2011, with the opinion that all counties had a duty to pay the assessment. The unpaid assessment was referred to the Office of the State Controller for collection. The State Controller declined to collect the disputed debt.

According to Ms. Hoppe, the history of this assessment was important because The Executive Budget recommended county assessments of \$2,121,731 for the 2013-2015 biennium based on the actual collections from FY 2012, rather than basing the assessment on projected costs for that biennium.

When the agency's requested budget was received in November 2014, Fiscal Analysis Division staff asked DCFS why county assessments had not increased commensurate with the increasing total expenditures in this budget. In response, DCFS prepared a spreadsheet calculating the total costs for CPS in the rural counties as \$3,185,694, which was based on actual FY 2014 personnel and operating costs dedicated to the CPS function. That figure, \$3,185,694, was used in the Governor's recommended budget as an estimate of county assessments. Fiscal Analysis Division staff noted that the actual costs for the 2015-2017 biennium were anticipated to be higher than the actual costs for FY 2014. However, Fiscal Analysis Division staff determined that the estimate of \$3,185,694 was reasonable.

Ms. Hoppe explained that a budget amendment requested a reduction of county assessments from \$3,185,694 to \$2,441,086 per year, which was the amount assessed in FY 2013. When Fiscal Analysis Division staff asked for justification for the amendment, the agency explained that following discussions with the counties, DCFS had committed to increasing the assessment only if a decision unit was introduced to include services related to CPS, such as the addition of new positions, and that no such enhancements for CPS had been requested since FY 2013. However, Fiscal Analysis Division staff noted that costs for the provision of existing service levels had been raised since FY 2013, as evidenced by the DCFS calculation of \$3,185,694 based on FY 2014 actual expenditures.

Ms. Hoppe asked whether the Subcommittees wished to approve one of the following options:

1. The Executive Budget recommendation to assess rural counties a total of \$3,185,694 per year for the cost of the CPS services, based on FY 2014 actual expenditures. This option would not approve budget amendment A150613229.
2. Budget amendment A150613229, which would reduce county assessments to the FY 2013 amount of about \$2.4 million per year and increase General Fund appropriations by \$744,609 per year as compared to the amounts recommended in The Executive Budget. This option would result in the counties funding 77 percent of the \$3,185,694 annual cost of rural CPS services, not 100 percent as required by statute.

Assemblyman Armstrong asked whether there was a process to collect the \$274,527 from Nye County. It appeared that Nye County was receiving the services and should pay the assessment.

Ms. Hoppe replied that the previous State Controller declined to collect the debt because Nye County disputed the claim. However, Ms. Hoppe was not aware of the position of the current State Controller.

Chair Oscarson commented that the FY 2012 assessment of \$274,527 was the only time that Nye County had not paid its assessments as required. He believed it was important to know whether Nye County would pay the disputed claim.

Ms. Hoppe responded that Nye County had paid all of its required assessments except in FY 2012. The dispute had to do with the language in statute, which said that an assessment had to be submitted to the counties by May 1. In this instance, the budget did not close in Subcommittee until after May 1; therefore, the assessments were sent in June. However, the Office of the Attorney General and the Legal Division, Legislative Counsel Bureau, issued legal opinions that the intent of the Legislature was for all counties to pay the FY 2012 assessments.

Responding to the comment from Chair Oscarson, Ms. Hoppe agreed that with the exception of Nye County, all of the counties paid the FY 2012 assessments.

Assemblyman Sprinkle asked for further explanation regarding the difference between the \$3,185,694 and the \$2,121,731.

Ms. Hoppe explained that the original assessments to the counties were \$2,396,258 in FY 2012 and \$2,441,086 in FY 2013. In FY 2012, the state collected \$2,121,731, because Nye County failed to make the required \$274,527 payment. It was standard procedure to budget in the next year based on actual values from the base year. In FY 2012, the base amount was \$2,121,731. In addition, because the \$2,121,731 was collected in FY 2012, that was the amount included in the budget for FY 2014 and FY 2015. However, she emphasized that the number was not correct, and the budgeted assessment was based on a shortfall rather than the full amount. In summary, Ms. Hoppe said that because of the error in budgeting for the county assessments for FY 2014 and FY 2015, the counties had paid less than the actual costs of CPS services. Fiscal Analysis Division staff had questioned the 2015-2017 biennium budget presented by the agency. Subsequently, the agency provided a spreadsheet that showed the actual expenditures of \$17,664,931 for FY 2014 and determined the portion of personnel and costs related to the CPS services. Through the calculation, the cost applicable to CPS in FY 2014 was approximately \$3.2 million. The basis used for the Governor's recommended budget for FY 2016 and FY 2017 appeared reasonable to Fiscal Analysis Division staff.

Assemblywoman Dickman asked whether the agency would be breaking the commitment to the counties under option 1, and if option 2 was chosen, whether the statute would be broken.

Ms. Hoppe affirmed that Assemblywoman Dickman was correct in her assessment of the situation.

Senator Kieckhefer commented that he believed option 1 was the best choice. It was the intent of the Legislature to bill for the full cost of the services. Apparently, there was an error in calculating the assessments, and The Executive Budget tried to rectify the error. He recommended that the Subcommittees approve option 1 and reject amendment A150613229.

ASSEMBLYMAN ARMSTRONG MOVED TO APPROVE OPTION 1, THE EXECUTIVE BUDGET RECOMMENDATION TO ASSESS RURAL COUNTIES A TOTAL OF \$3,185,694 PER YEAR FOR THE COST OF THE CPS SERVICES, BASED ON FY 2014 ACTUAL EXPENDITURES, AND TO NOT APPROVE BUDGET AMENDMENT A150613229.

SENATOR KIECKHEFER SECONDED THE MOTION.

Assemblywoman Titus was concerned whether the rural counties were mindful of the \$3,185,694 assessment for CPS costs. She knew that it was often difficult for the rural counties to pay these fees.

Ms. Hoppe pointed out that the costs were in The Executive Budget, which was distributed in January 2015; therefore, the counties should be cognizant of the cost of the services.

Amber Howell, Administrator, Division of Child and Family Services, Department of Health and Human Services, commented that DCFS was in a predicament, because significant improvements were needed in the rural areas of the state, but when the agency started growing and developing the infrastructure, the cost increases had a significant effect on the counties.

Following a review, the agency had an opportunity to revisit the projections for budget account (BA) 3229. Because of the A.B. No. 350 foster care miscalculation, DCFS was able to offset the miscalculation and prevent a significant increase for the rural counties. In the next biennium, DCFS intended to review the formula. As DCFS continued to grow, the CPS assessments continued to climb. This was opposite to the parole assessments, which were reduced by 50 percent. The counties were always aware the parole assessment was coming. According to Ms. Howell, DCFS was attempting to compromise with the counties so the agency could continue to have what was necessary in the budget without significantly affecting the counties.

Assemblywoman Titus commented that this was an FY 2014 expenditure and possibly was not in the Nye County budget. She was concerned about the financial impact on the rural counties, but she realized it was a difficult decision.



Senator Kieckhefer understood that DCFS was trying to balance the assessments for the counties. However, the legislation enacted in the 76th Session (2011) stipulated that the counties would be billed at cost. If the CPS assessments could be balanced elsewhere, the option should be considered. At this time, he was comfortable with the decision on the county assessments and the motion to approve option 1.

