

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

**Eightieth Session  
March 28, 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 8:09 a.m. on Thursday, March 28, 2019, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4404B 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](http://www.leg.state.nv.us/App/NELIS/REL/80th2019).

**ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:**

Assemblywoman Teresa Benitez-Thompson, Chair  
Assemblywoman Maggie Carlton  
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 Jason Frierson  
Assemblyman John Hambrick



**STAFF MEMBERS PRESENT:**

Mark Krmpotic, Senate Fiscal Analyst  
Sarah Coffman, Principal Deputy Fiscal Analyst  
John Kucera, Program Analyst  
Carmen M. Neveau, Committee Secretary  
Lisa McAlister, Committee Assistant

After roll was called, Chair Benitez-Thompson reminded those present of the Subcommittee rules and asked for the presentation on the first budget account.

Ross E. Armstrong, Administrator, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), introduced his PowerPoint presentation, titled "FY 2020-21 [2019-2021 biennium] Budget Presentation, Division of Child and Family Services, Child Welfare and Children's Mental Health Budgets," dated March 28, 2019, [Exhibit C](#). He explained that page 2 and page 3 of [Exhibit C](#) identified the vision, mission, and organizational chart. Page 4 presented the sources of revenue for the 2019-2021 biennium. Federal sources included Title IV-E and Title IV-B funds from the Social Security Act and Victims of Crime Act funding. Medicaid transfers were shown in the other category, he noted.

Page 5 of [Exhibit C](#), Mr. Armstrong stated, included all DCFS budgets, with the budgets to be discussed today highlighted in yellow. He noted that the bottom line, budget account (BA) 3646, Southern NV Child and Adolescent Services, demonstrated a large difference between fiscal years in the Federal Funds column. This difference was because of termination of a system of care federal grant. On a separate note, in Nevada, he added, Clark County and Washoe County were funded to operate their own child welfare systems from start to adoption or reunification, while direct services for the remaining counties were performed by DCFS.

**HEALTH AND HUMAN SERVICES**

**CHILD AND FAMILY SERVICES**

**HHS-DCFS - WASHOE COUNTY CHILD WELFARE (101-3141)**

**BUDGET PAGE DHHS-DCFS-24**

Ross E. Armstrong, Administrator, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), continued with his PowerPoint presentation titled "FY 2020-21 [2019-2021 biennium] Budget Presentation, Division of Child and Family Services, Child Welfare and Children's Mental Health Budgets," dated March 28, 2019, [Exhibit C](#), for budget account (BA) 3141, Washoe County Child Welfare. There were two major decision units in BA 3141. The first decision unit Maintenance (M) 200 recommended funding for an increase in the projected adoption caseload. He indicated that the county's primary source of funding was a block grant, and the

adoption caseload was a categorical grant outside of that block grant. The graph for projected caseloads was found on page 21 of [Exhibit C](#). The second decision unit was Enhancement (E) 350, which recommended funding for the addition of childcare and respite care support. One of the Governor's priorities was to reduce the burden for families who wanted to become foster families, and this enhancement provided State General Funds to assist with child-care and respite care services for foster families.

Chair Benitez-Thompson explained that there were common questions that ran across all scheduled budget accounts.

Senator Denis asked whether Washoe County had provided childcare and respite care services using block grant funding in past years. Amber L. Howell, Director, Washoe County Human Services Administration, confirmed that Washoe County had funded these services in the past, but not from block grant funding. County general funds were used to pay for these services. She explained that there was a delay before the child-care subsidy became effective, so Washoe County funded the services for the time period before the effective date.

Senator Denis stated that the recommendation reflected categorical funding for respite and child-care services and noted that there were no figures for fiscal year (FY) 2019, but for FY 2018 the amount spent was known. Ms. Howell said that Senator Denis was correct.

Senator Denis asked what services would be provided with this funding that were not currently provided. He also wondered whether Washoe County would continue as before, but with reimbursement from categorical funding instead of other funding sources. Ms. Howell explained that when a foster family was accepted into the system, the family applied for a child-care subsidy through the Division of Welfare and Supportive Services. For the time period until the application was approved, Washoe County paid market rate for the child-care slot until the subsidy was authorized. This was not a service provided by Washoe County Human Services Administration, but Washoe County paid a child-care provider for the service for foster children.

Senator Denis asked whether the services currently offered would change or whether the services would continue and the method of reimbursement would change. Ms. Howell confirmed that the same services would be offered, but the method of reimbursement would change.

Senator Kieckhefer asked about the delay before a family was authorized to receive a subsidy. Ms. Howell said that it varied, especially given the Washoe County population growth. The authorization for the subsidy might take two to three weeks, but finding an available provider that would accept the subsidy also caused delays.

Senator Kieckhefer asked whether there was a capacity problem or a processing problem. Ms. Howell said that the answer was both. There was a need to have the subsidy authorized immediately, and there was a need to find a provider in the community, during which time, Washoe County had to pay market rate until a subsidy provider had an opening.

Senator Kieckhefer asked whether providers were available at the market rate. Ms. Howell said providers were available.

Chair Benitez-Thompson looked at the numbers for respite services and child-care services and noted that Washoe County was spending more than Clark County and rural counties because of a policy change in FY 2018. She asked for more information on the policy change. Ms. Howell said that Washoe County's foster-care caseload from fiscal year (FY) 2011 through FY 2017 doubled. Because of the cost of childcare, foster parents were unable to take children into their homes. Washoe County lessened the financial strain by paying for childcare to create more stable placements. She noted that respite care was also included and was a more significant cost than childcare.

Chair Benitez-Thompson noted that respite care cost almost three times more than child-care services. She asked whether families had requested additional funding, and she asked for more information on the process because it was different from other counties in Nevada. Ms. Howell said that foster families had expressed concern about not having funds to pay for childcare. The rate provided was \$515 per month for children under twelve years old. The average cost for daycare could run from \$700 per month to \$900 per month. Washoe County recognized a trend in the inability to attract and retain interested foster families because of the low rate for childcare.

