

**MINUTES OF THE MEETING OF THE
ASSEMBLY COMMITTEE ON WAYS AND MEANS
AND
SENATE COMMITTEE ON FINANCE
SUBCOMMITTEES ON HUMAN SERVICES
Eightieth Session
May 1, 2019**

The joint meeting of the Assembly Committee on Ways and Means and Senate Committee on Finance Subcommittees on Human Services was called to order by Chair Teresa Benitez-Thompson at 8:23 a.m. on Wednesday, May 1, 2019, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/80th2019.

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblywoman Teresa Benitez-Thompson, Chair
Assemblywoman Maggie Carlton, Vice Chair
Assemblyman Jason Frierson
Assemblywoman Dina Neal
Assemblywoman Ellen B. Spiegel
Assemblyman Tyrone Thompson
Assemblywoman Robin L. Titus

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Chris Brooks
Senator Moises Denis
Senator Ben Kieckhefer
Senator James A. Settelmeyer
Senator Joyce Woodhouse

SUBCOMMITTEE MEMBERS EXCUSED:

Assemblyman John Hambrick

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Sarah Coffman, Principal Deputy Fiscal Analyst
John Kucera, Program Analyst



Nancy Morris, Committee Secretary
Lisa McAlister, Committee Assistant

After staff called roll, Chair Benitez-Thompson stated that because of the lengthy list of budget closings on the agenda, she asked Fiscal staff to move through the budgets at a pace that would allow all items to be covered.

HEALTH AND HUMAN SERVICES

CHILD AND FAMILY SERVICES

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

BUDGET PAGE DHHS-DCFS-7

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), began with the first Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), budget account. He stated that some budgets in this Division were heard on March 7, 2019, and some on March 28, 2019. Fiscal Analysis Division staff had closed six of the budgets, and some key issues were discussed during a work session on April 10, 2019. Budget account (BA) 3145 was the Children, Youth and Family Administration budget and contained one major closing issue related to child and family services review travel. The child and family services reviews (CFSR) were periodic reviews of state child welfare systems intended to ensure conformity with federal child welfare requirements. Clark County Department of Family Services (DFS), Washoe County Human Services Agency (HSA), and DCFS Rural Child Welfare staff were used to supplement the small number of DCFS Family Program Office (FPO) personnel responsible for conducting the reviews. The agency previously indicated that staff from all three regions participated in reviews and traveled to the location requiring the fewest individuals to travel, minimizing required travel expenses. During the 2018 review, both Washoe County and Clark County expressed concerns to DCFS regarding travel expenditures incurred by their respective departments to complete these reviews. According to the agency, the reviews were the responsibility of DCFS, as it was the federal oversight agency charged with administering Title IV-B and Title IV-E programs. Decision unit Maintenance (M) 501 increased travel by \$71,593 to fund travel for child welfare staff in all three regions. The agency indicated it lacked the personnel or resources to complete review activities without participation from Clark County and Washoe County.

Mr. Kucera asked whether the Subcommittees wished to approve the Governor's recommendation of \$71,593 in each year of the 2019-2021 biennium to fund additional travel expenditures related to federally mandated child and family services reviews.

Seeing no discussion, Chair Benitez-Thompson asked for a motion.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION OF \$71,593 IN EACH YEAR OF THE 2019-2021 BIENNIUM TO FUND ADDITIONAL TRAVEL EXPENDITURES RELATED TO FEDERALLY MANDATED CHILD AND FAMILY SERVICES REVIEWS

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

Mr. Kucera stated there were three other closing items in this budget. Fiscal staff recommended other closing items 1 through 3 be closed as recommended by the Governor, and requested authority to make technical adjustments as necessary.

ASSEMBLYWOMAN CARLTON MOVED TO CLOSE OTHER CLOSING ITEMS 1 THROUGH 3 IN BUDGET ACCOUNT 3145 AS RECOMMENDED BY THE GOVERNOR, AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

**HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - VICTIMS OF DOMESTIC VIOLENCE (101-3181)
BUDGET PAGE DHHS-DCFS-15**

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated that Fiscal staff was responsible for developing closing recommendations for budget account 3181, and the Subcommittees had not previously reviewed this budget. There were no major closing issues and no other closing items in this budget. Fiscal staff recommended this budget be closed as recommended by the Governor, with authority for staff to make technical adjustments as necessary.

ASSEMBLYWOMAN CARLTON MOVED THAT BUDGET ACCOUNT 3181 BE CLOSED AS RECOMMENDED BY THE GOVERNOR, AND AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

**HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - INFORMATION SERVICES (101-3143)
BUDGET PAGE DHHS-DCFS-17**

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated that budget account 3143, Division of Child and Family Services (DCFS) Information Services, had three major closing issues. The first major closing issue was the Unified Nevada Information Technology for Youth (UNITY) system enhancements. Decision unit Enhancement (E) 550 recommended continued improvements for the UNITY system and included the hiring of two new information technology (IT) professional positions. According to previous testimony from the agency, the 2017 enhancements for UNITY primarily focused on an update of the web version of UNITY to comply with system design standards for modularity. The agency indicated during the 2017 Legislative Session that the Statewide Automated Child Welfare Information System (SACWIS) transition to the Comprehensive Child Welfare Information System (CCWIS) was complete and that UNITY was now a federally compliant CCWIS system. The recommended UNITY enhancement supported two-way communication between child welfare agencies, community partners, and other systems that provided data to or required data from UNITY. Presently, a point-to-point interface needed to be customized on both sides, and as the needs of the agency grew and evolved, these point-to-point interfaces became inefficient and less cost effective. This decision unit provided a uniform platform, consistent across many disparate systems and agencies. This platform, called an enterprise service bus (ESB), in conjunction with an application programming interface (API), would allow UNITY to more easily connect with other systems. For example, the agency would need to share data from UNITY with the Social Security Administration (SSA), and the updated system would allow the agency to easily provide the information to the SSA. Fiscal staff noted the majority of continuing expenditures in E-550 supported two recommended IT professional positions that the agency indicated would be used for initial installation, as well as any ongoing needs of the system.

Mr. Kucera noted DCFS also verified that the state had achieved federal compliance; however, this additional enhancement was required to maintain compliance with future CCWIS bidirectional communication requirements. Mr. Kucera asked whether the Subcommittees wished to approve the Governor's recommendation for \$876,414 over the 2019-2021 biennium to fund enhancements to the UNITY system, including two new IT professional positions and associated expenditures.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION FOR \$876,414 OVER THE 2019-2021 BIENNIUM TO FUND ENHANCEMENTS TO THE UNIFIED NEVADA INFORMATION TECHNOLOGY FOR YOUTH (UNITY) SYSTEM, INCLUDING TWO NEW IT PROFESSIONAL POSITIONS AND ASSOCIATED EXPENDITURES.

SENATOR WOODHOUSE SECONDED THE MOTION.

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

The second major closing issue in budget account 3143 was a new IT manager position, recommended in E-225, which would result in a net expenditure reduction of \$86,196 (\$51,493 State General Fund reduction) over the 2019-2021 biennium, because it included an expenditure reduction in Master Services Agreement (MSA) contractor expenditures.

Mr. Kucera noted the agency indicated that the current single IT manager position was insufficient to support the scale and scope of current and future operations, and an additional IT manager would better support the agency's objective of modernizing its computer environment. Fiscal staff noted that the responsibilities of the recommended IT manager position were different from those of the contracted programmers, who had been used for software development. The recommended IT manager position would primarily be responsible for the administration and oversight of IT projects. Mr. Kucera asked whether the Subcommittees wished to approve the Governor's recommendation to add one new IT manager position and associated expenditures, as well as reduce annual MSA expenditures by \$171,670 over the 2019-2021 biennium.

Senator Denis stated he felt this was a good addition to what the agency was trying to do and would save money because of the MSA reduction, and having a person in place during the transition period would help.

SENATOR DENIS MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION TO ADD ONE NEW IT MANAGER POSITION AND ASSOCIATED EXPENDITURES, AS WELL AS REDUCE ANNUAL MASTER SERVICES AGREEMENT EXPENDITURES BY \$171,670 OVER THE 2019-2021 BIENNIUM.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

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

Mr. Kucera moved on to the third major closing issue in this budget, the UNITY Cognos licensing as recommended by E-226. The Governor recommended \$263,475 over the biennium to fund additional Cognos licenses. According to the agency, this recommendation would allow all UNITY users to access the Cognos Analytics platform, pass report parameters, and view reports and dashboards within the UNITY case-management system. Fiscal staff noted that most of the expenditure would be a one-time cost in FY 2020, with \$47,512 in continuing subscription and support beginning in FY 2021 and continuing through future biennia. While owned and operated by DCFS, UNITY was used by a variety of state, county, and community users, including Clark County Department of Family Services, Clark County Juvenile Justice Services, Washoe County Human Services Agency, and DCFS-Rural Child Welfare.

The agency indicated that expanding access to Cognos would have several benefits. It would help provide child welfare staff with better access to needed information, maintain workloads, and make decisions regarding children and families. Fiscal staff noted that Assembly Bill (A.B.) 111 passed out of the Assembly Committee on Legislative Operations and Elections on March 21, 2019, and was rereferred to the Assembly Committee on Ways and Means on March 27, 2019. This bill sought to review the funding of child welfare, including a cost-benefit analysis of replacing the current UNITY system. Mr. Kucera asked whether the Subcommittees wished to approve the Governor's recommendation of \$215,963 in FY 2020 and \$47,512 in FY 2021 to fund expanded reporting capabilities through additional Cognos licensing.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION OF \$215,963 IN FY 2020 AND \$47,512 IN FY 2021 TO FUND EXPANDED REPORTING CAPABILITIES THROUGH ADDITIONAL COGNOS LICENSING.

SENATOR WOODHOUSE SECONDED THE MOTION.

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

Mr. Kucera stated that other closing items 1 through 3 had been reviewed by Fiscal staff and appeared reasonable as recommended by the Governor. Fiscal staff recommended other closing items 1 through 3 be closed as recommended by the Governor, and requested authority to make technical adjustments as necessary.