Ms. Howell responded that the agency did not believe it was violating statute by changing the formula, because the assessment was calculated using a different method to isolate CPS. Ms. Howell said she believed that DCFS was continuing to adhere to the statute by making the adjustment and using the caseload changes authorized by A.B. No. 350 to offset assessments to the counties.

Senator Kieckhefer commented that he would defer to the Legal Division, Legislative Counsel Bureau, as to whether the action violated statute, but that was his recollection of the legislative intent.

Assemblywoman Kirkpatrick stated that the legislative intent was to ensure that the rural counties started to pay for their child protective services because Clark and Washoe Counties had been paying these assessments and had made adjustments. The Legislature did not adjust formulas for either Clark or Washoe Counties. The purpose of legislative sessions was to explain and provide legislative intent. It seemed when a miscalculation resulted in providing an agency with additional funds, there were no complaints.

Chair Oscarson reminded the Subcommittees that there was a motion and a second on the floor. He requested a vote on the motion.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

Ms. Hoppe noted that there was one remaining closing item in decision unit Enhancement (E) 710 for equipment replacement, including office furniture, computer printers, digital recorders, and wireless headsets. The Governor recommended \$19,256 over the 2015-2017 biennium. This recommendation appeared reasonable to Fiscal Analysis Division staff.

There being no questions or comments, Chair Oscarson requested a motion.

SENATOR LIPPARELLI MOVED FOR APPROVAL OF THE EQUIPMENT REPLACEMENT IN DECISION UNIT E-710 AS RECOMMENDED BY THE GOVERNOR, AND TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED.

ASSEMBLYWOMAN DICKMAN SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

## **HUMAN SERVICES**

### **CHILD AND FAMILY SERVICES**

#### **HHS-DCFS - COMMUNITY JUVENILE JUSTICE PROGRAMS (101-1383)**

#### **BUDGET PAGE DHHS-DCFS-64**

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, provided an overview of budget account (BA) 1383, Community Juvenile Justice Programs for the Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS).

Ms. Hoppe advised there were two major closing issues in budget account 1383. The first major issue was decision unit Maintenance (M) 595, the federal mandate for the Prison Rape Elimination Act (PREA) of 2003. The Governor recommended State General Fund appropriations of \$217,386 over the 2015-2017 biennium to comply with the provisions of PREA. Funding was recommended for the Nevada Youth Training Center (NYTC) and the Caliente Youth Center (CYC) for equipment to comply with the PREA standards. Equipment included 2 video monitoring systems; 2 intercom systems; 20 telephones; 3 vehicles from the Fleet Services Division, Department of Administration; vendor contracts for emergency assessment services; and Division of Enterprise Information Technology Services (EITS), Department of Administration, services for phone lines and voice mail.

According to Ms. Hoppe, the agency testified at the budget hearing on February 26, 2015, that it had not been awarded federal grant funding to assist with federal PREA mandates. The requested State General Funds should provide funding for the majority of PREA compliance costs; however, future PREA audits might reveal additional requirements. Ms. Hoppe advised that DCFS suggested funds could be transferred from other juvenile justice accounts to cover additional costs.

In response to Fiscal Analysis Division staff inquiries, Ms. Hoppe stated that the agency advised that fleet vehicle costs of \$33,300 and a portion of the EITS service costs could be removed from this decision unit: those costs were associated with new positions that were not recommended by the Governor. Fiscal Analysis Division staff had included the technical adjustments to remove those costs.

Ms. Hoppe inquired whether the Subcommittees wished to approve the Governor's recommendation to fund costs associated with federal PREA compliance, with the technical adjustments noted by Fiscal Analysis Division staff.

There being no comments or questions, Chair Oscarson requested a motion.

SENATOR LIPPARELLI MOVED FOR APPROVAL OF DECISION UNIT M-595 AS RECOMMENDED BY THE GOVERNOR TO FUND COSTS ASSOCIATED WITH THE PRISON RAPE ELIMINATION ACT (PREA), AND TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED.

ASSEMBLYMAN HAMBRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

The second major closing issue discussed by Ms. Hoppe was the request for a new juvenile justice data position (program officer) in decision unit Enhancement (E) 225. The Governor recommended a State General Fund appropriation of \$61,114 in fiscal year (FY) 2017 to add the new position.

According to information obtained from the agency, the position would collect statewide juvenile justice data from both state- and county-level juvenile facilities as required by statute. The agency noted that the social services chief had been performing these duties when time allowed. The agency also said the tasks were not always completed because of the size of the project and the other responsibilities of the social services chief position. The data collected by the new position would be critical to remain in compliance with federal standards, to assist with decision-making, and to track trends and make system changes based on data analysis.

Ms. Hoppe asked whether the Subcommittees wished to approve a new program officer position to collect statewide juvenile justice data as recommended by the Governor.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN KIRKPATRICK MOVED TO APPROVE THE  
NEW PROGRAM OFFICER POSITION AS RECOMMENDED BY THE  
GOVERNOR IN DECISION UNIT E-225.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the  
vote.)

Ms. Hoppe requested authority for Fiscal Analysis Division staff to make technical adjustments as needed.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN DICKMAN MOVED TO AUTHORIZE FISCAL  
ANALYSIS DIVISION STAFF TO MAKE TECHNICAL  
ADJUSTMENTS AS NEEDED.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the  
vote.)

**HUMAN SERVICES  
CHILD AND FAMILY SERVICES  
HHS-DCFS - JUVENILE CORRECTIONAL FACILITY (101-3148)  
BUDGET PAGE DHHS-DCFS-71**

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, provided an overview for the Subcommittees on budget account (BA) 3148, Juvenile Correctional Facility, for the Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS). There were two major closing issues for this budget account.

The first major closing issue was to reopen Summit View Youth Correctional Center (SVYCC) as a state-operated facility. Ms. Hoppe advised that on April 9, 2015, the Interim Finance Committee (IFC) heard testimony from DCFS regarding termination of the Rite of Passage (ROP) vendor contract effective March 10, 2015. The contract termination effectively closed the SVYCC facility.

Ms. Hoppe explained that on March 27, 2015, the Fiscal Analysis Division, Legislative Counsel Bureau, received budget amendment A150623148 from the Budget Division, Department of Administration. The budget amendment recommended additional State General Fund appropriations of \$3.1 million over the 2015-2017 biennium, for a total of \$14,395,367 in General Fund appropriations, to reopen SVYCC as a state-operated facility. As proposed, the facility would reopen with 48 beds on or about September 1, 2015.

Ms. Hoppe added that the Governor had originally recommended \$11,659,156 for the reopening of SVYCC. However, the amended recommendation was \$14,395,367 to fund SVYCC 100 percent with State General Funds.

According to Ms. Hoppe, the other two juvenile correctional facilities, Caliente Youth Center (CYC) and Nevada Youth Training Center (NYTC), received federal reimbursement through the National School Lunch Program (NSLP) of the U.S. Department of Agriculture. Based on the proposed opening date, Fiscal Analysis Division staff estimated federal NSLP reimbursements for SVYCC at \$59,584 in FY 2016 and \$85,848 in FY 2017. The reimbursements would reduce General Fund appropriations by the same amounts. The agency testified at the budget hearing that it concurred with the need to seek the federal reimbursements for the NSLP from the Department of Agriculture; however, the agency indicated it preferred to include the spending in FY 2017, but not in FY 2016 to allow for the establishment of federal funding for this facility. Fiscal Analysis Division staff recommended a technical adjustment to add NSLP grant funding of \$85,848 in FY 2017 and reduce General Fund appropriations by the same amount.