Senator Denis asked why respite care costs were more than childcare. He recognized that childcare was a scheduled, consistent cost and that respite care was on an as-needed basis, but he asked for further explanation. Ms. Howell said that respite care, at a rate of \$30 per day, was a benefit foster parents accessed when the parents needed to travel out-of-state, perhaps for another foster child's medical procedure or for family emergencies. Washoe County's intent was to avoid placing foster children in its Kids Kottage Child Abuse Shelter while the foster family was out of town.

Senator Denis referred to a budget implementation bill that identified childcare and respite care as "categorical." He wondered why that bill was not submitted. Mandi Davis, Deputy Administrator, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), said that when the enhancements were first submitted, there was an intent to include the enhancements in the categorical portion of funds distributed to counties. She noted that DCFS could work with Fiscal Analysis Division staff to submit a budgetary bill draft request (BDR) if necessary to support this action or handle the change through the Appropriations Act.

Assemblywoman Carlton questioned the methodology shift from a block grant to Clark and Washoe Counties to caseload-driven funding. Ms. Davis stated that for the categorical grant for adoption subsidies, counties had to provide justification to be reimbursed for costs. She envisioned the same type of procedure, including the submittal of documentation showing expenditures, so that costs could be reimbursed.

Assemblywoman Carlton asked whether there would be a change from a grant-funded program to a caseload-driven program. Ms. Davis explained that the block grant funding that was distributed to counties was for foster care subsidies only: child-care and respite services were not eligible services under the block grant.

Assemblywoman Carlton asked whether DCFS was adding a second categorically funded provision outside of the block grant. Ms. Davis confirmed Assemblywoman Carlton's understanding that the second categorically funded provision was outside of the block grant.

Assemblywoman Carlton asked whether this work would be caseload driven. Ms. Davis said that the number of children served who received child-care or respite services would be tracked, and the intent was to establish a budgetary caseload going forward. That statistic was not tracked currently, but for the 2019-2021 biennium there would be a caseload projection. Assemblywoman Carlton stated that because the caseload was unknown at this point, it was difficult to set aside funding for this effort, especially because no study had been conducted during the interim to analyze past efforts. Ms. Davis agreed.

Ms. Howell added that Washoe County had developed its caseload projections. Historical costs for the past five years had been studied, and she was confident about caseload projections. Assemblywoman Carlton asked for the number, and Ms. Howell said that \$245,000 was needed for respite and child-care services.

Chair Benitez-Thompson stated that Washoe County had tracked its numbers and could make projections, but there were no estimates for Clark County and the rural counties. Ms. Davis confirmed that was correct.

Senator Kieckhefer added that he did not like to add tasks or activities outside the block grant. The block grants had been effective for the counties and for the state. He asked whether the block grant amount could be adjusted or whether it stayed flat. Ms. Davis replied that the block grant amount for the traditional foster care population had remained flat since the block grant was established, but the block grant had been increased in FY 2015 to include specialized foster care.

Senator Kieckhefer asked whether child-care and respite services had been considered for inclusion under the block grants since the block grants were established. Ms. Davis said that both methods had been considered. The intention to include the services as a categorical portion of the grant for the 2019-2021 biennium was because those services had only been

used on an emergency basis. Funding may not be sufficient to cover the actual need. She would be hesitant, for example, to include Clark County without having more support for the need and cost to provide those services. Senator Kieckhefer stated that he was hesitant to include a new categorical provision without knowing the caseload.

Senator Kieckhefer asked for more detail about the foster care caseload size that doubled in Washoe County between 2011 and 2017. The local population, he noted, had increased by about 8.5 percent during that time. Ms. Howell explained that Washoe County received a federal grant to change its safety model because safety assessments had not been conducted appropriately for many children. She acknowledged that it was perplexing that the foster care caseload grew significantly without a corresponding population increase. In the past three years, she reported, the foster care caseload had decreased by 200 cases.

Ms. Howell added that child-care services were contemplated when the block grant was established. Another factor that was considered at that time was Temporary Assistance for Needy Families (TANF) dollars. Specifically for Washoe County, that funding was \$2.8 million, some of which was used for child-care and respite services. When TANF funding was decreased two years later, Washoe County was left with a gap in its funding.

Senator Kieckhefer noted to Chair Benitez-Thompson that if a decision was made for the state of Nevada to fund child-care and respite services, it may be more advantageous to the state to calculate the cost of the services and incorporate child-care and respite services in the block grant.

Chair Benitez-Thompson referred to the doubling of the caseload size after 2011 as a result of safety assessments, and she wondered whether there was an initial increase in the number of children who entered foster care. More specifically, she wondered whether the increased number of foster children was sustained or whether the number of foster children decreased. Ms. Howell noted that there was a flooding of the system during that time. When more children entered into a system without a corresponding increase in the number of children who exited a system, the consequence was an adoption backlog of roughly 298 children. With a record number of 224 adoptions last year, the backlog had now started to decrease.

Chair Benitez-Thompson asked whether the loss of the \$2.8 million in TANF funding was from a federal action or a state action. Ms. Howell said she believed the decrease resulted from federal actions.

Senator Denis stated that he was comfortable with the caseload projections for Washoe County, but he was concerned that Clark County and rural counties' projections were low. He recognized the risk to the state and said that this needed to be looked at in greater detail.

Assemblywoman Carlton said that as she put the pieces of the puzzle together, she realized that there would be no county funding when categorical funding was added. The work would be funded in total with State General Fund. Ross E. Armstrong, Administrator, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), said that Assemblywoman Carlton was correct. Decision unit E-350 recommended funding from the State General Fund while the county could spend its general fund as it wanted to assist its programs.

Ms. Howell said that there was a provision in the block grant that required Washoe County to provide a maintenance of effort. When the block grant amount increased, the county would have to provide a matching contribution for its share of the increase.