SENATOR WOODHOUSE MOVED TO CLOSE OTHER CLOSING ITEMS 1 THROUGH 3 IN BUDGET ACCOUNT 3143 AS RECOMMENDED BY THE GOVERNOR, AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

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

**HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - WASHOE COUNTY CHILD WELFARE (101-3141)
BUDGET PAGE DHHS-DCFS-24**

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated that budget account 3141 was the Washoe County Child Welfare budget account. There was one major closing issue in this budget, decision unit Enhancement (E) 350, which recommended categorical funding for respite and child-care services. The Governor recommended \$245,000 in State General Fund appropriations each year of the 2019-2021 biennium for child-care and respite services for foster care families within the Washoe County Child Welfare budget. Fiscal staff noted similar decision units were recommended in the Clark County Child Welfare and Rural Child Welfare budgets. The chart below detailed the statewide analysis and review of all child care and respite services recommended through these decision units.

Child Care Services						
	Actuals			Projections		2019-21
Agency	FY 2016	FY 2017	FY 2018	FY 2020	FY 2021	Biennium
Clark County	\$ 5,942	\$ 12,221	\$ 22,752	\$ 30,000	\$ 30,000	\$ 60,000
Rural Child Welfare	\$ 2,550	\$ -	\$ 1,471	\$ 10,000	\$ 10,000	\$ 20,000
Washoe County	\$ 1,965	\$ 300	\$ 60,827	\$ 65,000	\$ 65,000	\$ 130,000
Total	\$ 10,457	\$ 12,521	\$ 85,050	\$ 105,000	\$ 105,000	\$ 210,000

Respite Services						
	Actuals			Projections		2019-21
Agency	FY 2016	FY 2017	FY 2018	FY 2020	FY 2021	Biennium
Clark County	\$ 16,215	\$ 20,243	\$ 29,937	\$ 50,000	\$ 50,000	\$ 100,000
Rural Child Welfare	\$ 6,460	\$ 8,875	\$ 8,835	\$ 16,000	\$ 16,000	\$ 32,000
Washoe County	\$ 1,220	\$ 7,783	\$ 172,302	\$ 180,000	\$ 180,000	\$ 360,000
Total	\$ 23,895	\$ 36,901	\$ 211,074	\$ 246,000	\$ 246,000	\$ 492,000

Fiscal staff noted that, while child welfare regions had different policies, each paid the market rate for services.

As discussed in the work session, this recommendation represented a new caseload, which would be funded outside of the block grant mechanism approved by the 2011 Legislature. Fiscal staff also noted the Division of Welfare and Supportive Services (DWSS) was the

primary funder of child-care services via federal Child Care and Development Block Grant Act funds. These funds provided a subsidy between the 55th and 75th percentile of market rate expenditures to eligible families based on the Division's rating system. There were eligibility requirements to participate in the system, but according to DWSS, working foster families were generally eligible for child-care subsidies. There were three limitations to the DWSS child-care program that the decision units were attempting to address, and DCFS previously clarified that the intent of the decision units was to fund services that filled the gaps currently not met by welfare. These three gaps were listed below:

- Fund child care during the two-to-four week timeframe while a foster family became eligible for the DWSS Program.
- Fund the difference in child-care service needs between the subsidy rate and the market rate.
- Fund respite services.

The recommendations included in The Executive Budget added a second categorically funded program to Washoe County Child Welfare and Clark County Child Welfare budgets. After consultation with Legislative Counsel, and if approved as recommended by the Governor, it was likely a statutory change would be required to specify child-care and respite services would be funded outside of the block grant.

Mr. Kucera then discussed the advantages of the block and categorical funding options from the perspective of both the state and recipient—in this case, the urban county. From the state perspective, the block grant limited the state's liability because there was no caseload growth to be paid for over the biennium. It encouraged the recipient to improve services, because there was a fixed amount of funds provided to the recipient. However, there was limited accountability to the state for spending, because the recipients did not provide line-item budgets for block grant funds. From the categorical funding approach, the state was liable for additional caseload growth. It might not encourage recipients to keep costs low because growth was funded, but the recipients were accountable to the state for their spending. The inverse of those was true from the recipient's perspective for block and categorical funding.

Mr. Kucera continued that the recommendation to fund child-care and respite services outside of the block grant would allow the urban county child welfare agencies to retain General Fund appropriated but not spent, in addition to receiving caseload growth for adoption subsidy, child care, and respite services.

Mr. Kucera then addressed the Washoe County Human Services Agency (HSA) Child Care and Respite Enhancement. The recommendation for Washoe County Child Welfare included \$490,000 for respite and child-care services. Fiscal staff noted that unlike Clark County and the rural counties, Washoe County HSA instituted a new program in FY 2018 that provided

child-care and respite services to all eligible families on a regular basis. Projections in FY 2020 and FY 2021 noted that experience by the agency in the base year. Washoe County HSA provided follow-up caseload data indicating if funds were made available, 806 children would be eligible for respite, and 702 children would be eligible for child care.

Mr. Kucera stated that there were two components to this decision. The decision points would be the same as provided in the Clark County Child Welfare budget. He asked whether the Subcommittees wished to provide funding to Washoe County for child-care and/or respite services at the funding levels recommended by the Governor. If the Subcommittees wished to provide funding, he then asked whether the Subcommittees wished to provide this funding through a block grant mechanism or through a categorical grant.

Chair Benitez-Thompson stated that the Subcommittees had two decisions to make and asked whether there was any discussion on the options.

Senator Kieckhefer was in favor of a block grant mechanism because that type of funding had worked well in the past. Because of the disparity between the recommended amounts for Washoe and Clark Counties, he was interested in seeing what funding level would be required to support only emergency or as-needed services in Washoe County to be consistent with Clark County.

Chair Benitez-Thompson agreed with the block grant funding. She was struggling with the different areas of service and different government levels of programs and thought the state should address unserved respite needs. She surmised that because the total amount of funding was small, focusing on one area would be more effective than trying to provide a little bit of multiple services. She suggested counties fund child care, and the state could provide meaningful respite funding.

Assemblywoman Carlton agreed with Chair Benitez-Thompson and Senator Kieckhefer. Because of the difficulty attracting and keeping foster families, she felt funding respite care would help address the burnout issue and keep good families in the system. She also agreed with the block grant that would allow the state to give money to the counties to run the programs that worked best for individual areas. She was aware that this particular decision was for Washoe County, and that Clark and the rural areas would be considered separately. She felt it would be beneficial to equalize respite care for all three areas and provide the appropriate funding level for each.

Chair Benitez-Thompson asked Fiscal staff what the funding levels would be if the amount recommended for child-care services was moved to respite care.

Mr. Kucera stated that if he understood the discussion correctly, the Subcommittees wished to reallocate the \$210,000 currently allocated for child-care services in the three areas to respite care just in Clark County, keeping the total allocation constant at \$702,000. That

change would add \$210,000 to the \$100,000 already recommended in the Clark County respite care budget, bringing the total for the biennium to \$310,000.

Chair Benitez-Thompson agreed that was the proposal and felt it was a step in the right direction to provide resources to address foster families' respite needs. She stated she would accept a motion for the Subcommittees to approve Washoe County respite services funding at levels as presented by Fiscal staff, with authority to make technical adjustments in the Clark County and DCFS budgets to align the funding.

Mr. Kucera sought clarification that the Subcommittees wished to not fund child-care services and to only fund respite care services at the amounts he just presented.

Chair Benitez-Thompson agreed with his understanding.

Senator Kieckhefer asked Mr. Kucera to repeat the numbers.

Mr. Kucera stated that based on the table previously discussed for statewide child-care and respite services, no child-care services would be funded. Clark County respite services would be funded at \$310,000 over the biennium, Rural Child Welfare would remain as shown in the table at \$32,000 for respite services over the biennium, and Washoe County respite would remain the same as detailed in the table at \$360,000 over the biennium.

Senator Kieckhefer was fine with the amounts and suggested including a letter of intent or some back language to ensure reports were provided of how many families were receiving the respite care over the biennium, because funding through a block grant meant the recipients could spend the money however they wanted.

Chair Benitez-Thompson appreciated Senator Kieckhefer's suggestion to include a letter of intent in the motion to be made and asked for a motion on the funding levels.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE WASHOE COUNTY RESPITE SERVICES FUNDING AT \$360,000 OVER THE BIENNIUM AS RECOMMENDED BY THE GOVERNOR, WITH A LETTER OF INTENT TO BE ISSUED REGARDING THE NUMBER OF FAMILIES SERVED BY THE RESPITE CARE.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

Chair Benitez-Thompson then moved on to discuss the mechanism for funding the respite care services and reminded Subcommittee members that details between the block grant and

categorical funding approaches had been provided. She felt the Subcommittees supported block grant funding and asked for a motion.

ASSEMBLYWOMAN CARLTON MOVED TO PROVIDE FUNDING FOR WASHOE COUNTY RESPITE SERVICES THROUGH A BLOCK GRANT MECHANISM.

SENATOR DENIS SECONDED THE MOTION.

Chair Benitez-Thompson clarified that a letter of intent should also be included here, even though it might be redundant, because the first vote was on the funding amount and this vote was on the mechanism. She suggested staff make the technical adjustment to place the letter of intent where it was needed to ensure that the correct information was provided from the recipients.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

Mr. Kucera continued and stated that because the block grant mechanism was just approved, Fiscal staff recommended additional back language in the Appropriations Act, as was approved in 2017, to note that the amounts in the block grants were limits and Clark and Washoe County could request Interim Finance Committee (IFC) Contingency Account allocations for funding for adoption subsidies, which were categorical grants. Two options for back language in the Appropriations Act were outlined below for the Subcommittees to consider:

1. Provide that amounts appropriated to the Washoe County and Clark County Child Welfare budgets were limits, except that the Division may request additional sums for the adoption assistance categorical grant.

OR

2. Provide that amounts appropriated to the Washoe County and Clark County Child Welfare budgets were limits, except that the Division may request additional sums for the adoption assistance and child care and respite services categorical grants.

Based on the previous decision made by the Subcommittees, Fiscal staff recommended option 1.