Ms. Hoppe advised that the Governor recommended 59 new positions in budget amendment A150623148 to operate SVYCC. When added to the two existing positions and the new maintenance position recommended in decision unit Enhancement (E) 225, the facility would have a total of 62 positions. The DCFS proposed to add 17 new positions on July 1, 2015, and the

remaining 43 new positions on August 1, 2015, to be ready for the September 1, 2015, opening date. The positions would support 48 youth offenders.

Ms. Hoppe stated that the budget amendment recommended 41 positions in the group supervisor series to provide supervision and treatment services. Fiscal Analysis Division staff noted that page 41 of [Exhibit C](#), "State Run Staffing Levels for PREA [Prison Rape Elimination Act] Standards," illustrated the methodology used to determine the number of positions required. This appeared reasonable to Fiscal Analysis Division staff.

Ms. Hoppe advised that DCFS proposed to use a hybrid method for operating SVYCC by using state employees and contractors for other needed services. As a result, the budget amendment included funding for contract positions, representing services from three mental health counselors and one substance abuse counselor, and additional services from psychologists, psychiatrists, and medical practitioners.

During the budget hearing on April 16, 2015, the Subcommittees expressed concern that the group supervisor positions would not provide adequate security for youth. The Subcommittees asked DCFS to provide alternate staffing proposals, including the use of category III peace officers. Fiscal Analysis Division staff noted that under statute, the term "category III peace officer" was defined as a peace officer whose authority was limited to correctional services. Accordingly, these positions could be used in juvenile correctional facilities.

In response to the Subcommittees' concerns, Ms. Hoppe noted that DCFS developed three options for the Governor's recommended budget. The agency provided information for the cost of each option as follows:

1. Add 6 new correctional positions (1 lieutenant and 5 sergeants) to the Governor's recommended 41 group supervisor positions. The additional cost would be \$1,017,795 over the 2015-2017 biennium.
2. Replace 10 group supervisor positions with 10 correctional officer positions and add 6 correctional supervisory positions (1 lieutenant and 5 sergeants). The additional cost would be \$1,122,894 over the 2015-2017 biennium.

3. Add 42 correctional positions and retain 5 group supervisor positions for youth treatment services. The additional cost would be \$1,274,141 over the 2015-2017 biennium.

Ms. Hoppe explained that the three options would add a net of 6 positions to the information included in the budget amendment, resulting in 47 positions versus the 41 positions shown in the amendment. The details of each option were shown on pages 42-44 of [Exhibit C](#). The agency continued to recommend the submitted budget amendment as the solution for SVYCC. The agency further pointed out that if the amendment was unacceptable to the Subcommittees, DCFS rated option 1 as the most favorable, option 2 as second, and option 3 as the least favorable choice.

Ms. Hoppe explained that the occupational groups were discussed as part of the available options, including the group supervisor as compared to a correctional officer, both of which had peace officer authority. *Nevada Revised Statutes* (NRS) 289.200 clarified a peace officer's authority as:

Officers and employees of the Nevada Youth Training Center, the Caliente Youth Center, and any other state facility for the detention of children that is operated pursuant to title 5 of NRS have the powers of a peace officer so far as necessary to arrest children who have escaped from that facility.

The training for both classifications was comparable, according to Ms. Hoppe. The DCFS provided 120 hours of initial training and a minimum of 86 hours of refresher training for group supervisors. The category III peace officer requirement in *Nevada Administrative Code* (NAC) 289.160 indicated that the minimum standard of training for officers in training category III was successful completion of a basic course that included 160 hours of training in legal subjects, procedures in the field, skills of officers, investigation, community relations, and miscellaneous subjects.

Ms. Hoppe noted that the Nevada Supreme Court's Commission on Statewide Juvenile Justice Reform had studied the juvenile correctional system in Nevada since the Commission was formed in February 2011. The Commission recommended the use of the Missouri model, which emphasized rehabilitation in small groups, constant therapeutic interventions, and minimal force. The DCFS pointed out there were higher rates of recidivism with correctional models than with the therapeutic models.

The budget amendment contained costs in the Operating category that were budgeted to begin July 1, 2015; however, the operations would not be required until the facility opened on September 1, 2015. Fiscal Analysis Division staff recommended a technical adjustment to reduce the operating expenditures by \$97,435 in FY 2016, and the agency concurred.

Ms. Hoppe said that the Equipment category in the budget amendment included office furniture, a telephone system, two intermediate sedans, one maintenance truck, and one 12-passenger van, for a total of \$132,843 in FY 2016. The agency submitted a quote on a telephone system for \$48,344; however, the estimated cost had been reduced by approximately \$20,000. Consequently, a technical adjustment was recommended by Fiscal Analysis Division staff.

The proposed budget amendment recommended Summit View Readiness costs of \$604,455. Ms. Hoppe added that on April 9, 2015, the Interim Finance Committee (IFC) approved transferring the unspent balance of \$674,912 from the Private Contract category to the Summit View Readiness category in FY 2015. The purpose of the transfer was to ensure the facility would be ready for reopening by September 1, 2015. The agency testified that monies expended in FY 2015 would reduce the need for readiness funds by corresponding amounts in FY 2016.

The Clark County School District testified at an earlier budget hearing that it would provide summer academic school services to SVYCC. Ms. Hoppe advised that the costs were included in the Governor's recommended budget. During the regular school year, the funding for education services would be provided through the State Distributive School Account (DSA).

Ms. Hoppe inquired whether the Subcommittees wished to approve decision unit E-248 with budget amendment A150623148 and with technical adjustments as noted by Fiscal Analysis Division staff. Approval of the decision unit would reopen Summit View Youth Correctional Center as a state-operated facility and require additional State General Fund appropriations of approximately \$2.96 million over the 2015-2017 biennium.

Alternatively, the Subcommittees might consider one of the three options prepared by the agency as shown on pages 42-44 of [Exhibit C](#).



Assemblywoman Titus commented that the SVYCC was a 48-bed facility and the agency requested 59 new positions. Considering the overall costs for reopening the facility, Assemblywoman Titus was curious how many of the new positions would actually supervise the 48 youths housed at the facility.

Amber Howell, Administrator, Division of Child and Family Services, Department of Health and Human Services, responded that the agency was asking for 59 new positions. There were two existing positions, and one new position in the Governor's recommended budget. Ms. Howell explained that not all of the new positions would provide direct supervision to the youths, since the positions included kitchen staff, administrative assistants, laundry workers, and nurses. The direct line staff numbers were analyzed through PREA ratios, which enabled the agency to determine the total number of positions needed for direct care supervision.

Assemblywoman Titus commented that she was not questioning the ratio; however, reopening the facility was a huge commitment for 48 youths.

Assemblywoman Kirkpatrick understood that the agency would rotate the youth through the facility. She was aware that it was not a 1:1 ratio because of the rotation factor.

Assemblywoman Kirkpatrick supported option 1, because correctional officers would be there to assist with any safety problems. The group supervisors were meant to keep the youth on track for successful reentry into society. The reopening of the SVYCC was important to the community.

Assemblywoman Carlton stated that she would take the responsibility for having the agency work on another solution for reopening the facility since she was opposed last session. She was comfortable with option 1. It was her intention that the six peace officer positions could blend with facility staff, and the juveniles would not view them as peace officers. There was potential for the category III peace officers and the group supervisors to be cross-trained. Ultimately, the goal was for the youth and staff to be safe; therefore, Assemblywoman Carlton expressed her willingness to approve six officers. She was hopeful that this was the last time this program would be discussed in the Legislature.