Assemblywoman Carlton noted that her colleagues from Clark County had worked on foster youth issues and services and adoption matters and had brought something to her attention. For the record, she wondered about the federal rule for adoption savings and whether Nevada was in compliance with that rule. Mr. Armstrong responded that the adoption savings from the federal government and the Fostering Connections to Success and Increasing Adoptions Act of 2008 (P.L. 110-351) expanded the number of youths and children that were eligible for federal funding. The federal government, he noted, not wanting to dedicate funds and then see state savings applied to non-child welfare items, required that any savings from this federal reimbursement be reinvested in the child welfare system. Compliance with the Act required tracking and calculating the amount of savings; Nevada was compliant with this provision. The provision that Nevada could not comply with was the reinvestment requirement as those funds were reverted pursuant to the existing budgetary rules.

Hearing no other questions, Chair Benitez-Thompson asked for the next presentation.

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

Ross E. Armstrong, Administrator, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), continued with his PowerPoint presentation, titled "FY 2020-21 [2019-2021 biennium] Budget Presentation, Division of Child and Family Services, Child Welfare and Children's Mental Health Budgets," dated March 28, 2019, [Exhibit C](#), for budget account (BA) 3142, Clark County Child Welfare, another BA funded with a block grant. Page 9 of [Exhibit C](#) highlighted two major decision units in BA 3142. Decision unit Maintenance (M) 200 recommended funding for an increase in the projected adoption caseload. He indicated that the county's primary source of funding was a block grant, and the adoption caseload was outside that block grant. The graph for projected caseloads was found on page 21 of [Exhibit C](#). The second enhancement, decision unit Enhancement (E) 350, recommended funding for the addition of child-care and respite

care support. One of the Governor's priorities was to reduce the burden for families who wanted to become foster families, and this enhancement provided State General Fund to assist with child-care and respite care services for foster families.

Senator Denis noted that Clark County had no historical data to support the projected caseload. He asked Tim Burch, Administrator, Clark County Human Services Administration, to discuss the recommendation in more detail, including the accuracy of projected costs. Mr. Burch confirmed that Clark County provided a subsidy for childcare during the time period of seven to ten days when families were waiting for the community action agency to get the federal subsidy waiver to families. The cost to Clark County for this subsidy in fiscal year (FY) 2018 was approximately \$23 million. When the budget request for child-care and respite services was received, Clark County did not understand that there would be a new enhancement unit, so the County only included respite services in its estimate. Clark County conducted respite services by encouraging foster parents to use other foster parents or relatives and friends familiar with that foster child to create normalcy. Respite was used as an emergency need only at a projected cost of \$80,000 per year. For the 1,100 foster children in Clark County, the difference between the existing subsidies for childcare through the community action agency to a market rate of childcare in Clark County was about \$65 per child per week, or a difference of \$1.9 million per year. He noted that he hoped to see a fiscal note attached to another bill to amend the Division's state plan to use federal funds to meet that gap.

Senator Denis asked for more information about the request for \$30,000 for child-care services, \$50,000 for respite services, and the \$1.9 million that Mr. Burch referenced. Mr. Burch explained that the \$1.9 million would increase the existing subsidy to a market rate for childcare in Clark County.

Senator Denis asked how the \$1.9 million was broken out between child-care services and respite services. Mr. Burch said \$1.9 million was for child-care services only. The \$80,000 was an adequate amount for respite, which included a \$15 per day rate to other foster parents to provide the services. This approach was less expensive than using a market rate childcare model. Clark County had used a quality parenting initiative approach for several years with no problems.

Chair Benitez-Thompson referred to a Washoe County change in practices that led to an increase in the number of children in foster care and wondered whether Clark County had seen a similar change. Mr. Burch said that Clark County had seen a stable caseload for the past four years, approximately 3,500 children in foster care on any one day. He noted that the length of stay had increased based on changes in the practice model adopted statewide.

Chair Benitez-Thompson asked for the average length of stay. Mr. Burch said that the average length of stay for a foster child was over 500 days.



Assemblywoman Carlton stated that 500 days was concerning to her, and she asked whether the court system affected the 500 days. Mr. Burch said Clark County worked closely with the Family Court's Court Improvement Program. This statewide program looked at how to improve services that ensured children entering the system had access to appropriate care and resources. Recruitment of foster families and the growing number of adoption resources had improved over the past five years, as well as postadoption services and help for children to find permanency outcomes.

Assemblywoman Carlton expressed concern over the 500 days again because she believed the length of stay was lower. She wanted to better understand what had caused that length of stay to increase again.

Chair Benitez-Thompson asked for the total amount that Clark County had spent on childcare in fiscal year (FY) 2018. Mr. Burch corrected the previous number and noted that \$22,752 had been spent in FY 2018.

Assemblyman Thompson expressed concern with BA 3142 because the discussions had centered on foster care, child-care, and respite services, with no line item for reunification. He believed every step needed to be taken to keep children with their biological parents, regardless of how poorly the parents performed, because children loved their parents. He asked Mr. Armstrong to discuss reunification. Mr. Armstrong replied that reunification services were under the umbrella of Child Welfare Services. Adoption caseloads were separated because adoption was not funded through Washoe County and Clark County block grants. Reunification services were funded through block grants. An emphasis on the new statewide model was to determine the safety of the child, and if a determination was made that the child was not safe in the home, the next step was how to mitigate the risk of keeping the child in the family home. He believed that social workers were focused on this aspect of childcare. Concurrent plans were required by federal law, and except in rare cases, reunification was the primary permanency plan. He cited the recently passed Family First Prevention Services Act of 2017 that allowed the DCFS to request more federal resources for prevention services to help keep children in their homes.

Assemblyman Thompson said that he needed to have offline discussions with DCFS staff. It was difficult to hear that money was budgeted for reunification without seeing supporting documentation. He supported adoption and adoptive parents, but he believed it was too easy to remove a child from his or her parents. He wanted to help biological parents become better parents and thereby remove the cyclical pattern and the need for other social services.