ASSEMBLYWOMAN CARLTON MOVED TO USE BACK LANGUAGE IN THE APPROPRIATIONS ACT AS STATED IN OPTION 1.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

Mr. Kucera stated there was one other closing item in this budget. Fiscal staff recommended technical adjustments based on updated caseload projections and Federal Medical Assistance Percentage (FMAP) rates in the base budget, as well as decision unit Maintenance (M) 200 for the 2019-2021 biennium. With technical adjustments made by Fiscal staff, this recommendation appeared reasonable. Fiscal staff recommended the other closing item be closed as recommended by the Governor, with the technical adjustments noted, and requested authority to make other technical adjustments as necessary. Fiscal staff would also include the technical adjustments just noted to make the same respite and child-care adjustments in Clark County, Washoe County, and Rural Child Welfare budgets.

SENATOR WOODHOUSE MOVED TO APPROVE OTHER CLOSING ITEM 1 IN BUDGET ACCOUNT 3141 AS RECOMMENDED BY THE GOVERNOR, WITH THE TECHNICAL ADJUSTMENTS NOTED. FISCAL STAFF WAS AUTHORIZED TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY, INCLUDING THE SAME RESPITE AND CHILD-CARE ADJUSTMENTS IN CLARK COUNTY, WASHOE COUNTY, AND RURAL CHILD WELFARE BUDGETS.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

**HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - CLARK COUNTY CHILD WELFARE (101-3142)
BUDGET PAGE DHHS-DCFS-27**

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated that most issues for the Clark County Child Welfare budget account (BA) 3142 were resolved in the Washoe County Child Welfare budget (BA 3141). Fiscal staff requested authority to make conforming changes to this budget based on the same decisions just outlined in BA 3141. He asked whether the Subcommittees would approve authority for Fiscal staff to make conforming changes to this budget based on decisions previously made.

SENATOR WOODHOUSE MOVED TO APPROVE AUTHORITY FOR FISCAL STAFF TO MAKE CONFORMING CHANGES TO BUDGET

ACCOUNT 3142 BASED ON DECISIONS PREVIOUSLY MADE IN
BUDGET ACCOUNT 3141.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the
vote.)

Mr. Kucera stated there were two other closing items in this budget. The same technical adjustments were recommended for the adoption subsidy caseload growth, Federal Medical Assistance Percentage (FMAP) rates, and additional caseload information provided between December and March caseload information as in BA 3141. With the technical adjustments, this recommendation appeared reasonable. Fiscal staff recommended that other closing item 1 be closed as recommended by the Governor, other closing item 2 be closed with technical adjustments noted, and requested authority to make other technical adjustments as necessary.

SENATOR WOODHOUSE MOVED TO APPROVE OTHER CLOSING
ITEM 1 IN BUDGET ACCOUNT 3142 AS RECOMMENDED BY THE
GOVERNOR, APPROVE OTHER CLOSING ITEM 2 WITH THE
TECHNICAL ADJUSTMENTS NOTED, AND AUTHORIZE FISCAL
STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS
NECESSARY.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

Chair Benitez-Thompson commented that she liked seeing the adoption caseload quantities increase.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the
vote.)

**HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - RURAL CHILD WELFARE (101-3229)
BUDGET PAGE DHHS-DCFS-30**

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated there were five major closing issues in budget account 3229, Rural Child Welfare. The first major closing issue was new positions to address expected performance improvement plans. The Governor recommended \$654,897 over the 2019-2021 biennium to fund one casework management specialist supervisor, one casework management specialist, and three family support workers and associated expenditures. Mr. Kucera noted that according to the agency, these positions were required based on deficiencies identified in the

recently completed Child and Family Services Review (CFSR), which was noted in budget account 3145, Children, Youth and Family Administration. While not yet complete, the positions would likely be part of the federal Administration for Children and Families (ACF) performance improvement plan (PIP). Through case reviews, the CFSR determined whether the state was in substantial conformity with seven outcome measures and seven systemic factors. The agency indicated a formal federal PIP was currently in development; however, the completed CFSR was the primary tool used to address deficiencies and develop the PIP.

One casework management specialist was recommended for the Pahrump district office, primarily to address the growing number of foster youth 14 years of age and older, commonly considered independent living (IL) clients. The agency noted during FY 2018, 32.7 percent of rural IL youth were served by the Pahrump district office, and the Division of Child and Family Services (DCFS) indicated the total population of Pahrump had increased, as well as the counts of youth 14 and older in foster care. The casework management specialist supervisor position was also recommended for the Pahrump office, and the agency noted the current manager was responsible for four subordinates, offices in Pahrump and Tonopah, and all of Nye and Esmeralda Counties, covering 21,736 square miles of territory. This position was recommended by the Governor in the Pahrump district office to ensure positive outcomes for children served. Family support workers (FSW), according to the agency, provided much of the supervision of court-ordered visitation between parents, children, and sibling groups, as well as transportation for foster youth. The Governor recommended three family support worker positions, one each located in Fallon and Pahrump and one in either Carson City or Elko.

According to the January 22, 2019, letter from the ACF, federal penalties for noncompliance with the review could total \$1.1 million. However, the agency had historically shown meaningful growth through the PIP, and the ACF had not yet assessed federal penalties. In 2009, the ACF noted Nevada was not in substantial conformity with Safety Outcome 2 (Children are safely maintained in their homes when possible and appropriate), and the final 2009 PIP report issued by ACF noted that the state had met these and other goals related to the outcome measure and was not assessed a penalty.

The agency did not identify a specific location for one of the FSW positions, which was to be located in either Carson City or Elko. As a result, Fiscal staff had been unable to establish a need for this position, and the following options were presented to the Subcommittees:

1. Approve the Governor's recommendation of one casework management specialist supervisor position, one casework management specialist position, and three family support worker positions and associated expenditures.
2. Approve the Governor's recommendation of one casework management specialist supervisor position, one casework management specialist position, but only two of the three recommended family support worker positions and associated expenditures.

In addition, Fiscal staff requested authority to make technical adjustments based on the Subcommittees' recommendation on this decision unit.

Chair Benitez-Thompson stated there were two options presented and asked whether there was discussion. She noted that in conversations about the need for FSWs, two areas were identified where the FSWs were needed and would be housed. The third FSW seemed less defined.

Assemblywoman Carlton concurred that it seemed like the plan for the third FSW was not well developed, and she was in favor of option 2.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION OF ONE CASEWORK MANAGEMENT SPECIALIST SUPERVISOR POSITION, ONE CASEWORK MANAGEMENT SPECIALIST POSITION, BUT ONLY TWO OF THE THREE RECOMMENDED FAMILY SUPPORT WORKER POSITIONS AND ASSOCIATED EXPENDITURES. FISCAL STAFF WAS AUTHORIZED TO MAKE OTHER TECHNICAL ADJUSTMENTS BASED ON THE SUBCOMMITTEES' RECOMMENDATION FOR THIS DECISION UNIT.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

Mr. Kucera moved on to major closing issue 2 in the Rural Child Welfare budget, which was a recommendation by the Governor for five new permanent positions and associated expenditures to form a child protective services intake unit. According to the agency, intake staff screened reports of abuse and neglect and determined appropriate response time and priority and completed the interview and data entry into the Unified Nevada Information Technology for Youth (UNITY) system. These positions would include four casework management specialists, one each for the district offices located in Carson City, Pahrump, Elko, and Fallon. In addition, one casework management supervisor position would be located at the district office nearest to the most qualified candidate. The agency indicated approximately 50 percent of current intake activities were performed by contracted positions, and the remaining capacity was absorbed by other caseworker staff who, according to the agency, struggled to do a thorough job with intake activities because of competing priorities. As with major issue 1, the agency indicated that the recommended intake unit was needed to comply with federal PIPs, including the CFSR mentioned previously, as well as those for the Justice for Victims of Trafficking Act (JVTA) and the Comprehensive Addiction and Recovery Act (CARA). The agency listed several sources of federally identified deficiencies and noted an intake unit was the only solution. However, it was unclear if any

federal PIP explicitly required additional intake staff. Federal mandates notwithstanding, Rural Child Welfare was unique in the state because it lacked dedicated intake staff. In contrast, Washoe County had an 8-person intake unit, and Clark County had 6 intake units totaling 37 full-time and 5 part-time staff. The annually published DCFS Data Book noted Washoe County performed approximately 5,621 intake activities in FY 2018, or 803 for each of the seven intake workers, while Rural Child Welfare performed approximately 4,144 intake activities. If the Governor's recommendation was approved, assuming no growth, Rural Child Welfare intake staff would be responsible for an estimated 1,036 intakes each, approximately 29 percent more per person than Washoe County.

Nevada Revised Statutes (NRS) 432B.326 stated that counties whose population was less than 100,000, which was all counties served by this budget, shall pay an assessment to DCFS equal to the amount authorized by the Legislature for the provision of Child Protective Services (CPS). Intake activities were generally considered CPS activities and were the responsibility of the counties. The agency also confirmed the intake unit would predominately perform CPS activities. The funding distribution recommended by the Governor included 50 percent State General Fund, 31 percent county reimbursement, and 19 percent federal dollars. The agency noted the 31 percent figure came from a budgetwide proportion of Child Protective Services provided. However, applying this budgetwide proportion to an enhancement unit that predominately performed CPS activities was not appropriate and would result in excess General Fund appropriation and too little county contribution. The agency indicated this new unit would be tracked, and any increase to the agency's total provision of CPS services would be included in the 2021-2023 biennium budget. That did not address the problem of overestimating General Funds in the 2019-2021 biennium. The agency indicated it would perform predominately CPS activities, but did not identify the exact composition of work performed. Fiscal staff identified an alternative funding structure that included 81 percent county reimbursement, no General Fund, and 19 percent Federal Title IV-E funds. This would result in a \$337,469 shift from county funds to General Funds to fund CPS enhancement units.

Mr. Kucera presented the following options for the Subcommittees to consider.

1. Approve the Governor's recommendation for five new positions and associated expenditures to form a Rural Child Welfare Child Protective Services Intake Unit, with 50 percent of the costs funded with General Fund appropriations, 31 percent with county reimbursement revenue, and 19 percent with federal revenues.
2. Approve the Governor's recommendation for five new positions and associated expenditures to form a Rural Child Welfare Child Protective Services Intake Unit with 81 percent of the cost funded with county reimbursement revenue and 19 percent with federal revenues.

Mr. Kucera stated that because the exact proportion of time spent on child protective services activities was not known, the Subcommittees might wish to recommend a letter of intent directing the agency to monitor the intake workload performed by the new positions and provide a report at the August/September meeting of the Interim Finance Committee (IFC) detailing the distribution of work over FY 2020.