Assemblyman Hambrick disclosed that he was a member of the Supreme Court's Commission on Statewide Juvenile Justice Reform and the State of Nevada Juvenile Justice Commission. He did not have a conflict of interest and would vote as items were presented.

Assemblywoman Kirkpatrick emphasized that the DCFS employees overseeing the SVYCC facility needed to have the proper training to ensure the success of the youth under their care. The purpose of the SVYCC was successful rehabilitation of the youth. Assemblywoman Kirkpatrick was concerned there would be no additional funding in the budget for training, which, in her opinion, should be required, not optional. In addition, she believed that it would take motivated employees to mentor the youth in the facility to prepare them for reintegration into society.

After reviewing option 1, Assemblywoman Titus asked whether the group supervisors would have an opportunity to take the category III peace officer training.

Ms. Howell responded that the agency did not add any training for the group supervisors to attend the category III peace officer training; however, it was an option. As the Administrator of DCFS, Ms. Howell said there was a statute that allowed her to direct the type of training the group supervisors attended. She said that the agency had discussed having the group supervisors sent to category III peace officer training, and she understood that there would be no charge for the training.

Ms. Howell added that under the budget amendment scenario, the group supervisors would attend the category III peace officer training; however, option 1 would not offer the training because there would be five category III peace officer positions in the facility. She said that there would be opportunities for DCFS to share training, as compliance with the Prison Rape Elimination Act (PREA) of 2003 became prominent. The group supervisors might not complete the full eight-week Peace Officers' Standards and Training Commission academy, but parts of it were available to DCFS, although not included under option 1.

Assemblywoman Titus commented that if option 1 was approved, there would be six category III peace officers. If the agency could demonstrate in the next biennium that the SVYCC was successful, perhaps the group supervisor positions could be trained to assume the roles of the category III peace officers.

Ms. Howell responded that the scenario provided by Assemblywoman Titus was a possibility.

Chair Oscarson agreed that a dual approach with both category III peace officers and group supervisors, as suggested by Assemblywoman Titus, would benefit all parties involved, especially the incarcerated youth.

Assemblyman Sprinkle commented that he agreed with the recommendations made by Assemblywoman Titus. He was aware of the importance of the therapeutic setting and believed it was important for the youth to be rehabilitated. Studies had shown the value of a more therapeutic setting, even with individuals incarcerated at maximum-security facilities. Assemblyman Sprinkle added that because of the history of the facility, option 1 was preferable, in his opinion. The agency must ensure that security was in place. If there were a problem, the appropriately trained employees would be able to handle the situation. Over the next biennium, the agency should work to ensure the training of the category III peace officers. The Legislature could review the phasing out of the category III peace officers if the group supervisors were properly trained. Therefore, Assemblyman Sprinkle said he supported option 1.

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, said that NRS 289.480 appeared to restrict the use of category III peace officers to the Department of Corrections. If the Subcommittees approved one of the options to add correctional officers to the Summit View Youth Correctional Center, Fiscal Analysis Division staff would research the NRS and propose a bill draft request at the Assembly Committee on Ways and Means budget closing, if necessary, to make the use of category III officers allowable within the DCFS.

Mr. Krmpotic also noted that following discussions with the Legal Division, Legislative Counsel Bureau, a method was discovered to allow the amount approved by the IFC on April 9, 2015, to be expended after June 30, 2015. This would include back language in the Appropriations Act. Therefore, Mr. Krmpotic suggested to the Subcommittees that the costs for readiness could be removed, with the understanding that back language would be added to allow the agency to spend the IFC-approved amount through FY 2016.

Assemblywoman Kirkpatrick commented that she wanted DCFS to report to IFC to ensure that the reopening of the facility was completed and successful.

From her perspective, this would only work if the employees received the proper training to handle the youth appropriately.

Chair Oscarson asked whether DCFS should provide an update at every IFC meeting.

Senator Kieckhefer suggested a letter of intent could be prepared requiring DCFS to report to IFC semiannually.

Chair Oscarson agreed with the request for a letter of intent, with a minimum of semiannual reporting. This was a large investment in the communities, and the Legislature must ensure that the process moved forward as planned.

There being no additional comments or questions, Chair Oscarson called for a motion.

SENATOR KIECKHEFER MADE A MOTION TO:

1. APPROVE BUDGET AMENDMENT A150623148 WITH THE ADDITION OF OPTION 1 AS PRESENTED IN [EXHIBIT C](#) FOR A TOTAL ADDITIONAL COST OF \$1,017,795;
2. REMOVE \$604,455 TO ACCOUNT FOR THE SUMMIT VIEW READINESS COSTS THAT WERE AUTHORIZED BY IFC;
3. INCLUDE LANGUAGE IN THE APPROPRIATIONS ACT TO ALLOW DCFS TO BALANCE FORWARD THE IFC APPROPRIATIONS, IF NECESSARY;
4. ISSUE A LETTER OF INTENT TO REQUIRE SEMIANNUAL REPORTING TO THE INTERIM FINANCE COMMITTEE ON THE PROGRESS OF THE REOPENING AND MANAGEMENT OF THE SUMMIT VIEW YOUTH CORRECTIONAL CENTER; AND
5. AUTHORIZE THE INCLUSION OF BACK LANGUAGE IN THE APPROPRIATIONS ACT THAT WOULD ALLOW THE DIVISION TO TRANSFER GENERAL FUND APPROPRIATIONS AMONG THE THREE YOUTH CORRECTIONAL FACILITY BUDGETS, WITH THE APPROVAL OF THE INTERIM FINANCE COMMITTEE.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, advised that the second major closing issue was for the addition of a new maintenance repair specialist position and associated costs in decision unit Enhancement (E) 225. The start date for the position, pursuant to the budget amendment, would be moved from October 1, 2015, to July 1, 2015, to prepare the facility for an opening date of September 1, 2015.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation to add one new maintenance repair position, as amended.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN DICKMAN MOVED FOR APPROVAL OF THE GOVERNOR'S RECOMMENDATION, AS AMENDED, TO ADD ONE NEW MAINTENANCE REPAIR SPECIALIST POSITION IN DECISION UNIT ENHANCEMENT 225.

SENATOR LIPPARELLI SECONDED THE MOTION.  
THE MOTION CARRIED. (Assemblymen Armstrong and Kirkpatrick and Senator Smith were not present for the vote.)

Lastly, Ms. Hoppe pointed out that the deferred maintenance recommendation for the Summit View Youth Correctional Center (SVYCC) facility in decision unit Maintenance (M) 425 was based on the facility condition analysis report dated May 2014, prepared by the State Public Works Division, Department of Administration. The request appeared reasonable to Fiscal Analysis Division staff.

Ms. Hoppe asked whether the Subcommittees wished to approve the other closing item as recommended by the Governor and authorize Fiscal Analysis Division staff to make technical adjustments as needed.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN CARLTON MOVED FOR APPROVAL OF THE DEFERRED MAINTENANCE RECOMMENDATION FOR SUMMIT VIEW YOUTH CORRECTIONAL CENTER FACILITY IN DECISION UNIT M-425 AS RECOMMENDED BY THE GOVERNOR, AND TO

AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER  
TECHNICAL ADJUSTMENTS AS NEEDED.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblymen Armstrong and Kirkpatrick  
and Senator Smith were not present for the vote.)