Chair Benitez-Thompson referenced a decision to award block grants to Clark County and Washoe County in fiscal year (FY) 2011. She had heard discussions about what should be removed from block grants and what should be included in block grants. She acknowledged the conversations and stated that the Subcommittees did not have answers for this biennium.

Hearing no other questions on BA 3142, Chair Benitez-Thompson asked for the next presentation.

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

Ross E. Armstrong, Administrator, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), continued with his PowerPoint presentation, titled "FY 2020-21 [2019-2021 biennium] Budget Presentation, Division of Child and Family Services, Child Welfare and Children's Mental Health Budgets," dated March 28, 2019, [Exhibit C](#), for budget account (BA) 3229, Rural Child Welfare. Page 10 of [Exhibit C](#) provided an overview of the program that provided child welfare services for counties other than Clark County and Washoe County, and he noted that there were district offices in Carson City, Pahrump, Elko, and Fallon.

Page 11 of [Exhibit C](#), Mr. Armstrong noted, presented decision units for BA 3229. The first decision unit Maintenance (M) 205, recommended funding for an increase in the projected adoption and foster care caseload. Because there was no block grant for rural counties, both adoption and foster care caseloads were included in this decision unit. He referred Subcommittee members to page 21 of [Exhibit C](#) for more detail on caseload projections. Decision unit M-501 recommended funding for five additional caseworker and family support positions to meet federal Program Improvement Plan (PIP) requirements. Compliance with a PIP resulted in improved safety and permanency outcomes. In describing the PIP, he said that a review was conducted by a federal agency with oversight for child welfare. That review included a large number of case reviews of files and activities in each category. When the federal agency identified areas that were lacking, a child and family services review report was issued. The report included a federal funding penalty and a requirement for the state to develop a PIP that identified how deficiencies would be rectified. The PIP required federal approval, and then as the PIP was applied, federal penalties were reduced. Mr. Armstrong stated that the five additional positions would help to ensure compliance and meet the PIP goals.

Decision unit M-502 recommended funding for five additional caseworker positions to meet Justice for Victims of Trafficking Act of 2015 and Comprehensive Addiction and Recovery Act of 2016 requirements. These two federal laws expanded the need to intake calls into a child welfare system. He cited [Assembly Bill \(A.B.\) 151](#), sponsored by the Interim Legislative Committee on Child Welfare and Juvenile Justice, which provided legal authority to accept calls in compliance with the Justice for Victims of Trafficking Act of 2015. The Comprehensive Addiction and Recovery Act of 2016 included specific requirements for reporting to child welfare agencies when a substance-addicted baby was born in a hospital.

The DCFS had worked with the Division of Public and Behavioral Health to ensure these new regulations were communicated in health-care facilities so workers knew to contact DCFS in those situations.

Page 12 of [Exhibit C](#) continued the list of recommended decision units, Mr. Armstrong stated. Decision unit Enhancement (E) 226 recommended funding for five additional caseworker positions to conduct licensing activities in rural areas. One lesson learned from a recent community-based living arrangement audit was that having a robust licensing and oversight system apart from the direct service providers was important to maintain the integrity of the program. Decision unit E-229 reflected the Temporary Assistance for Needy Families (TANF) funding that had been secured for the first 120 days of a youth's foster care. With a stable support system for the first 120 days, reunification was more likely, he added. Additionally, decision unit E-350 recommended funding for the addition of child-care and respite care support.

Mr. Armstrong provided an update to Subcommittee members on specialized foster care, as highlighted on page 13 of [Exhibit C](#). The message from the Legislature during the 79th Session (2017) to fix the funding system for specialized foster care had been heard, and the DCFS and a stakeholder workgroup crafted a proposed State Plan Amendment through Medicaid. That proposal was not successful. A change in Medicaid policy for basic skills training created a crunch for Clark County, and that crunch caused DCFS to bring in experts to navigate through the process after the DCFS unsuccessfully attempted to navigate the process on its own. Stakeholder engagement meetings were held, and engagement with the federal Centers for Medicare and Medicaid Services (CMS) was completed. The DCFS was in the process of crafting a computer application. The DCFS used a "waiver" as a broad term for any change in Medicaid, and while not sure how the application would develop, this system would provide a means for individual youths to apply and qualify for particular service packages.

Assemblywoman Titus remembered the mandatory training requirements for foster parents. At that time, she worried whether that requirement would change the number of foster families available. She wondered whether there was an adequate number of foster families in rural areas and whether the number of foster families had increased or decreased in the past two years. John Muñoz, Deputy Administrator of Community Services, DCFS, DHHS, stated that there were not enough foster care homes in rural areas, although the number of foster families fluctuated frequently, and the DCFS was constantly recruiting.

Assemblywoman Titus asked Mr. Muñoz to provide the number of foster homes available for the past several years.

Assemblywoman Titus asked for more detail about staffing at the Pahrump office. The DCFS had recommended an additional position, and she wondered what had happened in the community to justify the need for an additional position. Mr. Muñoz explained that

Pahrump had doubled its population in the last few years, and there was an increase in the number of youths aged 14 and older who were entering the foster care system with different challenges. To be able to keep children at home and encourage reunification with families, as well as concurrent planning for independent living, the Pahrump office needed additional staff.

Assemblywoman Titus asked why there was an increase in youth aged 14 years to 17 years who needed foster care. Mr. Muñoz believed the overall population increase contributed to the increased population of the youth, and there were particular challenges in that age range.

Assemblywoman Titus questioned penalties that resulted from child and family service reviews. She wondered how those penalties had historically been paid and how the penalties could be avoided in the future. Mr. Armstrong said that DCFS had been successful, with support from the Legislature, in reducing penalties through compliance with PIPs (Program Improvement Plans).