Assemblywoman Titus asked where the five new positions would be located.

Mr. Kucera stated the agency indicated that one each of the four casework management specialist positions would be located in the district offices in Carson City, Pahrump, Elko, and Fallon. The casework management supervisor would be located in the district office nearest the most qualified candidate.

Chair Benitez-Thompson stated that additional intake workers was a positive step, even though the caseworkers would still have heavy caseloads. She expected that if needs shifted, the agency would return for adjustments. She asked whether Subcommittee members had any comments on the funding options.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION FOR FIVE NEW POSITIONS AND ASSOCIATED EXPENDITURES TO FORM A RURAL CHILD WELFARE CHILD PROTECTIVE SERVICES INTAKE UNIT, BUT SUPPORT THE UNIT WITH 81 PERCENT OF THE COST FUNDED WITH COUNTY REIMBURSEMENT REVENUE AND 19 PERCENT WITH FEDERAL REVENUES, AND TO ISSUE A LETTER OF INTENT DIRECTING THE AGENCY TO MONITOR THE INTAKE WORKLOAD PERFORMED BY THE NEW POSITIONS AND PROVIDE A REPORT AT THE AUGUST/SEPTEMBER MEETING OF THE INTERIM FINANCE COMMITTEE DETAILING THE DISTRIBUTION OF WORK OVER FY 2020.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblymen Hambrick and Neal were not present for the vote.)

Mr. Kucera presented the third major closing issue in this budget, which was a recommendation by the Governor for \$840,868 over the biennium to fund one new casework management specialist supervisor position and four new casework management specialist positions and associated expenditures to support foster-home licensing activities. Mr. Kucera noted that according to the agency, licensing activities were currently conducted by three casework management specialists, one each in Elko, Fallon, and Carson City; a single supervisor; and eight contracted positions performing licensing and training activities.

The agency indicated one of the recommended positions would be located in Pahrump, where no licensing staff currently resided, and the four remaining positions would be apportioned based on caseload and need. If approved, licensing-related staff would increase from four, including one supervisor, to nine, which included two supervisors. The agency did not identify a location for the remaining positions. The agency indicated that the demands of the Interstate Compact on the Placement of Children (ICPC), in addition to relative placement and foster/adoptive licensing activities, were greater than the agency could accommodate. According to the agency, Rural Child Welfare territory spanned 15 counties and 95,932 square miles. The table below provided select volume measures for licensing and related activities.

Rural Child Welfare Licensing Activities by Fiscal Year				
Activity	2015	2016	2017	2018
New Foster Homes Licensed	68	73	89	62
Total Licensed Foster Homes	179	196	235	235
ICPC Contractor Caseload	73	84	100	76
Number of Days Between Application and Decision	102	110	97	99
Annual License Renewals Completed	241	250	235	164
Number of Homes Waiting to be Licensed	45	57	125	71

Mr. Kucera stated the agency provided anecdotal evidence supporting the general need for more licensing staff and noted the Pahrump office did not currently have a licensing position. However, the agency did not identify how it determined the number of additional positions needed. Of the five positions recommended, including one casework management specialist supervisor and four casework management specialists, only the Pahrump location was identified. The agency had demonstrated a need, but lacked a comprehensive, qualitative rationale for the three additional casework management specialist positions and a supervisor. Without that information, Fiscal staff was unable to determine a need for four of the five positions included in the Governor's recommendation.

Mr. Kucera presented the following options for the Subcommittees to consider.

1. Approve the Governor's recommendation for four new casework management specialist positions, one casework management specialist supervisor position, and associated expenditures to support foster-care licensing activities.
2. Approve one casework management specialist foster-care licensing position and associated expenditures for the Pahrump office and not approve the other four positions.

Chair Benitez-Thompson stated that it appeared there was a need to have more help with foster-home licensing, based on the number of homes waiting to be licensed and length of the approval process.

Assemblywoman Carlton voiced her support for option 2 and stated that insufficient information to justify adding more positions was provided. She felt placing a person in the Pahrump office was a good first step toward addressing the workload.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE ONE CASEWORK MANAGEMENT SPECIALIST FOSTER-CARE LICENSING POSITION AND ASSOCIATED EXPENDITURES FOR THE PAHRUMP OFFICE AND NOT APPROVE THE OTHER FOUR POSITIONS.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

Mr. Kucera began discussion on major closing issue 4 in budget account 3229, which was an enhanced rate for specialized foster care (SFC). The Governor recommended \$350,351 in each year of the 2019-2021 biennium to continue funding SFC placements at \$115 per day. These amounts were included in the base budget, and no decision unit was mentioned. The 2017 Legislature conditionally approved enhanced SFC rates of \$115 per day. However, because of unbudgeted surpluses within the Child Welfare budget category, the agency had sufficient funding in FY 2019 to continue paying enhanced SFC rates without providing the required justification to, or receiving approval from, the IFC. As a result, enhanced SFC rates included in the base budget were identified as a major issue by Fiscal staff.

The family foster-care rate was \$23.94 per day. Advanced and specialized foster care provided therapeutic services at higher rates. The primary difference between advanced and specialized foster care was based on who provided the enhanced services. Advanced foster-care (AFC) services were provided by rural child welfare staff and received a rate of \$42.04 per day. Specialized foster-care staff provided enhanced services by foster agency staff and received a higher reimbursement rate at \$115 per day, which was the focus of this major closing issue. Information from the FY 2018 *Specialized Foster Care in Nevada* report included some specialized foster care outcomes. However, as this report grouped AFC and SFC together, it was difficult to distinguish the effect of the SFC program from the AFC program. For example, the agency did not compare the program outcomes for SFC against AFC. A contributing factor to the agency's ability to continue funding SFC rates without submitting a work program to IFC was the number of programs that shared the same budget category. Mr. Kucera suggested that for transparency purposes, the Subcommittees might wish to direct Fiscal staff to separate SFC and AFC programs into distinct budget categories to increase the level of legislative oversight regarding Rural Child Welfare foster-care programs. He asked whether the Subcommittees wished to approve base budget funding of \$350,351 in each year to fund an enhanced specialized foster-care rate of \$115 per day for the 2019-2021 biennium and direct Fiscal staff to establish a new budget expenditure category to account for all SFC and AFC expenditures.

SENATOR DENIS MOVED TO APPROVE BASE BUDGET FUNDING OF \$350,351 IN EACH YEAR TO FUND AN ENHANCED SPECIALIZED FOSTER-CARE RATE OF \$115 PER DAY FOR THE 2019-2021 BIENNIUM AND TO DIRECT FISCAL STAFF TO ESTABLISH A NEW BUDGET EXPENDITURE CATEGORY TO ACCOUNT FOR ALL SPECIALIZED FOSTER-CARE AND ADVANCED FOSTER-CARE EXPENDITURES.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

Mr. Kucera presented the final major closing issue in BA 3229, which was respite and child-care services funding. As this decision was already made in the Washoe County Child Welfare budget, Fiscal staff requested authority to make conforming adjustments to this budget account based on the decisions previously made.

ASSEMBLYWOMAN CARLTON MOVED TO AUTHORIZE FISCAL STAFF TO MAKE CONFORMING ADJUSTMENTS TO THIS BUDGET ACCOUNT BASED ON DECISIONS PREVIOUSLY MADE.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

Mr. Kucera presented other closing items in this budget account. Fiscal staff identified technical adjustments to increase county assessments for child protective services based on the actual costs of child protective services in the rural region as reported by the *Annual Cost of Child Protective Services* report for FY 2018. With this technical adjustment, the base budget appeared reasonable. Other closing item 2 appeared reasonable, and the same caseload growth technical adjustments were recommended in item 3 as the Subcommittees had approved previously. With these technical adjustments, the recommendation appeared reasonable. Other closing item 4 also appeared reasonable. Fiscal staff recommended other closing items 2 and 4 be closed as recommended by the Governor, that other closing items 1 and 3 be closed with the technical adjustments noted, and to request authority for Fiscal staff to make other technical adjustments as needed.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE OTHER CLOSING ITEMS 2 AND 4 IN BUDGET ACCOUNT 3229 AS RECOMMENDED BY THE GOVERNOR, OTHER CLOSING ITEMS 1 AND 3 WITH THE NOTED TECHNICAL ADJUSTMENTS, AND TO

AUTHORIZE FISCAL STAFF TO MAKE OTHER TECHNICAL
ADJUSTMENTS AS NEEDED.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the
vote.)

**HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - CHILD WELFARE TRUST (645-3242)
BUDGET PAGE DHHS-DCFS-41**

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated Fiscal staff was responsible for developing closing recommendations for this budget, and the Subcommittees had not previously heard this budget. There were no major issues or other closing items for the Child Welfare Trust budget, and Fiscal staff recommended this budget be closed as recommended by the Governor, with authority for staff to make technical adjustments as necessary.

SENATOR WOODHOUSE MOVED TO CLOSE BUDGET ACCOUNT
3242 AS RECOMMENDED BY THE GOVERNOR, AND TO AUTHORIZE
FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS
NECESSARY.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the
vote.)

**HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - TRANSITION FROM FOSTER CARE (101-3250)
BUDGET PAGE DHHS-DCFS-43**

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated Fiscal staff was responsible for developing closing recommendations for this budget, and the Subcommittees had not previously heard this budget. There were no major closing issues or other closing items in this budget, and Fiscal staff recommended this budget be closed as recommended by the Governor, with authority for staff to make technical adjustments as necessary.

ASSEMBLYWOMAN TITUS MOVED TO CLOSE BUDGET ACCOUNT 3250 AS RECOMMENDED BY THE GOVERNOR, AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

**HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - REVIEW OF DEATH OF CHILDREN (101-3251)
BUDGET PAGE DHHS-DCFS-45**

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated Fiscal staff was responsible for developing closing recommendations for this budget, and the Subcommittees had not previously heard this budget. There were no major closing issues or other closing items in this budget, and Fiscal staff recommended this budget be closed as recommended by the Governor, with authority for staff to make technical adjustments as necessary.