## **HUMAN SERVICES**

### **CHILD AND FAMILY SERVICES**

#### **HHS-DCFS - NEVADA YOUTH TRAINING CENTER (101-3259)**

#### **BUDGET PAGE DHHS-DCFS-80**

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, provided an overview of the Nevada Youth Training Center (NYTC), budget account (BA) 3259. The one major closing issue for this budget account was the adoption of the Nevada Supreme Court's Commission on Statewide Juvenile Justice Reform's recommendations for NYTC. Ms. Hoppe explained that the Commission sent a letter to Governor Sandoval supporting the designation of the NYTC in Elko as a juvenile commitment rehabilitation facility for the northern Nevada region. The Commission made nine recommendations:

1. Designate NYTC in Elko as the juvenile commitment/rehabilitation facility for the northern Nevada region.
2. Evaluate capital improvement projects for NYTC and prioritize capital improvement project funding based on a 60-bed population at NYTC, including needed upgrades of the facility for the life safety, health, and wellness of the residents and the staff who worked there.
3. Reinstate the Nevada Interscholastic Activities Association (NIAA) sports program at NYTC, including transportation, uniforms, and equipment costs necessary to support a positive athletic experience.
4. Complete a full cost analysis of and start a family systems program. This would include transportation costs, costs to recruit and retain a psychologist (including any training), and programs to help families and youth transition back into their communities.

5. Provide a quality assurance component at NYTC, similar to the Red Rock Academy, which reports directly to the Deputy Administrator of the Division of Child and Family Services (DCFS), Department of Health and Human Services, to ensure compliance with all policies, procedures, and general health, safety, and welfare matters at the facility.
6. Provide capital improvement projects and program funding for China Spring Youth Camp and Spring Mountain Youth Camp.
7. Consider the needs and resources for front-end juvenile services and programs for all ten judicial districts, including the specific cost of the detailed front-end services and programs. Identify how front-end programs and services outcomes would be measured to connect the outcomes to the funding (performance and accountability measures).
8. Work in collaboration with the Department of Corrections (NDOC) to exchange data on a quarterly basis on certified and direct-filed youth entering NDOC.
9. Assist NDOC to evaluate and develop programs for juveniles housed in the state prison system.

Ms. Hoppe described decision unit Enhancement (E) 245 as a request for funding a new contracted psychologist, in response to the Commission's recommendation number 4. The DCFS noted that the request for these services would be supplied by contract, as opposed to a new state position, because recruiting, hiring, and retaining qualified staff in the rural areas had been historically difficult.

Ms. Hoppe asked whether the Subcommittees wished to approve a contracted psychologist as recommended by the Governor.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN CARLTON MOVED FOR APPROVAL OF  
A CONTRACTED PSYCHOLOGIST IN DECISION UNIT  
ENHANCEMENT 245 AS RECOMMENDED BY THE GOVERNOR.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblymen Armstrong and Kirkpatrick and Senator Smith were not present for the vote.)

Ms. Hoppe moved to decision unit E-246, a request for a family transportation program. The Governor recommended a State General Fund appropriation of \$76,000 over the 2015-2017 biennium to fund travel expenses for families to visit their children at NYTC, in response to the Commission's recommendation number 4.

According to Ms. Hoppe, Fiscal Analysis Division staff noted that family visitation travel costs were not budgeted for the other two DCFS correctional facilities, nor did the state pay for family visitation travel costs at any of the adult correctional facilities. However, in response to Fiscal Analysis Division staff inquiries on this policy change, the agency stated that with the Supreme Court Commission's designation to make NYTC the northern Nevada regional facility, which was a long distance from Washoe County, the Commission wanted to support a family transportation program to increase family engagement with the youth committed to that facility. If the Subcommittees approved decision unit E-246, Fiscal Analysis Division staff recommended that the family transportation program costs be budgeted in a separate category to isolate the costs for transparency purposes.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation to fund the family transportation program for NYTC, including authority for Fiscal Analysis Division staff to budget the costs in decision unit E-246 in a separate category.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN CARLTON MOVED FOR APPROVAL OF THE GOVERNOR'S RECOMMENDATION TO FUND THE FAMILY TRANSPORTATION PROGRAM IN DECISION UNIT E-246 FOR NYTC, AND TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO BUDGET THE COSTS IN A SEPARATE CATEGORY.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Kirkpatrick and Senator Smith were not present for the vote.)



Ms. Hoppe advised that the next item was decision unit E-247, the reinstatement of a sports program at NYTC. The Governor recommended a General Fund appropriation of \$78,000 over the 2015-2017 biennium. The recommended startup costs of \$18,000 in FY 2016 were for the repair of two buses and sports equipment replacement. Also included were operating costs of \$30,000 in each year of the biennium to fund coach and athletic director contracts, travel per diem, dues and registration, and equipment repair. The costs were based on FY 2009 budget amounts for the previous sports program at NYTC, plus an inflation factor. Historically, the program had included basketball, track, wrestling, and football.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation to fund a sports program at NYTC in decision unit E-247.

Assemblywoman Titus commented that she supported an athletic program, but could not support a football program because it was expensive and there could be other consequences.

There being no additional comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN CARLTON MOVED FOR APPROVAL OF THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT ENHANCEMENT 247 TO FUND THE SPORTS PROGRAM AT NYTC.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblymen Armstrong, Dickman, and Titus voted no. Assemblywoman Kirkpatrick and Senator Smith were not present for the vote.)

The next item discussed by Ms. Hoppe was decision unit E-248 for purchase of new educational materials for NYTC. The materials related to substance-abuse counseling, domestic-violence prevention, and parenting. The Governor recommended a State General Fund appropriation of \$23,500 over the 2015-2017 biennium.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation to purchase educational materials for NYTC.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN KIRKPATRICK MOVED FOR APPROVAL OF  
THE GOVERNOR'S RECOMMENDATION TO PURCHASE NEW  
EDUCATIONAL MATERIALS IN DECISION UNIT E-248.

SENATOR LIPPARELLI SECONDED THE MOTION.  
THE MOTION CARRIED. (Senator Smith was not present for the  
vote.)

The next request discussed by Ms. Hoppe was for a new assistant superintendent position in decision unit E-249. The Governor recommended State General Fund appropriations of \$136,549 over the 2015-2017 biennium. Fiscal Analysis Division staff noted that this position was previously authorized for NYTC, but was transferred to Summit View Youth Correctional Center (SVYCC) to act as the contract monitor during the 77th Session (2013).

Ms. Hoppe said that the Supreme Court's Commission recommended a position be added to NYTC as a quality assurance component, reporting directly to the Deputy Administrator of DCFS. The requested assistant superintendent position would report directly to the NYTC superintendent and be responsible for the supervision of staff, facility operations, and management.

Ms. Hoppe said that in response to inquiries about this apparent discrepancy, the agency stated that although the position was designed to report to the superintendent, the juvenile justice quality assurance team reported directly to the Deputy Administrator, and this position would serve on that team. Combining the facility needs for an assistant superintendent with the recommendation for the quality assurance function would result in reducing the costs.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation to add an assistant superintendent position.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN CARLTON MOVED FOR APPROVAL OF THE GOVERNOR'S RECOMMENDATION TO ADD AN ASSISTANT SUPERINTENDENT POSITION IN DECISION UNIT E-249.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

Ms. Hoppe pointed out there were two other closing items for this budget account. The first item was decision unit Maintenance (M) 101 for agency-specific inflation, and the second was decision unit M-425 for deferred maintenance. The Governor recommended State General Funds of \$10,185 for decision unit M-101 and \$543,559 for decision unit M-425 over the 2015-2017 biennium. Ms. Hoppe stated that the recommendations appeared reasonable to Fiscal Analysis Division staff and recommended all other closing items be closed as recommended by the Governor.