Assemblywoman Titus questioned whether the Administration for Children and Families, United States Department of Health and Human Services, required substantial conformity on all 14 outcome measures and systemic factors during the next review to avoid penalty, and she wondered whether progress had been made in this area. Mr. Armstrong said that the latest PIP, due in April 2019, was being developed. After that was completed, negotiations with the federal agency over specific language would occur. He noted that there were four different workgroups with stakeholders focused on different areas in the PIP. It was difficult for any state to meet all the requirements at the level required by the federal agency. The Administration for Children and Families staff had acknowledged that standards were intentionally set high to protect children. Penalties were typically held in abeyance during negotiations, and no payment to a federal agency had been made by DCFS for these findings.

Chair Benitez-Thompson explained that there was data on the rural child welfare licensing activities by fiscal year, with approximately 235 licensed homes in rural areas in fiscal year (FY) 2018 and the same number of licensed homes in FY 2017.

Chair Benitez-Thompson questioned conversations about the child and family service review and the expectations of the federal agency. She noted that additional positions were being requested, and she wondered how recent Nevada findings compared to findings from past years. Mr. Armstrong commented that some areas had improved, and other areas were still a struggle. He could provide a year-to-year comparison, if needed. The DCFS had three reviews conducted by the Administration of Children and Families, and the measures had changed for each review.

Chair Benitez-Thompson noted that Subcommittee members needed to see what progress had been made from each review.

Chair Benitez-Thompson asked about the PIP and the timeline. Mr. Armstrong replied that the PIP was to be sent to the federal agency in April 2019, negotiations would follow, and the final version of the PIP should be approved by the federal agency by the fall of 2019.

Chair Benitez-Thompson asked whether the final version guided practice for the following year. Mr. Armstrong said that the federal government specified that states had two years to put a PIP in place.

Chair Benitez-Thompson asked what the federal government considered to be satisfactory to remove the penalties that were held in abeyance. Mr. Armstrong indicated that perfection was not required, but substantial progress was required. As an example, he said that a standard was typically 10 percent improvement in performance.

Chair Benitez-Thompson asked whether the 10 percent was in aggregate against all measures or 10 percent for each finding. Mr. Armstrong responded that 10 percent against each measure was expected. This year's review was different from others because there was an intention to identify and resolve root causes of problems, thus requiring the improvements to be supported by data.

Chair Benitez-Thompson asked whether the review was specific to rural child welfare or whether the review included Clark County and Washoe County. Mr. Armstrong said the review was statewide, and that in the eyes of the federal agency, the state of Nevada was the Title IV-E agency. Washoe County and Clark County were considered to be subgrantees for federal funds.

Senator Denis returned to the question about the district office in Pahrump. He wondered whether there was any data to justify the additional position, and he asked whether the increase was based on population or caseload. Mr. Muñoz replied that population growth was the driver.

Senator Denis asked whether any analysis was conducted. Mr. Muñoz said that the recommendation was based on the needs of the area, and he would provide that data to Subcommittee members.

Senator Denis understood that 100 percent compliance would not be required, but he questioned the \$1.1 million in penalties. He asked for the level at which the penalties would be removed. Mr. Armstrong replied that the benchmarks that would waive penalties would be known when the PIP was approved by the federal agency.

Chair Benitez-Thompson stated that documentation indicated that five or less youth received independent living services each month from July 2018 to January 2019. She noted that an additional staff person dedicated to five youth needed to be justified. Mr. Armstrong noted that he would provide that information, and added that Pahrump was a bright spot for

recruiting foster homes. He noted that youths travelled to Pahrump for foster care, and he wanted to ensure that the information included all youth served in Pahrump, not only the youth who initially resided in Pahrump.

Chair Benitez-Thompson referred to decision units M-501 and M-502 and the ten additional positions that were recommended. With no temporary labor expenditures included in the base budget, she wondered how the agency would provide intake services if the maintenance decision units were not approved. Mr. Muñoz said that the crisis call center and contracted staff were funded through a Victims of Crime Act (VOCA) grant. Because of grant requirements, funding for temporary services had to be eliminated. Staff rotated responsibility for taking hotline phone calls, but because of the complexity of calls, an intake worker with expertise and skill sets was needed to handle the calls and provide the response. In addition to child abuse and neglect calls that were received, the PIP indicated that calls related to substance-exposed infants and the commercial sexual exploitation of children (CSEC) would need to be handled in the future. The level of expertise required for these types of intake calls indicated that an individual needed to be immersed in the child welfare system, and that might be difficult for contracted personnel.

Chair Benitez-Thompson referenced decision unit M-502 and four additional casework management specialist positions, one each in Carson City, Pahrump, Elko, and Fallon, as well as one casework management supervisor to be located nearest to the most qualified candidate for the position. She asked how it was determined that one position in each district would be sufficient. Mr. Muñoz believed that representation and intake workers in each district office were the most effective way to handle situations. He added that phone calls were received from throughout Nevada, and it was important to have representation in each district. Wherever the needs were, the DCFS wanted to ensure staff was available.

Senator Denis asked which federal PIP identified a lack of intake staff as a deficiency that needed to be addressed through the establishment of a new intake unit. Mr. Muñoz stated that there were measures identified in the PIP for which DCFS was not in compliance. Proper intake and assessment of needs were areas that needed improvement. When the new substance-exposed infant population and CSEC calls and cases that received were considered, the need for improved intake services was apparent.

Senator Denis cited *Nevada Revised Statutes* (NRS) 432B.326 which required counties with populations under 100,000 to pay an assessment to DCFS equal to the amount authorized to that county for child protective services. Intake activities were generally considered to be child protective service activities. He asked why the counties would not fund 100 percent of the nonfederal expenditures for child protective services intake positions. Mr. Armstrong said that these enhancements were for rural child welfare only and were not intended for county operations. He believed that these services were not traditional child protective service activities that increased the cost to the counties.