ASSEMBLYWOMAN CARLTON MOVED TO CLOSE BUDGET ACCOUNT 3251 AS RECOMMENDED BY THE GOVERNOR, AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

**HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - YOUTH ALTERNATIVE PLACEMENT (101-3147)
BUDGET PAGE DHHS-DCFS-52**

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated Fiscal staff was responsible for developing closing recommendations for this budget, and the Subcommittees had not previously heard this budget. There were no major closing issues or other closing items in this budget, and Fiscal staff recommended this budget be closed as recommended by the Governor, with authority for staff to make technical adjustments as necessary.

SENATOR SETTELMAYER MOVED TO CLOSE BUDGET ACCOUNT 3147 AS RECOMMENDED BY THE GOVERNOR, AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN THOMPSON SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

**HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - YOUTH PAROLE SERVICES (101-3263)
BUDGET PAGE DHHS-DCFS-68**

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated Fiscal staff was responsible for developing closing recommendations for this budget, and the Subcommittees had not previously heard this budget. There were no major closing issues in this budget and there were five other closing items. A base budget technical adjustment recommended by Fiscal staff in other closing item 1 included reductions to contractual expenditures based on actual expenditures over FY 2018 and FY 2019. With this technical adjustment, the base budget appeared reasonable. Other closing items 2 through 5 appeared reasonable as recommended by the Governor. Fiscal staff recommended other closing items 2 through 5 be closed as recommended by the Governor, that other closing item 1 be closed with the technical adjustment recommended by Fiscal staff, and that staff be authorized to make other technical adjustments as necessary.

SENATOR WOODHOUSE MOVED TO APPROVE CLOSING ITEMS 2 THROUGH 5 IN BUDGET ACCOUNT 3263 AS RECOMMENDED BY THE GOVERNOR, AND OTHER CLOSING ITEM 1 WITH THE TECHNICAL ADJUSTMENT RECOMMENDED BY FISCAL STAFF, AND TO AUTHORIZE FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

Assemblywoman Carlton recalled significant discussions in the 2017 Legislative Session surrounding the attire worn by officers. Other closing item 5 mentioned safety vests, which were bullet-proof. She expressed her desire that officers remain in casual clothing and not full tactical gear with an aggressive look, because they would be approaching people's homes and an aggressive look could escalate tensions.

THE MOTION CARRIED. (Assemblymen Frierson and Hambrick were not present for the vote.)

**HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - SUMMIT VIEW YOUTH CENTER (101-3148)
BUDGET PAGE DHHS-DCFS-54**

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated there was one major closing issue in the Summit View Youth Center budget, which was the discussion of the Prison Rape Elimination Act (PREA) positions as recommended by the Governor. Because PREA affected several budgets, all decisions made related to this issue would be discussed in this budget account, and Fiscal staff would request authority to make conforming changes in other budgets. The budgets affected were Summit View Youth Center (SVYC), Caliente Youth Center (CYC), Nevada Youth Training Center (NYTC), and Southern Nevada Child and Adolescent Services (SNCAS), which included the Desert Willow Treatment Center (DWTC). During testimony provided on March 7, 2019, the agency confirmed that with the use of overtime, the juvenile system was currently in full PREA compliance. Based on additional agency correspondence, Fiscal staff understood none of the facilities would operate at a ratio greater than that required by PREA. The agency had ways to ensure it was in compliance: the capacity of the individual facilities and the quantity of staff recommended. Fiscal staff received confirmation from the agency that regardless of what decisions were made by the Subcommittees, the agency would take reasonable action to continue operating within ratios required by PREA. The table below provided background information for the three facilities. Fiscal staff noted The Executive Budget increased the existing 161 group supervisor positions to 257, an increase of 59.6 percent.

	Summit View Youth Center			Caliente Youth Center			Nevada Youth Training Center		
Measure	FY 2018	Gov Rec FY 2021	Change	FY 2018	Gov Rec FY 2021	Change	FY 2018	Gov Rec FY 2021	Change
Maximum Youth Capacity	48	48	-	140	140	-	60	60	-
Total Positions	67	83	16	95	149	54	81	107	26
Group Supervisor Positions	41	57	16	75	129	54	45	71	26
Personnel Expenditure (millions)	\$ 4.6	\$ 6.3	\$ 1.7	\$ 6.5	\$ 10.8	\$ 4.3	\$ 6.3	\$ 8.1	\$ 1.8

**This analysis only considers M-595 in FY 2021 figures, no other enhancements included*

Mr. Kucera shared the following table, which detailed historical occupancy trends from FY 2016 to FY 2019 for the facilities.

DCFS Juvenile Facility Average Monthly Occupancy by Year					
Facility	Maximum Capacity	FY 2016	FY 2017	FY 2018	FY 2019*
Summit View Youth Center†	48	19	35	34	42
Caliente Youth Center	140	130	116	119	101
Male		92	78	76	59
Female		38	38	43	42
Nevada Youth Training Center	60	57	53	57	56

†SVYC was reopened in late FY 2016

*July 2018 through February 2019

Federal penalties for noncompliance were indirect, because the majority of funding for juvenile justice facilities came from State General Fund appropriations. According to the agency, Division of Child and Family Services (DCFS)-specific impact was a combined \$27,929 between FY 2014 and FY 2017. Because both the adult and juvenile systems were required to certify full compliance to avoid federal penalties, and the juvenile system was in full compliance, approval of additional PREA positions for the juvenile justice system might not be necessary to meet the federal requirement. Brief descriptions of the facilities were presented by Mr. Kucera:

- Summit View Youth Center (SVYC) was the state's only maximum security facility that used locking doors, razor wire fencing, and was a physically secure building for juvenile detention. The SVYC had two residential buildings—each held 48 youth. Only one building was currently being used. This facility was reopened under state operation in FY 2016.
- Caliente Youth Center (CYC) was located approximately two hours north of Las Vegas and included seven residential cottages, each with a maximum capacity of 20 youth. Fiscal staff noted the agency considered this facility the lowest security facility and was the only juvenile justice facility that accepted female youth.
- Nevada Youth Training Center (NYTC) was located in Elko and also had 20-bed residential cottages. Only four cottages were in operation, with a budgeted capacity of 15 youth per cottage. The agency considered this its medium-security facility and relative to Caliente, received older and/or higher-offending youth.

Mr. Kucera then recalled the April 10, 2019, work session during which options 1, 2, and 3 below were thoroughly discussed. Options 4 and 5 would be the focus of this discussion and were developed based on input from the Subcommittees. Of general concern and related to all options was the ability for the agency to hire staff. Figures provided below noted a point-in-time vacancy analysis for the three facilities, averaging 23 percent vacancy for

group supervisor 2 and 3 positions, which were the direct-care positions that oversaw youth in each facility.

Group Supervisor 2 and 3 Vacancy Analysis

Facility	Authorized	Filled	Vacant	Vacancy as of 4/22/2019
SVYC	33	27	6	18.2%
CYC	63	48	15	23.8%
NYTC	34	25	9	26.5%
Total	130	100	30	23.1%

The following options were presented by Mr. Kucera:

Option 1-Governor Recommended: This included 96 additional positions and \$9.1 million in General Funds. This would allow for PREA compliance through the new positions and would maintain total statewide capacity at 248 beds. The number of direct-care staff would increase from 161 to 257 and result in more direct-care staff than maximum youth capacity. This option was discussed in detail in both the budget hearing and work session, and a detailed chart was provided in [Exhibit C](#), "Budget Account 3148-Summit View Youth Center Major Closing Issue Options."

Option 2-Status Quo: The agency indicated it would not operate a facility at a ratio that was not PREA compliant and instead would reduce capacity until PREA-compliant staffing was available. This option did not add any positions or capacity, but maintained compliance through the continued use of overtime and capacity reductions as needed. This included \$1.5 million in each year of the biennium for budgeted overtime between the three juvenile justice facilities. According to the agency, relying on significant overtime to meet PREA ratios was not sustainable and negatively affected facility performance and employee retention. The agency also indicated that operating at staff-to-youth ratios greater than the industry standard might expose the state to litigation risk. [Exhibit C](#) included charts with detail for this option.

According to the agency, capacity at the three facilities might be reduced again as needed based on available staffing levels. The chart below detailed the historical overtime use at the three facilities.

DCFS Juvenile Facility Overtime Analysis

	FY 2016	FY 2017	FY 2018	FY 2019 (Projected)	3-Year Average*
Summit View Youth Center	\$ 87,585	\$ 644,199	\$ 455,029	\$ 276,625	\$ 458,618
Caliente Youth Center	\$ 326,349	\$ 322,297	\$ 475,965	\$ 523,311	\$ 440,524
Nevada Youth Training Center	\$ 635,904	\$ 543,730	\$ 681,177	\$ 549,417	\$ 591,441
Total	\$ 1,049,838	\$ 1,510,226	\$ 1,612,170	\$ 1,349,354	\$ 1,490,583

* FY 2017, FY 2018, and projected FY 2019

Option 3-Efficiency: This option sought to find the most efficient capacity and staffing arrangement statewide to minimize expenditures while maintaining PREA ratios without overtime. The savings estimated were generated as a result of reducing capacity at CYC from 140 to 112, allowing for an optimally efficient staff-to-youth ratio in each of the cottages. The same configuration of youth-per-cottage for NYTC was presented, and increasing capacity at each from 15 to 16 would result in four additional beds and offset some of the lost beds at CYC. The table in [Exhibit C](#) noted the incremental operating expenditures as well as personnel savings from CYC, and Fiscal staff noted this was a \$3 million savings over FY 2019-2021 relative to the Governor-recommended budget.

This budget capacity decrease would not likely displace any youth, because the occupancy at CYC was 87 as of March 2019. However, there were several additional complexities to consider. As mentioned previously, CYC was the only facility that accepted female youth, and segregating the population created the possibility for more inefficient occupancy scenarios. Also considered to be the lowest-security facility, reducing maximum capacity at CYC might limit the flexibility to place youth in the most appropriate security setting. This could also result in longer wait-times for youth placements in a state facility. Fiscal staff noted that option 3 included approval of shift relief factors for all juvenile facilities as laid out in the table below. The shift relief factor attempted to quantify, in a single measure, the impact of a variety of underlying components that affected the availability of staff to fill a post. The figures below represented the number of positions needed to fill a single eight-hours-per-day, seven-days-per-week shift.