There being no comments or questions, Chair Oscarson requested a motion.

SENATOR LIPPARELLI MOVED FOR APPROVAL OF DECISION UNIT M-101 FOR AGENCY-SPECIFIC INFLATION AND M-425 FOR DEFERRED MAINTENANCE AS RECOMMENDED BY THE GOVERNOR, AND TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED.

ASSEMBLYWOMAN DICKMAN SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Smith was not present for the vote.)

**HUMAN SERVICES**  
**CHILD AND FAMILY SERVICES**  
**HHS-DCFS - YOUTH PAROLE SERVICES (101-3263)**  
**BUDGET PAGE DHHS-DCFS-87**

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, noted the one major closing issue in budget account (BA) 3263 was the relocation of the Las Vegas office. The Governor recommended \$161,242 for decision unit Enhancement (E) 250 over the 2015-2017 biennium to relocate the Nevada Youth Parole Bureau of the Division of Child and Family Services (DCFS), Department of Health and Human Services, to Building No. 15 on the Southern Nevada Child and Adolescent Services (SNCAS) West Charleston campus. The costs included additional building rent, telephone equipment and cabling, and a key-card access system.

Ms. Hoppe stated that the supporting documentation revealed that the telephone system cost estimate of \$61,600 should have been \$52,800. A technical adjustment was included in the closing document.

According to Ms. Hoppe, the agency pointed out that Building No. 15 was originally designed for and used by Clark County probation services and was well suited for the Bureau. The building would be vacated by June 30, 2015.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation to relocate the Youth Parole Bureau's Las Vegas office, along with the technical adjustment.

In response to a question from Assemblywoman Titus, Ms. Hoppe stated there would not be an offset savings for rent. In fact, there would be a small amount of additional rent to move to the new facility. The current rent costs were included in the base budget, but Ms. Hoppe could not recall the exact amount of the rent.

Assemblywoman Titus asked whether the \$73,526 for building rent over the biennium was in addition to the current rent costs.

Ms. Hoppe explained that this decision unit was a slightly more expensive option for the agency. However, the new location offered many benefits, such as being located on the SNCAS campus.

There being no additional comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN KIRKPATRICK MOVED FOR APPROVAL OF THE GOVERNOR'S RECOMMENDATION TO RELOCATE THE YOUTH PAROLE BUREAU'S LAS VEGAS OFFICE IN DECISION UNIT E-250, INCLUDING THE TECHNICAL ADJUSTMENT.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblymen Hambrick and Sprinkle and Senator Smith were not present for the vote.)

Ms. Hoppe pointed out that there were four other closing items for the Subcommittees' consideration:

1. Decision unit E-228 – the Governor recommended \$22,448 over the 2015-2017 biennium for new uniforms to make it easier to identify the Youth Parole Bureau's officers.
2. Decision units E-505 and E-905 – the Governor recommended the transfer of an existing management analyst position and associated costs from BA 3145, Children, Youth, and Family Administration, to BA 3263, Youth Parole Services.
3. Decision unit E-710 – the Governor recommended the replacement of officer safety equipment for the parole officers at a cost of \$20,482 over the 2015-2017 biennium.
4. Decision units M-800 and E-800 – the Governor recommended adjustments of \$534 over the 2015-2017 biennium to the DCFS cost allocations for dispatch services, which were provided by the General Services Division, Department of Public Safety.

Ms. Hoppe stated the other closing items appeared reasonable and Fiscal Analysis Division staff recommended that all other closing items be closed as recommended by the Governor and requested authority for staff to make other technical adjustments as needed.

Assemblywoman Carlton was concerned about other closing item 1. In her opinion, the Youth Parole Bureau officers should not be uniformed, because uniforms would create barriers. If identification was the problem, the officers should wear a simple vest or a hanging name badge. Assemblywoman Carlton was opposed to item 1.

Assemblyman Armstrong expressed agreement with Assemblywoman Carlton.

There being no additional comments or questions, Chair Oscarson called for a motion.

ASSEMBLYWOMAN CARLTON MOVED TO NOT APPROVE OTHER CLOSING ITEM 1 AS RECOMMENDED BY THE GOVERNOR AND TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick and Senator Smith were not present for the vote.)

Chair Oscarson called for a motion to approve other closing items 2, 3 and 4.

ASSEMBLYWOMAN CARLTON MOVED FOR APPROVAL OF OTHER CLOSING ITEMS 2, 3, AND 4 AS RECOMMENDED BY THE GOVERNOR AND TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick and Senator Smith were not present for the vote.)

**HUMAN SERVICES**

**CHILD AND FAMILY SERVICES**

**HHS-DCFS - NORTHERN NV CHILD & ADOLESCENT SERVICES (101-3281)**

**BUDGET PAGE DHHS-DCFS-94**

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, provided a brief overview for budget account (BA) 3281, Northern Nevada Child and Adolescent Services (NNCAS). There was one major closing issue in this budget account: decision unit Enhancement (E) 229 for new mobile crisis unit (MCU) positions.

Ms. Hoppe noted the Governor recommended \$226,273 in National Tobacco Settlement funds over the 2015-2017 biennium to add a new clinical program manager position and a new administrative assistant position in this budget account. The Interim Finance Committee (IFC) approved eight new positions during fiscal year (FY) 2015 to establish an MCU in northern Nevada.

Ms. Hoppe explained that MCUs were designed to reduce unnecessary psychiatric hospitalizations, placement disruptions, and the need for youth to go to emergency rooms or detention centers to have their mental and behavioral health needs addressed. Since the inception of the program, the agency reported a 76.5 percent hospital diversion rate.

Ms. Hoppe noted that the agency stated the national standard for mental health clinical supervision was a 1:8 ratio. The current supervisor for the eight existing MCU staff also had responsibility for six mental health counselors in the outpatient department, making the supervision ratio 1:14. The approval of this request would decrease the supervision ratio to 1:8. The administrative assistant position was needed for maintenance of the clients' records and general administrative support.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation to add one new clinical program manager and one new administrative assistant to the Northern Nevada Child and Adolescent Services (NNCAS) mobile crisis unit.

Assemblywoman Carlton opined that tobacco settlement funds would eventually disappear, and the Legislature would have to provide other funding sources.

Chair Oscarson understood and agreed with Assemblywoman Carlton. However, there was the benefit of the MCU in some areas. The intent of the MCU was to use the tobacco settlement funds to decrease the admissions to the hospitals.

Assemblywoman Titus wanted to ensure the agency would provide data to show the early intervention and prevention benefits when youthful offenders were not admitted to psychiatric facilities. She believed the MCU was a critical component. In her opinion, using the tobacco settlement funds was worrisome, but it appeared justified to fund this decision unit.

There being no additional comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN CARLTON MOVED FOR APPROVAL OF THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT ENHANCEMENT 229 TO ADD ONE NEW CLINICAL PROGRAM MANAGER AND ONE NEW ADMINISTRATIVE ASSISTANT TO THE NORTHERN NEVADA CHILD AND ADOLESCENT SERVICES MOBILE CRISIS UNIT.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick and Senator Smith were not present for the vote.)