Chair Benitez-Thompson asked how the county share was determined to be 31 percent, and not 100 percent. Mandi Davis, Deputy Administrator, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), said that percentage was based on a time-tracking system that employees used, and that approximately 31 percent of activities were related to child protective services.

Chair Benitez-Thompson referred to intake positions to be placed in four districts. She saw that the first outcome measure was a safety measure to protect children from abuse and neglect. Substantial conformity with that benchmark specified 95 percent. The rural child welfare performance for this outcome was 43 percent. The recommended additional intake positions to keep children safe from abuse and neglect made sense to her. The second outcome measure, also a safety measure, was to ensure that children were safely maintained in their homes whenever possible and appropriate. This measure also had a substantial conformity benchmark of 95 percent. The total child welfare performance for this outcome was 33 percent. It was difficult to understand how additional intake positions would better ensure that children were safely maintained in their homes whenever possible and appropriate. She asked for documentation to support this. Mr. Armstrong said he would provide the clarity for this answer in writing. He added that more than one PIP confused matters further, but he would also clarify which PIP contained the finding.

Regarding new foster home licensing and decision unit E-226, Assemblywoman Titus asked about the decrease from 89 new foster homes licensed in 2017 to 62 new foster homes licensed in 2018. Because the number of total licensed foster homes remained constant at 235 for 2017 and 2018, she asked for more information. Mr. Muñoz cited fluctuations in the number of rural foster homes at any time. There was a contracted licensor in Pahrump, and when that individual was absent or needed to be replaced, someone needed to fly from Carson City to Las Vegas and drive to Pahrump to investigate and process a license. Because the information Assemblywoman Titus had was not broken down by community, she asked Mr. Armstrong to provide more detail on foster home applications and licenses in rural areas.

Assemblywoman Titus noted that additional licensing positions were recommended to provide financial support to foster home families. These positions would be funded with State General Fund. Mr. Armstrong stated that there was cost allocation based on a time-tracking system that employees used, and that formula resulted in the State General Fund share.

Assemblywoman Titus remembered a list of 99 families who wanted to be caregivers in 2016 and 2017, but who could not provide foster care until licenses were issued. She wondered whether a backlog currently existed or whether the DCFS had caught up. Mr. Muñoz said that more licensing efforts provided a better outcome. Without personnel to actively pursue licensing duties, primarily because those employees were focusing attention on other assigned duties, fewer licenses would be provided to foster care

families. The goal and mission were to increase efforts for recruitment of foster families and to improve retention of foster families. These efforts would maximize the opportunities for youth to be placed in their own community without moving to other communities. This, he noted, resulted in better opportunities for reunification as well.

Assemblywoman Titus requested information on the number of children in rural Nevada that were displaced from their own communities for foster care.

Regarding the specialized foster care enhanced rate, Chair Benitez-Thompson asked about traditional family foster care with a monthly rate of \$729 per month, advanced foster care with a monthly rate of \$1,280 per month, and specialized foster care with a rate of \$3,500 per month. She asked for an explanation of the differences in care levels between advanced foster care and specialized foster care. Mr. Muñoz stated that advanced foster care was essentially the same as specialized foster care services. Advanced foster care included state-run foster homes where the DCFS provided the infrastructure, training, and support systems to homes. For specialized foster care, the infrastructure, training and support systems were contracted to providers. Specialized foster care and advanced foster care both included a higher level of therapeutic services than traditional foster care. To describe therapeutic services, he used Together Facing the Challenge, an evidence-based program as an example. That program placed coaches in foster homes to better train parents to deal with the high-level needs of a child in the home. The "therapeutic" services meant that different specialized services were available.

Assemblywoman Carlton asked what happened when a child was placed in traditional family foster care and then needed therapeutic services. Mr. Muñoz said that the care depended on the individual needs of that youth and was constantly assessed by a team for medication management, counseling, and other therapeutic services.

Senator Kieckhefer noted that the same services that were contracted out for \$115 per day could be provided by the state for \$42 per day. He wondered why the state would contract the services at a higher rate. Mr. Muñoz noted that services were needed in rural Nevada and access to a specialized foster care home was a problem. He acknowledged that advanced foster care homes were easier for DCFS to manage, but those advanced foster care homes required staff as well. There were also travel and transportation matters that factored into the equation.

Senator Kieckhefer asked whether the \$42 per day was a comprehensive cost. Mr. Muñoz said there was an initial cost, but the costs of support services that the state provided were not included in that estimate.

Senator Kieckhefer remembered discussion about the rate from two years ago. The \$115 per day rate for specialized foster care was approved at that time. There was an understanding that the rate would be justified in 2019, and then funds would be released by



the Interim Finance Committee (IFC). He asked Mr. Armstrong to discuss how the process worked and why the IFC was never asked to approve the 2019 rate. Mandi Davis, Deputy Administrator, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), discussed the mechanics of the funding. She said that when the \$115 per day enhanced rate was approved, there was discussion of an additional \$10 per day rate for rural areas to incentivize additional homes to apply to become foster homes. The rate did not work well as an incentive, so the additional \$10 was not used. The number of foster homes was less than projections, so the rate was maintained through 2019. Because additional funds were not needed to support the rate, IFC was not involved. Mr. Armstrong referenced an annual report for specialized foster care and spoke about the benefits. Specialized foster care, especially using the evidence-based Together Facing the Challenge model, demonstrated that high-needs youth who met the qualifications to enter into specialized foster care saw increased placement stability, less involvement in the juvenile justice system, and less need for hospitalizations. The value, however, was that with less placement disruptions, reunifications and successful adoptions resulted in cost savings.

Senator Kieckhefer asked Mr. Armstrong to provide copies of the annual report and asked how many children received specialized foster care statewide, including Clark County and Washoe County. He was curious about outcome differences for advanced foster care and specialized foster care. Mr. Armstrong replied that in fiscal year (FY) 2018 statewide, 702 youth received specialized foster care, and 100 youth received advanced foster care services. On the last day of FY 2018, there were 452 youth in specialized foster care and 77 in advanced foster care.