Facility	Shift Relief Factor
Summit View Youth Center	1.65
Caliente Youth Center	1.76
Nevada Youth Training Center	1.72

Option 4-Desert Willow Treatment Center (DWTC) +20 beds: This option was the result of the Subcommittees' input at the April 10, 2019, work session and included a hybrid of Option 2 and previous options, including expanding capacity at DWTC. This option included Medicaid revenue of \$505,043 in FY 2020 and \$2.0 million in FY 2021, not present in earlier options. The agency projected 12 beds would become available in January 2020 and 8 more in July 2020, to expand DWTC by 20 beds. The basis for this recommendation to expand capacity was an informal survey of youth currently in state juvenile facilities that identified candidates who might be better served in a mental health facility. According to the agency, had a bed been available at DWTC, some of the youth in current juvenile justice placements might have been placed in DWTC and might have been more appropriately served there. The agency also indicated the youth served at DWTC had some of the highest need and required a disproportionate amount of attention. Option 4 details were included in charts in [Exhibit C](#) and included 29 new positions between the juvenile justice facilities. This excluded budgeted overtime and a shift relief factor. However, the use of overtime by the agency was still likely based on current vacancies in the three facilities. With this option,

8 full-time-equivalent (FTE) positions would be added to SVYC, 9 to CYC, and 12 to NYTC, with the same 28-bed reduction at CYC and 4-bed increase at NYTC. The DWTC expenditures included an additional 40.51 FTE, as well as operating expenditures.

The total expenditure for option 4 was \$8.4 million, but the General Fund impact of this option was a net \$3.1 million savings relative to The Executive Budget, because it would include 26.49 fewer positions than the Governor recommended, as well as additional Medicaid revenue brought in through the expansion of DWTC. The limitations of this option were noted below.

- Longest implementation time period.
- Uncertain Medicaid reimbursement for new DWTC beds.
- Potential safety considerations serving juvenile offenders in a residential treatment setting together with nonoffender youth.
- Assumption that reduced juvenile facility capacity can be absorbed by increased mental health capacity.

Mr. Kucera noted options 4 and 5 were similar, with the exception that option 5 included the addition of only 12 beds as opposed to 20 beds at DWTC. The composition of employees requested by the agency for these expansions were included in the table below.

DWTC Agency Recommended Positions, Options 4 and 5			
	Base Budget (20 Beds)	Positions Option 4 (40 Beds)	New Positions Option 5 (32 Beds)
Mental Health Technician	28	17	9
Psychiatric Nurse	14	9	4
Custodial Worker	5	2	1
Admin Assistant	2	2	1
Clinical Program Manager	2	0	0
Clinical Social Worker	2	2	2
Licensed Psychologist	2	0	0
Sr. Psychiatrist	2	2	2
Director, Nursing Services	1	0	0
Health Info Director	1	0	0
Quality Assurance Specialist	1	0	0
Therapeutic Recreation Spec	1	1	1
Maintenance Repair Worker	0	1	1
Management Analyst	0	1	1
Psychiatric Caseworker	0	3	3
Registered Dietician	0	1	1
Total	61	41	26

Mr. Kucera noted that with the exception of the maintenance repair worker, management analyst, psychiatric caseworker, and registered dietician, all position classifications above were currently represented in DWTC. The four positions noted provided services to DWTC that were included in the Southern Nevada Child and Adolescent Services (SNCAS) budget. The agency indicated an expansion of either 12 or 20 beds would require dedicated positions to provide these services.

Option 5-Work Session (DWTC+12 beds): As noted, this option included the addition of the same 29 juvenile justice positions and operating expenditures for the juvenile justice side, but included differences at DWTC of only 25.51 FTE, a reduction of 15 from option 4; and 12 beds, which was an 8-bed reduction from Option 4. As a result, total expenditures would be \$6.9 million over the biennium, but would represent a \$3.9 million General Fund reduction when compared to the Governor's recommended budget because of fewer positions being recommended and additional Medicaid revenue being brought in. This would result in 41.49 fewer positions than the Governor recommended. Details for this option were provided in [Exhibit C](#).

Mr. Kucera provided the following table as a summary that noted both the total expenditure difference of the five options relative to the Governor recommended budget, as well as the General Fund impact.

Option	Total Expenditure		General Fund Impact	
	2019-2021 Biennium	2019-2021 Biennium Difference from Gov. Rec.	2019-2021 Biennium	2019-2021 Biennium Difference from Gov. Rec.
#1-Governor Recommends	\$9,084,590	\$0	\$9,084,590	\$0
#2-Status Quo (Overtime)	\$2,981,166	(\$6,103,424)	\$2,981,166	(\$6,103,424)
#3-Efficiency	\$6,122,348	(\$2,962,242)	\$6,122,348	(\$2,962,242)
#4-DWTC+20 Beds	\$8,411,095	(\$673,495)	\$5,952,991	(\$3,131,599)
#5-DWTC+12 Beds	\$6,916,397	(\$2,168,193)	\$5,166,143	(\$3,918,447)

As previously indicated, this major closing issue was being discussed only in budget account 3148, and Fiscal staff would request authority to make corresponding adjustments in the other affected budgets based on the decision made in this budget. Mr. Kucera presented the following options for the Subcommittees to consider related to Prison Rape Elimination Act personnel:

1. Approve the Governor's recommendation for 96 new positions between the three juvenile justice facilities at a total General Fund cost of \$9.1 million over the 2019-2021 biennium.
2. Approve budgeted overtime between the three juvenile justice facilities totaling \$3.0 million over the 2019-2021 biennium. This option would not add any new positions.

3. Approve 61 new group supervisor positions between the three juvenile justice facilities, reduce capacity at Caliente Youth Center to 112, and increase capacity at the Nevada Youth Training Center to 64, at a total 2019-2021 biennium cost of \$6.1 million. This option included approval of a shift relief factor and did not include budgeted overtime.
4. Approve 29 new group supervisor positions between the three juvenile justice facilities, reduce capacity at Caliente Youth Center to 112, and increase capacity at the Nevada Youth Training Center to 64. Also, approve an additional 40.51 FTE and 20 beds for Desert Willow Treatment Center. General Fund expenditures would total \$6.0 million over the 2019-2021 biennium.
5. Approve 29 new group supervisor positions between the three juvenile justice facilities, reduce capacity at Caliente Youth Center to 112, and increase capacity at the Nevada Youth Training Center to 64. Also, approve an additional 25.51 FTE and 12 beds for Desert Willow Treatment Center. General Fund expenditures would total \$5.2 million over the 2019-2021 biennium.

Chair Benitez-Thompson reminded the Subcommittees that options 1 through 3 had been discussed previously. Options 4 and 5 were detailed by Fiscal staff based on direction from the Subcommittees. She asked whether Subcommittee members had any questions.

Assemblyman Thompson thanked Fiscal staff for the detail and comparisons provided for the five options. This was an important issue that the Legislature had been working on for a long time, and he was in favor of option 5. He felt it removed the dependency on overtime and would keep facilities compliant with PREA. He understood facilities would continue to be compliant regardless of the option chosen, but felt this was a cleaner option and did not overly commit to mental health beds that might not be needed. If more beds were needed, the agency could request funding through IFC.

Chair Benitez-Thompson shared Assemblyman Thompson's view. She felt 12 additional beds were enough to help provide more treatment, but small enough to ensure everything could be set up correctly for Medicaid reimbursement.

Assemblywoman Carlton agreed, and she also thanked Fiscal staff for the work done to provide the options. She recalled significant previous conversations and the desire to provide appropriate staff levels to provide appropriate services. She stated her understanding that if option 5 were chosen, the 12 new beds would be used for new juveniles and not juveniles transferred from different facilities. She was concerned about disrupting treatment.

Assemblywoman Titus thanked Assemblywoman Carlton and stated the key was the treatment and not just housing. The affected juveniles needed help to improve their lives, and not just housing for a certain length of time.

Chair Benitez-Thompson asked for a motion.

ASSEMBLYMAN THOMPSON MOVED TO APPROVE OPTION 5, WHICH INCLUDED 29 NEW GROUP SUPERVISOR POSITIONS BETWEEN THE THREE JUVENILE JUSTICE FACILITIES, REDUCED CAPACITY AT CALIENTE YOUTH CENTER TO 112, INCREASED CAPACITY AT THE NEVADA YOUTH TRAINING CENTER TO 64, AND AN ADDITIONAL 25.51 FTE AND 12 BEDS FOR DESERT WILLOW TREATMENT CENTER. GENERAL FUND EXPENDITURES WOULD TOTAL \$5.2 MILLION OVER THE 2019-2021 BIENNIUM.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

Mr. Kucera stated that the 2017 Legislature authorized back language in the Appropriations Act to allow the Division to transfer General Fund appropriations between the three youth correctional facilities, with the approval of the IFC. The Division requested continuation of this back language for the 2019-2021 biennium, noting that it would provide flexibility to adjust facility support in response to judicial requests for minimum, medium, and maximum placements and flexibility to move staff and resources. He asked whether the Subcommittees wished to reauthorize back language in the 2019-2021 Biennium Appropriations Act that would allow the Division to transfer General Fund appropriations between the three youth correctional facility budgets, with the approval of the IFC.

ASSEMBLYMAN FRIERSON MOVED TO REAUTHORIZE, FOR THE 2019-2021 BIENNIUM, BACK LANGUAGE IN THE APPROPRIATIONS ACT THAT WOULD ALLOW THE DIVISION TO TRANSFER GENERAL FUND APPROPRIATIONS BETWEEN THE THREE YOUTH CORRECTIONAL FACILITY BUDGETS, WITH THE APPROVAL OF THE INTERIM FINANCE COMMITTEE.

SENATOR WOODHOUSE SECONDED THE MOTION.

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

Mr. Kucera stated there were three other closing items in this budget. Fiscal staff noted technical adjustments were recommended in other closing item 1 to reduce contractual expenditures based on actual FY 2018 and FY 2019 to date expenditures, and with this adjustment the base budget appeared reasonable. Other closing items 2 and 3 appeared reasonable as recommended by the Governor. Fiscal staff would add to the motion here to

request the authority to make conforming adjustments in the other affected budgets based on the outcome of the PREA decision just made, in addition to recommending other closing items 2 and 3 be closed as recommended by the Governor, other closing item 1 be closed with the recommended technical adjustments, and authority for Fiscal staff to make other technical adjustments as necessary.