Ms. Hoppe pointed out that there were six other closing items for the Subcommittees' consideration as follows:

1. Decision unit Maintenance (M) 101—the Governor recommended State General Fund appropriations of \$37,489 over the 2015-2017 biennium for inflationary increases in medical services and food. Inflationary increases were based on Consumer Price Index estimates and Fiscal Analysis Division staff questioned the calculations. The agency concurred that the request should total \$6,113 over the 2015-2017 biennium.
2. Decision unit M-425—the Governor recommended State General Fund appropriations of \$187,600 over the 2015-2017 biennium for deferred maintenance of various projects on the Northern Nevada Child and



Adolescent Services campus. During the review of this budget, Fiscal Analysis Division staff noted that the Americans with Disabilities Act (ADA) compliance projects were included in both the agency and the State Public Works Division, Department of Administration, Capital Improvement Program (CIP) budgets. The agency agreed to remove the ADA compliance projects from this budget, which resulted in a revised request of \$103,208 over the 2015-2017 biennium. With the technical adjustment, the recommendation appeared reasonable to Fiscal Analysis Division staff.

3. Decision unit Enhancement (E) 711—the Governor recommended State General Fund appropriations of \$136,512 in FY 2017 to replace a telephone system for the NNCAS main campus. The current system was 20 years old and experienced significant problems. In response to Fiscal Analysis Division staff inquiries regarding supporting documentation for the decision unit, the agency agreed that the total amount should be \$122,830. With the technical adjustment, this recommendation appeared reasonable to Fiscal Analysis Division staff.
4. Decision unit E-730—the Governor recommended \$6,480 in FY 2016 for ongoing maintenance costs, including replacement of doors, window blinds, and landscaping materials. This recommendation appeared reasonable to Fiscal Analysis Division staff.
5. Decision unit E-904—the Governor recommended transferring in two psychiatric caseworker positions and associated costs from BA 3646, Southern Nevada Child and Adolescent Services. The recommendation appeared reasonable to Fiscal Analysis Division staff.
6. The DCFS provided Fiscal Analysis Division staff with updated calculations regarding the Federal Medical Assistance Percentage (FMAP) rates for FY 2016 and FY 2017 used in error for The Executive Budget calculations. Technical adjustments increased State General Fund appropriations by \$13,315 in FY 2016 and \$10,627 in FY 2017. Technical adjustments were included in the closing documents.

Ms. Hoppe asked whether the Subcommittees wished to approve all other closing items as recommended by the Governor, with the technical adjustments noted by Fiscal Analysis Division staff, and to authorize Fiscal Analysis Division staff to make other technical adjustments as needed.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE ALL OTHER CLOSING ITEMS AS RECOMMENDED BY THE GOVERNOR, INCLUDING TECHNICAL ADJUSTMENTS NOTED BY FISCAL ANALYSIS DIVISION STAFF, AND TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NEEDED.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick and Senator Smith were not present for the vote.)

## **HUMAN SERVICES**

### **CHILD AND FAMILY SERVICES**

#### **HHS-DCFS - SOUTHERN NV CHILD & ADOLESCENT SERVICES (101-3646) BUDGET PAGE DHHS-DCFS-101**

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, provided a brief overview of budget account (BA) 3646, Southern Nevada Child and Adolescent Services (SNCAS). Ms. Hoppe noted there were two major closing issues in this budget account.

The first major closing issue was new positions for the outpatient medication clinic in decision unit Enhancement (E) 225. The Governor recommended \$251,941 to add one psychiatric nurse position and one administrative assistant position with associated costs. The agency stated that the clinic currently had a part-time psychiatrist and a part-time psychiatric nurse assigned to serve over 100 patients. Ms. Hoppe said if the request was approved, the current part-time nurse would be reassigned to the Oasis On-Campus Treatment Homes to oversee the medication administration. The administrative assistant would provide clerical support for the outpatient medication clinic, scheduling, and other duties.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation to add one new psychiatric nurse and one new administrative assistant for the outpatient medication clinic.

Assemblywoman Titus asked for clarification from the Division of Child and Family Services (DCFS), Department of Health and Human Services, regarding position responsibilities. She wondered whether the patients would come to the clinic and to obtain their medication because this was an outpatient clinic. She was also curious about the ratios.

Ryan Gustafson, Clinical Program Manager, Northern Nevada Child and Adolescent Services, Division of Child and Family Services, Department of Health and Human Services, responded that the goal was to move the part-time psychiatric nurse position to Oasis On-Campus Treatment Homes to assess the needs of the youths. The part-time psychiatrist for the outpatient medical clinic worked approximately 25 hours a week and treated over 100 patients. The goal was for the full-time nurse position to perform the nursing duties, including prior authorization requests for prescriptions, informed consent of the families, discussion of side effects of the medications, and completion of medical records.

Assemblywoman Titus asked whether the position would provide direct patient care and how often the patients came in to obtain their medications. She wondered whether a psychiatric nurse was needed. In her opinion, it did not appear that a highly paid psychiatric nurse was necessary for prescription refills, health concerns, and other duties that could be better served by a management analyst position. Assemblywoman Titus was concerned about using a psychiatric nurse in this capacity when it was difficult to attract qualified nurses.

Mr. Gustafson replied that there had been difficulties filling the psychiatric nurse positions. He opined that an outpatient position might be easier to fill than an inpatient position. Mr. Gustafson explained that the appointment frequency varied for youth and families; however, it was at least once a month. The prescriptions were written at the clinic and then filled outside the clinic. He thought that the physician would provide samples when appropriate.

Assemblywoman Titus asked whether the 100 patients visited the clinic monthly. If the clinic was open 5 days a week, that meant approximately 20 contact days were available. She said this was a significant request for this type of contact, especially when there was a greater need for other positions.

Amber Howell, Administrator, Division of Child and Family Services, Department of Health and Human Services, responded that the psychiatric nurse position

was needed because there were continuous inconsistencies in dispensing medication and readmissions of youth because of inappropriate use of the medications. This request would help to fill the gap to ensure that there were ongoing appointments, there was a nurse covering to make sure that the youth were scheduled to visit the clinic, and medications were being taken to avoid youth recycling through the program. This service was currently unavailable, and the agency did not have nurses available who could perform the outpatient function. In the past, Ms. Howell explained, DCFS attempted to have nurses at the Oasis campus and at Desert Willow Treatment Center fill the role. However, there was too much work for the current nursing staff. Therefore, she said that the agency needed one position to focus on the youth on a full-time basis.

Assemblywoman Titus said that she liked the concept of ensuring that the youth were following through with their treatment plans because the recidivism rate was high. Having a position to assist with the plan of care after the youth were in treatment was a positive decision. However, Assemblywoman Titus said that it was difficult to provide this amount of funding for such a position knowing there were unfilled positions in other critical areas.

Assemblywoman Carlton asked whether a psychiatric nurse was the best position for this type of service or whether another position could complete these treatments without being at the psychiatric nurse level of certification.

Ms. Howell replied that when DCFS reviewed this request, it determined that the position could assist with the mobile crisis unit (MCU). That was the consideration when the position was reviewed. The psychiatric nurse position had all of the qualifications needed for the outpatient medication clinic, as well as the MCU.

Assemblywoman Carlton said she was more comfortable with the position since it would also serve in the MCU.

Ms. Howell commented that during the interim, the DCFS would review what programs were Medicaid reimbursable to limit the use of tobacco funding as much as possible and transition to billable hours.

Requesting further clarification, Assemblywoman Titus asked whether the psychiatric nurse position would be on-call for the MCU.