Assemblywoman Spiegel said that there were efforts to keep children from the same family together in one foster home. She wondered what happened when those children from the same family required different levels of care. Mr. Armstrong said that the DCFS worked to keep children from the same family together, and the foster family was paid a rate for each child depending on the needs of each child.

Assemblywoman Spiegel asked what happened when one child from the same family had to enter specialized foster care. Mr. Armstrong answered that both children could be placed in one foster home operated by the agency. The agency would be reimbursed at the traditional rate for the child that did not meet the need for specialized foster care.

Assemblywoman Spiegel asked whether this situation happened often. Mr. Armstrong said that eligibility for specialized foster care was determined on a youth-by-youth basis, and the final decision was always the choice of what was in the child's best interest.

Chair Benitez-Thompson asked about the waiver process for the state plan amendment. She asked why the first attempt did not work and whether the problem was with what was being asked or the way that it was being asked. Mr. Armstrong believed that there were

regional approaches to what was being requested, and the federal Centers for Medicare and Medicaid Services wanted a single plan for Nevada.

Chair Benitez-Thompson asked how the DCFS intended to obtain legislative approval for the specialized foster care waiver application. Ms. Davis said that the DCFS was still in early stages of developing an application and conducting a cost-analysis to identify potential savings and overruns. The DCFS had requested that the application, when created, would be contingent on legislative approval.

Chair Benitez-Thompson asked for more information on how the DCFS estimated the recommended amount for additional child-care and respite services. Ms. Davis replied that these services were only used as emergency services in the past, such as a foster family requesting the service or when those services were the only way to keep a child in a foster home. Without historical data or formal caseload tracking, the amounts were estimates. As caseloads were tracked, there would be more reliable estimates for the next biennium.

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

Ross E. Armstrong, Administrator, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), continued with his PowerPoint presentation, titled "FY 2020-21 [2019-2021 biennium] Budget Presentation, Division of Child and Family Services, Child Welfare and Children's Mental Health Budgets," dated March 28, 2019, [Exhibit C](#), for budget account (BA) 3281, Northern NV Child and Adolescent Services. Page 14 of [Exhibit C provided](#) an overview of the adolescent treatment center, family learning homes, mobile crisis services in Washoe County, case management staff, and children's clinical services.

On page 15 of [Exhibit C](#), Mr. Armstrong explained that decision unit Enhancement (E) 227 was intended to accommodate a conversion of residential facilities into an official psychiatric residential treatment facility (PRTF) for northern Nevada. This facility would enhance the standard of care and allow for a daily bundled rate to be billed to Medicaid. The decision unit recommended funding for seven additional psychiatric nurse positions to ensure that the needs of youth in the facility were met.

Senator Denis asked about the conversion timeline for the Adolescent Treatment Center and Family Learning Homes. Susie Miller, Deputy Administrator, DCFS, DHHS, said the conversion process would begin with a Commission on Accreditation of Rehabilitation Facilities (CARF) accreditation. The CARF requirements and standards would be incorporated at the facility in May 2019, and then in November 2019, CARF would conduct a final inspection of programs, and the converted PRTF would open in January 2020.

Senator Denis asked what differences youth would see after the conversion. He wondered whether youth would receive the same services, whether additional services would be provided, or whether the conversion was for the purpose of billing Medicaid at a higher rate. Ms. Miller said that the coordination of care would be enhanced. The existing license was for a treatment group home, and youth had to go outside the facility for psychiatric services and therapy. A PRTF allowed for the coordination of services and case plans so the providers communicated with each other and goals were aligned.

Senator Denis asked Ms. Miller to confirm that the reimbursement rate would be higher, and Ms. Miller confirmed that the reimbursement would be higher.

Chair Benitez-Thompson asked how it was determined that seven nurses was the appropriate number of additional nurses. Ms. Miller replied that nurses worked four, ten-hour days, and the goal was to have 24/7 nursing coverage. The addition of seven positions allowed for six nurses and one supervisor to be added.

Senator Kieckhefer noted that the Medicaid reimbursements should be increased along with increased expenditures for the PRTF. He wondered where the Medicaid revenue was found in The Executive Budget. Mandi Davis, Deputy Administrator, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), said that during the first year of the 2019-2021 biennium, the intent was for the Adolescent Treatment Center and Family Learning Homes to be CARF-certified in January 2020. The first six months of fiscal year (FY) 2020 would be under the current model. Hiring for additional positions would begin in October 2019. Those positions would be funded with State General Fund until the facility was CARF-certified, and then after that benchmark date, there would be a savings to the State General Fund in the second year of the 2019-2021 biennium.

Senator Kieckhefer could not see the savings in the budget figures and asked what the funding was for the seven additional positions. Ms. Davis said that the funding was blended funding; projections indicated that approximately 85 percent of the caseload would be Medicaid-eligible, and then the federal medical assistance percentage (FMAP) rate of roughly 64 percent was applied to determine the state share of programs.

Senator Kieckhefer asked what the savings to the State General Fund would be. Ms. Davis said that in the second year of the 2019-2021 biennium, the first full year of the new designation, the savings would be approximately \$500,000.

Senator Denis noted that there would be savings in the first year of the 2019-2021 biennium, for the last six months of FY 2019. Ms. Davis stated that the costs would be increasing because of additional positions, and there was \$373,000 in additional State General Fund for the first year, but that number would have been higher without the new PRTF designation and the subsequent reimbursement rates.

Senator Denis asked whether the savings was because of higher reimbursement from the conversion. Ms. Davis confirmed Senator Denis' statement. Medicaid was currently billed in 15-minute increments, so for a typical day, only a small portion was Medicaid-eligible. With the new designation, a bundled daily rate would be billed to Medicaid.

Senator Denis asked what the typical reimbursement would be from Medicaid with the new bundled daily rate. Ms. Davis said there would be fluctuation based on the clients and their needs, but she would provide the daily difference.