SENATOR WOODHOUSE MOVED TO AUTHORIZE FISCAL STAFF TO MAKE CONFORMING ADJUSTMENTS TO OTHER AFFECTED BUDGETS BASED ON THE PRISON RAPE ELIMINATION ACT DECISION MADE IN BUDGET ACCOUNT 3148, APPROVE OTHER CLOSING ITEMS 2 AND 3 IN BUDGET ACCOUNT 3148 AS RECOMMENDED BY THE GOVERNOR, APPROVE OTHER CLOSING ITEM 1 WITH THE RECOMMENDED TECHNICAL ADJUSTMENTS, AND AUTHORIZE FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

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

HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - CALIENTE YOUTH CENTER (101-3179)
BUDGET PAGE DHHS-DCFS-59

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated that based on the Prison Rape Elimination Act (PREA) decision just made in budget account 3148, there were no major closing issues in the Caliente Youth Center budget. There were three other closing items. Fiscal staff noted a base budget technical adjustment to include \$2,400 each year for supplemental insurance coverage that should have been included in the base budget, and with this adjustment, the base budget appeared reasonable. Other closing item 2 appeared reasonable. In other closing item 3, Fiscal staff requested authority to make conforming changes to this budget based on the statewide PREA decision made in budget account 3148. Fiscal staff recommended other closing item 2 be closed as recommended by the Governor, other closing item 1 be closed with the technical adjustments recommended by Fiscal staff, and other closing item 3 be closed with conforming changes based on the PREA decisions made in the Summit View Youth Center budget. Fiscal staff also requested authority to make other technical adjustments as necessary.

ASSEMBLYWOMAN CARLTON MOVED THAT OTHER CLOSING ITEM 2 IN BUDGET ACCOUNT 3179 BE CLOSED AS RECOMMENDED BY THE GOVERNOR, OTHER CLOSING ITEM 1 BE CLOSED WITH

THE TECHNICAL ADJUSTMENTS RECOMMENDED BY FISCAL STAFF, AND OTHER CLOSING ITEM 3 BE CLOSED WITH CONFORMING CHANGES BASED ON THE PRISON RAPE ELIMINATION ACT DECISIONS MADE IN THE SUMMIT VIEW YOUTH CENTER BUDGET (BA 3148). FISCAL STAFF WAS AUTHORIZED TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

**HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - NEVADA YOUTH TRAINING CENTER (101-3259)
BUDGET PAGE DHHS-DCFS-63**

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated that based on the Prison Rape Elimination Act (PREA) decision made in budget account (BA) 3148, there were no major closing issues in the Nevada Youth Training Center budget. There were three other closing items. Agency-specific inflation, other closing item 1, appeared reasonable with a \$519 technical adjustment. In other closing item 2, Fiscal staff requested authority to make conforming changes to this budget based on the statewide PREA decision made in BA 3148. Other closing item 3 appeared reasonable as recommended by the Governor. Fiscal staff recommended other closing item 3 be closed as recommended by the Governor, other closing item 1 be closed with the technical adjustment noted, and other closing item 2 be closed with conforming changes based on the Prison Rape Elimination Act decisions made in the Summit View Youth Center budget. Fiscal staff also requested authority to make other technical adjustments as necessary.

ASSEMBLYWOMAN CARLTON MOVED TO CLOSE OTHER CLOSING ITEM 3 IN BUDGET ACCOUNT 3259 AS RECOMMENDED BY THE GOVERNOR, OTHER CLOSING ITEM 1 WITH THE TECHNICAL ADJUSTMENT NOTED, AND OTHER CLOSING ITEM 2 WITH CONFORMING CHANGES BASED ON THE PRISON RAPE ELIMINATION ACT DECISIONS MADE IN THE SUMMIT VIEW YOUTH CENTER BUDGET (BA 3148). FISCAL STAFF WAS AUTHORIZED TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

**HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - JUVENILE JUSTICE SERVICES (101-1383)
BUDGET PAGE DHHS-DCFS-47**

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated there was one major closing issue in budget account 1383. The Governor recommended \$258,826 in State General Fund appropriations over the 2019-2021 biennium to fund one new criminal investigator position. The agency indicated Prison Rape Elimination Act (PREA) standards required that any staff conducting administrative and criminal investigations must have appropriate training and experience, and not all Division of Child and Family Services (DCFS) facilities had or would have appropriately trained and experienced staff. The agency indicated that as a result of a 2017 PREA audit of the Nevada Youth Training Center, facility-based investigative staff lacked the experience needed to adequately conduct PREA administrative investigations. The agency attempted several other options, including contracting with the Office of the Inspector General (OIG) within the Nevada Department of Corrections (NDOC), as well as using youth parole bureau positions to attempt to fill the need for PREA investigations. The agency also indicated an investigator who was an employee of the facility being investigated was unable to conduct an unbiased and objective investigation, which was why DCFS requested this position outside of the three facilities' budgets. The following tables included information about the number of investigations by facility between FY 2015 and FY 2018, as well as the PREA investigations by type of investigator.

PREA Investigations by DCFS Facility, Calendar Year

Facility	2015	2016	2017	2018
Caliente Youth Center	25	11	6	11
Nevada Youth Training Center	8	6	5	6
Summit View Youth Center	n/a*	1	4	9
Total	33	18	15	26

*Summit View Youth Center was not open in 2015

PREA Investigations by Type of Investigator, CY 2017-2018

	Facility Staff	Youth Parole Bureau	OIG	All
Average Days to Resolution	55	65	142	70
Minimum Days to Resolution	1	16	88	1
Maximum Days to Resolution	178	94	186	186
Count of Investigations	25	10	6	41

*3 ongoing investigations, 2/18/2019 used as end date for calculations

As mentioned, Youth Parole Bureau staff and OIG staff were used for PREA investigations, but were unable to meet the fairly demanding standards of a 30-day resolution time for DCFS and, as a result, declined further investigation opportunities. The agency testified during the March 7, 2019, budget hearing that a dedicated DCFS investigator would increase the number of investigations completed within the 30 days, but also noted that based on the statewide nature of this decision unit and the position, perhaps not all investigations would be settled within 30 days. Mr. Kucera noted the Governor recommended additional travel, including 15 annual trips for Caliente Youth Center and 10 for Nevada Youth Training Center in Elko. In addition, one out-of-state trip to attend the American Probation and Parole Association's Winter Training Institute was recommended, which the agency indicated would be used to document the continued training of the investigator when PREA auditors reviewed agency compliance. The Executive Budget recommended General Fund appropriations of \$5,090 for out-of-state travel and \$43,641 for in-state travel over the 2019-2021 biennium. He asked whether the Subcommittees wished to approve General Fund appropriations of \$114,643 in FY 2020 and \$144,183 in FY 2021 to fund one new criminal investigator position and associated operating expenditures to conduct PREA investigations as recommended by the Governor.

SENATOR WOODHOUSE MOVED TO APPROVE GENERAL FUND APPROPRIATIONS OF \$114,643 IN FY 2020 AND \$144,183 IN FY 2021 TO FUND ONE NEW CRIMINAL INVESTIGATOR POSITION AND ASSOCIATED OPERATING EXPENDITURES TO CONDUCT PRISON RAPE ELIMINATION ACT INVESTIGATIONS AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

Mr. Kucera stated that Fiscal staff recommended other closing items 1 and 2 be closed as recommended by the Governor, and requested authority to make other technical adjustments as necessary.

SENATOR DENIS MOVED TO CLOSE OTHER CLOSING ITEMS 1 AND 2 IN BUDGET ACCOUNT 1383 AS RECOMMENDED BY THE GOVERNOR, AND TO AUTHORIZE FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - NORTHERN NV CHILD & ADOLESCENT SERVICES (101-3281)
BUDGET PAGE DHHS-DCFS-74

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), noted there was one major closing issue in this budget, which was for the recommended conversion of the Adolescent Treatment Center (ATC) and the Family Learning Homes to Psychiatric Residential Treatment Facilities (PRTF). The Governor recommended \$1.6 million over the biennium, a reduction of \$103,102 in State General Fund appropriations. According to the agency, this conversion would allow the new PRTFs to bill a bundled daily rate, as opposed to billing for a variety of mental health services in 15-minute increments. The agency indicated this would not necessarily change the level of service being provided, but would allow it to more appropriately bill for the services that were being provided. As an example, Medicaid reimbursable expenditures for the ATC and Family Learning Homes were between 27.5 and 30.6 percent currently, and according to agency estimates, would increase to 85 percent based on historical Medicaid allowable expenditures using the Desert Willow Treatment Center (DWTC) as a standard. During the March 28, 2019, budget hearing, the Subcommittees questioned whether this would change the type of patient currently receiving services, and the agency indicated this would allow the agency to be reimbursed for services it was currently providing to individuals still being served in a residential setting. The agency indicated that positions would start in October 2019; however, PRTF status would not be achieved until January 2020, at which point Medicaid reimbursement would begin. Mr. Kucera noted this would result in a net General Fund increase of \$373,026 in FY 2020 and a net General Fund decrease of \$476,128 in FY 2021 after the facility received accreditation approvals and was a Medicaid-approved provider.

This recommendation included seven new psychiatric nurse positions: six standard nurses and one supervisor, which would be required to staff the facilities 24 hours per day. The total personnel, training, licensing and certification expenses recommended for the biennium were \$1,552,151. Fiscal staff recommended a technical adjustment to reduce training expenditures by \$2,228 in FY 2020 and \$8,078 in FY 2021, based on a corrected training schedule provided by the agency. The agency provided details on how it determined that seven nurses were required to staff the facility:

- 7 days per week * 24 hours per day = 168 hours
- 168 hours/40-hour work week = 4.2 positions (rounded to 5)
- One additional position for transition, shift overlap, and employee leave
- One supervisor position

According to the agency, a PRTF would integrate all therapeutic services with a single provider, ensuring consistent treatment, improved medication management, and

administration. Mr. Kucera asked whether the Subcommittees wished to approve the Governor's recommendation of \$1.6 million over the 2019-2021 biennium to fund seven new psychiatric nurse positions and associated expenditures and convert the existing Adolescent Treatment Center and Family Learning Homes to a Psychiatric Residential Treatment Facility model.