Ms. Howell believed that the psychiatric nurse would not be on-call specifically for MCU. However, the MCU was an on-call entity. Ms. Howell added that decision unit E-225 contained two positions: one psychiatric nurse and an administrative assistant, so the funding request appeared higher than a normal nursing position.

There being no additional comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN KIRKPATRICK MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION TO ADD ONE NEW PSYCHIATRIC NURSE AND ONE NEW ADMINISTRATIVE ASSISTANT FOR THE OUTPATIENT MEDICATION CLINIC IN DECISION UNIT E-225.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywomen Dickman and Titus voted no. Assemblyman Hambrick and Senator Smith were not present for the vote.)

The second major closing issue discussed by Ms. Hoppe was a new position for the mobile crisis unit (MCU) in decision unit Enhancement (E) 229. The Governor recommended tobacco settlement funds of \$139,407 over the 2015-2017 biennium to add a new clinical program manager position with associated costs.

According to Ms. Hoppe, in the 77th Session (2013), the Legislature approved four full-time-equivalent (FTE) and one half-time contracted positions. However, during fiscal year (FY) 2015, the Interim Finance Committee (IFC) approved 19 new positions to expand the MCU. The agency had said that the hospital diversion rate for the southern Nevada MCU had been 90.8 percent since the inception of the program.

In response to inquiries from Fiscal Analysis Division staff, Ms. Hoppe said the agency's justification for a second clinical program manager, in addition to the one approved by the IFC, was that the national standards recommended a supervision ratio of 1:8. According to the agency, the current supervision ratio for one clinical program manager was 1:16. The addition of a second clinical program manager would result in a 1:8 supervision ratio. The agency

further indicated that the MCU cases involved significant safety risks. In addition, the clinical program manager would provide direct care to youth.

Ms. Hoppe asked whether the Subcommittees wished to approve the Governor's recommendation to add one new clinical program manager to the Southern Nevada Child and Adolescent Services (SNCAS) mobile crisis unit.

There being no comments or questions, Chair Oscarson requested a motion.

SENATOR LIPPARELLI MOVED FOR APPROVAL OF THE GOVERNOR'S RECOMMENDATION TO ADD ONE NEW CLINICAL PROGRAM MANAGER TO THE SNCAS MOBILE CRISIS UNIT IN DECISION UNIT E-229.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick and Senator Smith were not present for the vote.)

Ms. Hoppe explained there were six other closing items for the Subcommittees consideration. Fiscal Analysis Division staff recommended that all other closing items be approved as recommended by the Governor, with the technical adjustments noted in the closing document ([Exhibit C](#)). Fiscal Analysis Division staff requested authority to make technical adjustments as needed.

There being no comments or questions, Chair Oscarson requested a motion.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE OTHER CLOSING ITEMS AS RECOMMENDED BY FISCAL ANALYSIS DIVISION STAFF WITH THE TECHNICAL ADJUSTMENTS NOTED, AND TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick and Senator Smith were not present for the vote.)

Chair Oscarson opened the hearing for public comment.

Jeff Fontaine, Executive Director, Nevada Association of Counties, addressed the child protective services (CPS) assessment to rural counties. It was his understanding that it was the Legislature's decision to determine the cost assessment to the counties for the program because it was not set in the *Nevada Revised Statutes* (NRS).

Mr. Fontaine commented that it appeared the counties would be assessed the entire cost of the child welfare services program and not just the CPS portion. He added that the Nevada Association of Counties (NACO) was aware of the increased cost when The Executive Budget was published. He was concerned about the cost increase and had met with the Department of Health and Human Services. The agency's interest and willingness to work with the counties was appreciated. An amended budget request was submitted to reduce the cost to the counties and to reflect the cost of the CPS portion of the program. For the rural counties, this additional assessment would have a significant effect. For those counties with deteriorating budgets and declining revenues in both property and sales taxes, this increase could be difficult to absorb.

According to Mr. Fontaine, Nye County, for example, was one of the struggling counties that had a \$2.5 million shortfall this year and a projected \$3.2 million shortfall next fiscal year. Mr. Fontaine explained that Nye County had reduced funding for the senior nutrition program and health clinics and had considered closing the jail in Tonopah. Nye County could not afford the additional \$233,000 assessment for the 2015-2017 biennium.

Mr. Fontaine advised that White Pine County announced it would have to make budget cuts this year, cutting department head salaries by 10 percent effective immediately, and reducing hours for all other employees.

Mr. Fontaine advised that the CPS assessment for Lyon County would be a \$300,000 increase in the 2015-2017 biennium.

Mr. Fontaine asked that the Subcommittees consider reopening the budget to review the state's requested county assessments.

Assemblywoman Kirkpatrick asked Mr. Fontaine to provide a list of where the counties were on their property tax rates in relation to the cap. She said that

some counties had the ability to increase their property tax rates to help cover some of the assessments, but there were a few counties that were at the limit.

Mr. Fontaine responded that approximately nine counties were at or within a penny of cap. He would provide the requested information.

Chair Oscarson explained that the Subcommittees made recommendations to the Assembly Committee on Ways and Means, and there could be further discussion in the full committee meetings about this problem. In addition, the testimony from the agency was that the agency was considering charging for the services rendered, and that option would be explored.

Mary Walker, representing Carson City, Douglas County, Lyon County, and Storey County, said that when the CPS assessment was released, she did an analysis of the costs for the four counties she represented. The proposed original CPS assessment was a 50 percent increase from the prior biennium. If the budget was based on caseload numbers, it would not come to exactly 50 percent. There was obviously a problem with the numbers. The counties met with Michael J. Willden, Chief of Staff, Office of the Governor. There was a review of the cost for the CPS, and a recalculated assessment was made. The Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), was correct in that the recalculation met the intent of the 2011 legislation, but the recalculation was refined to reflect the actual costs rather than a 50 percent increase. The counties had agreed that in reworking the CPS assessment numbers with Mr. Willden and the DHHS staff, they would work together over the biennium regarding future budgets and calculations for the counties.

Ms. Walker stated that for Lyon County, the 50 percent increase would result in laying off more personnel.

Ms. Walker stated that increased assessments to the counties meant that when the county requested CPS and sheriff's services, there would be no response, because staffing was at 1989 levels in Lyon County. The counties were having a difficult time, and the CPS system needed to be improved to make it possible for authorities to be able to respond when needed.

Ms. Walker said that the counties appreciated the work that DCFS and DHHS staff had completed to improve the CPS program. She would appreciate



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the opportunity to work with the DHHS staff, the Fiscal Analysis Division staff, Legislative Counsel Bureau, and Mr. Willden to refine the CPS assessments.

Chair Oscarson stated that the numbers for the assessments were not accurate, and in some instances, there was not a 50 percent increase. He believed there was an opportunity for discussion with DCFS. He advised that the Subcommittees had closed the budget, but there could be further discussions at the full committee hearings.

There being no additional public comments, Chair Oscarson adjourned the meeting at 11:00 a.m.

RESPECTFULLY SUBMITTED:

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Linda Blevins  
Transcribing Secretary

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Karen Daly  
Recording Secretary

APPROVED BY:

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Assemblyman James Oscarson, Chair

DATE: \_\_\_\_\_

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Senator Mark Lipparelli, Chair

DATE: \_\_\_\_\_

**EXHIBITS**

**Committee Name:** Subcommittees on Human Services

**Date:** April 30, 2015

**Time of Meeting:** 8:18 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
	C	Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau	Closing List #3