ASSEMBLYWOMAN SPIEGEL MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION OF \$1.6 MILLION OVER THE 2019-2021 BIENNIUM TO FUND SEVEN NEW PSYCHIATRIC NURSE POSITIONS AND ASSOCIATED EXPENDITURES AND CONVERT THE EXISTING ADOLESCENT TREATMENT CENTER AND FAMILY LEARNING HOMES TO A PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY MODEL.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

Mr. Kucera stated that the Governor recommended back language in the Appropriations Act allowing Northern Nevada Child and Adolescent Services (NNCAS) and Southern Nevada Child and Adolescent Services (SNCAS) to transfer General Fund appropriations between budgets, with the approval of the Interim Finance Committee (IFC). The 2013 Legislature approved similar language for the three juvenile facility budgets, and the associated closing information noted comparable flexibility was extended to the Department of Corrections. The agency indicated flexibility to transfer funding between NNCAS and SNCAS was recommended based on the PRTF conversion recommendations, as well as potential changes in the statewide distribution of children's mental health demand. He asked whether the Subcommittees wished to recommend back language in the Appropriations Act allowing DCFS to transfer General Fund appropriations between the Northern Nevada Child and Adolescent Services budget and the Southern Nevada Child and Adolescent Services budget during the 2019-2021 biennium, with the approval of the Interim Finance Committee.

SENATOR KIECKHEFER MOVED TO RECOMMEND BACK LANGUAGE IN THE APPROPRIATIONS ACT ALLOWING THE DIVISION OF CHILD AND FAMILY SERVICES TO TRANSFER GENERAL FUND APPROPRIATIONS BETWEEN THE NORTHERN NEVADA CHILD AND ADOLESCENT SERVICES BUDGET AND THE SOUTHERN NEVADA CHILD AND ADOLESCENT SERVICES BUDGET DURING THE 2019-2021 BIENNIUM, WITH THE APPROVAL OF THE INTERIM FINANCE COMMITTEE.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

Assemblywoman Carlton voiced her support for the motion and recalled her resistance to the back language when it started in the 2013 Legislature. She hoped this did not become a regular request, because it could cause lengthy IFC meetings. She understood the responsibility to fund agencies appropriately and that things changed, but she cautioned other agencies to not duplicate this, because the Subcommittees still had concerns.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

Mr. Kucera moved on to the other closing items in this budget account. A \$31,126 technical adjustment to the base budget was recommended in other closing item 1 to increase personnel expenditures based on a Division of Human Resource Management, Department of Administration, approved position reclassification. With this adjustment, the recommendation appeared reasonable. Fiscal staff recommended other closing items 2 and 3 be closed as recommended by the Governor and other closing item 1 be closed with the noted technical adjustment, and requested authority to make other technical adjustments as necessary.

ASSEMBLYWOMAN CARLTON MOVED TO CLOSE OTHER CLOSING ITEMS 2 AND 3 IN BUDGET ACCOUNT 3281 AS RECOMMENDED BY THE GOVERNOR, AND OTHER CLOSING ITEM 1 WITH THE NOTED TECHNICAL ADJUSTMENT, AND TO AUTHORIZE FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

HEALTH AND HUMAN SERVICES
CHILD AND FAMILY SERVICES
HHS-DCFS - SOUTHERN NV CHILD & ADOLESCENT SERVICES (101-3646)
BUDGET PAGE DHHS-DCFS-80

John Kucera, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated that budget account (BA) 3646 was the final budget to be heard in this meeting. There were two major closing issues in this budget. The first was the same Psychiatric Residential Treatment Facility (PRTF) conversion as heard in BA 3281, Northern Nevada Child and Adolescent Services. While it was similar, Fiscal staff noted the Medicaid revenue recommended for this decision unit was greater, because the Oasis Homes in southern Nevada currently had an 11.5 percent Medicaid reimbursement rate, and that would increase to 85 percent after the conversion. This change would result in a larger proportion of increased Medicaid revenue to BA 3646.

The same new position additions were recommended in this budget as in BA 3281: seven psychiatric nurses, one of whom was a supervisor. Fiscal staff recommended technical adjustments as approved previously to reduce training expenditures by \$2,702 in FY 2020 and \$9,005 in FY 2021, based on a corrected training schedule provided by the agency. The staffing analysis below demonstrated how the agency determined the quantity of staff to add.

- 7 days per week * 24 hours per day = 168 hours
- 168 hours/40-hour work week = 4.2 positions (rounded to 5)
- One additional position for transition, shift overlap, and employee leave
- One supervisor position

Mr. Kucera noted a PRTF integrated all therapeutic services with a single provider, ensuring consistent treatment, improved medication management, and administration. He asked whether the Subcommittees wished to approve the Governor's recommendation of \$1.6 million over the 2019-2021 biennium to fund seven new psychiatric nurse positions and associated expenditures and convert the existing Oasis Residential Homes to a Psychiatric Residential Treatment Facility model.

Assemblywoman Titus recalled her previous concerns during Subcommittee meetings about the potential delay with reimbursement from Medicaid. Because the facility was already a Medicaid provider, there would be no delay, and she supported this measure.

ASSEMBLYWOMAN TITUS MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION OF \$1.6 MILLION OVER THE 2019-2021 BIENNIUM TO FUND SEVEN NEW PSYCHIATRIC NURSE POSITIONS AND ASSOCIATED EXPENDITURES AND CONVERT THE EXISTING OASIS RESIDENTIAL HOMES TO A PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY MODEL.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hambrick was not present for the vote.)

Mr. Kucera moved on to major closing issue 2, the System of Care grant expiration. The Governor recommended reductions of \$6.4 million, which included a State General Fund reduction of \$9,232, and the elimination of 10 positions over the 2019-2021 biennium, as a result of the federal System of Care grant expiration on September 29, 2019. Currently seven of the ten positions recommended for elimination were filled, but the agency indicated personnel officers would be meeting with affected employees to evaluate opportunities within the Division of Child and Family Services (DCFS) and other Department of Health and Human Services (DHHS) agencies. The agency also noted it was exploring a new four-year System of Care grant opportunity and submitted an application on April 19, 2019.

The agency indicated award information would be available late summer 2019, and if awarded, these positions could continue through the new grant term. The agency was also working with its human resources team to identify alternatives if the grant was not received. The purpose of the grant was to expand System of Care for youth with serious emotional disorders and focused on technical assistance, training, policy development, and quality assurance. According to the agency, all community partners, stakeholders, contractors, and subgrantees were aware of the termination of the grant. The goals of the System of Care grant were outlined below.

- Transition DCFS from providing direct care to an oversight role.
- Maximize public and private funding.
- Develop providers needed to serve youth.
- Establish a locus of management and accountability.

As mentioned during the budget hearing, the agency indicated notable outcomes of the System of Care grant included establishing a training program with the Center for the Application of Substance Abuse Technologies (CASAT), training in the Wraparound model, and improvements in Specialized Foster Care. Fiscal staff recommended a technical adjustment to increase System of Care revenue by \$241,187 in FY 2020, with a corresponding decrease to General Fund revenue, to fund the final quarter of System of Care personnel expenditures from July to September 2019. Mr. Kucera asked whether the Subcommittees wished to approve the Governor's recommendation to eliminate funding and ten associated positions with the expiring System of Care grant, with the technical adjustment noted.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION TO ELIMINATE FUNDING AND TEN ASSOCIATED POSITIONS WITH THE EXPIRING SYSTEM OF CARE GRANT, WITH THE TECHNICAL ADJUSTMENT NOTED.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblymen Frierson and Hambrick were not present for the vote.)

Mr. Kucera stated there were four other closing items in this budget. The first item was base budget technical adjustments recommended by Fiscal staff to use historical average expenditure projections that would result in small reductions to contractual expenditures. Fiscal staff also recommended a technical adjustment to remove authority added in adjusted base for two contracts not supported by historical expenditures. Finally, a technical adjustment was recommended to update a position control number based on a Division of Human Resource Management, Department of Administration, review of the position as approved at the December 2018 IFC meeting. With the technical adjustments, the base

budget appeared reasonable. Fiscal staff requested authority in other closing item 2 to make conforming changes to the Southern Nevada Child and Adolescent Services budget based on the statewide Prison Rape Elimination Act (PREA) decision made in the Summit View Youth Center budget. Other closing items 3 and 4 appeared reasonable, as recommended by the Governor. Fiscal staff recommended other closing items 3 and 4 be closed as recommended by the Governor, other closing item 1 be closed with technical adjustments recommended by Fiscal staff, and other closing item 2 be closed with conforming changes based on the Prison Rape Elimination Act decisions made in the Summit View Youth Center budget. Fiscal staff also requested authority to make other technical adjustments as necessary.

ASSEMBLYWOMAN TITUS MOVED THAT OTHER CLOSING ITEMS 3 AND 4 IN BUDGET ACCOUNT 3646 BE CLOSED AS RECOMMENDED BY THE GOVERNOR, OTHER CLOSING ITEM 1 BE CLOSED WITH TECHNICAL ADJUSTMENTS RECOMMENDED BY FISCAL STAFF, AND OTHER CLOSING ITEM 2 BE CLOSED WITH CONFORMING CHANGES BASED ON THE PRISON RAPE ELIMINATION ACT DECISIONS MADE IN THE SUMMIT VIEW YOUTH CENTER BUDGET. FISCAL STAFF WAS AUTHORIZED TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblymen Frierson and Hambrick were not present for the vote.)

Assembly Committee on Ways and Means
Senate Committee on Finance
Subcommittees on Human Services
May 1, 2019
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Chair Benitez-Thompson thanked Subcommittee members and Fiscal staff for closing 17 budgets in a reasonable amount of time. She opened the meeting for public comment. Seeing none, she adjourned the meeting at 10:08 a.m.

RESPECTFULLY SUBMITTED:

Nancy Morris
Committee Secretary

APPROVED BY:

Assemblywoman Teresa Benitez-Thompson, Chair

DATE: _____

Senator Moises Denis, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a document titled "Budget Account 3148- Summit View Youth Center Major Closing Issue Options" prepared by Fiscal Analysis Division, Legislative Counsel Bureau.