Senator Denis asked whether the projected reimbursement amount was more than the current reimbursement. Ms. Davis said that staff spent time on administrative tasks not of direct benefit to the client and was therefore not Medicaid reimbursable, but she expected there to be a significant difference. Currently, roughly 35 percent of services were reimbursable, but with the bundled daily rate, approximately 85 percent of services would be reimbursable.

Assemblywoman Carlton noted that the discussions assumed accreditation would occur. In looking at the list of tasks for conversion, she wondered whether a January 2020 date was a reasonable expectation. Ms. Miller said a CARF employee had been assigned to support the DCFS, and CARF staff had expressed confidence that DCFS could meet the schedule.

Chair Benitez-Thompson referred to the psychiatric nurses and the seven additional positions. She wondered how the seven additional positions would be split among the facilities. Ms. Miller said that one of the positions would be placed at each of the facilities to provide 24/7 coverage. Mr. Armstrong added that the additional seven positions would serve both the adolescent treatment center and the family-learning home facilities.

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

Ross E. Armstrong, Administrator, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), continued with his PowerPoint presentation, titled "FY 2020-21 [2019-2021 biennium] Budget Presentation, Division of Child and Family Services, Child Welfare and Children's Mental Health Budgets," dated March 28, 2019, [Exhibit C](#), for budget account (BA) 3646, Southern NV Child and Adolescent Services. Page 16 of [Exhibit C provided](#) an overview of the budget account that included the Desert Willow Treatment Center, mobile crisis response in Clark County, case management staff, and the Oasis Residential Treatment Center, along with other children's mental health services. Page 17 of [Exhibit C](#) included a similar enhancement unit to BA 3281, Northern NV Child and Adolescent Services. Decision unit Enhancement (E) 227 recommended funding for seven additional psychiatric nurse positions to assist with the conversion to psychiatric residential treatment facilities (PRTF) for the

Oasis Residential Treatment Center. Decision unit E-490 eliminated funding because of the termination of a federal system of care grant, a four-year grant that terminated on September 30, 2019, and the associated positions under the grant. The Division was working with the Division of Human Resources Management to find placements for staff members who worked under the federal grant. This decision unit helped to explain the loss of federal funding in this budget.

Page 18 of [Exhibit C](#), Mr. Armstrong stated, updated Subcommittee members about the Desert Willow Treatment Center. The plan discussed during the 2017-2019 biennium was to collocate Desert Willow Treatment Center with the Southern Nevada Adult Mental Health Services (SNAMHS) campus and to lease the building to a community provider. A request for proposals (RFP) was processed and one provider responded. At that point, the Office of the Attorney General suggested that sharing a facility with a private provider was more regulatory-complicated than originally believed. To protect the state's interests for liability and licensure, the Office of the Attorney General recommended a "hard" close of state-operated services followed by a "hard" open of private services. To the Division, that recommendation was not worth the risk because a "hard" close eliminated the safety net that the availability of beds at the facility provided. The Division had started to reevaluate and was looking at whether the Desert Willow Treatment Center could be used as a location to train providers who could shadow staff or whether some children would be better served by a residential treatment center than by a juvenile justice facility, especially because of the Prison Rape Elimination Act (PREA). There were no decision units associated with Desert Willow Treatment Center, but the base budget recommended the maintenance of the 20-bed safety net.

Assemblywoman Carlton noted that the Desert Willow Treatment Center was a confusing topic during the 2017-2019 biennium. There was previously interest in the Desert Willow Treatment Center from a federally qualified health center (FQHC). Mr. Armstrong said that she was correct, and the FQHC was the provider that responded to the RFP.

Assemblywoman Carlton wondered why the negotiations did not work. She noted that FQHCs billed at a higher rate, and she asked whether the state walked away from the process or whether the FQHC walked away. Mr. Armstrong said that a full discussion was more appropriate offline, but when the option for a "hard" close and "hard" opening was presented, the FQHC may have been fine with that option, but the Division was not fine with accepting the risk. Recent experiences with private entities taking control of facilities provided sufficient justification to close negotiations with the FQHC. He believed that there was a mutual agreement to walk away, but he did not want to speak for the other party. He noted that there was an option to build a multimillion dollar wall between the state facility and the FQHC, but with one school and one cafeteria, that option was not practical.

Assemblywoman Carlton asked for verification about whether the proposal to have a "hard" close and a "soft" opening was from the Office of the Attorney General. Mr. Armstrong said

the advice from the Office of the Attorney General was offered to protect the Division, its licensure, and its oversight of the facility under its licensure.

Chair Benitez-Thompson asked about the accreditation at the Oasis Residential Treatment Center. Currently, the Medicaid-allowed expenditure rate was 11.5 percent, and that rate would grow to 85 percent when the facility became a PRTF. She wondered about the confidence the Division had that this conversion would come to fruition. Susie Miller, Deputy Administrator, DCFS, DHHS, said that three facilities, two in northern Nevada and the Oasis Residential Treatment Center in southern Nevada, were working together on the accreditation. Mr. Armstrong noted that accreditation work could happen with or without the PRTF designation because accreditation was a requirement for licensure with the Bureau of Health Care Quality and Compliance. Policy development had already started, because even without the PRTF licensure or the CARF accreditation, the policies being developed would meet a national standard and were based on agency standards for how to improve the care of youth in the facilities. These efforts provided the agency with a head start on the licensure process.

Chair Benitez-Thompson referred to the seven psychiatric nursing positions that were requested for the conversion of the Oasis Residential Treatment Center to a PRTF, and she wondered how the number of seven nursing positions was determined. Ms. Miller said that nurses worked four ten-hour days, and the goal was to have 24/7 nursing coverage for the five group homes on the Oasis campus. The addition of seven positions allowed for six nurses and one supervisor to be added and would cover vacation and sick leave.

Chair Benitez-Thompson asked whether other medical personnel were required to operate a PRTF. Ms. Miller replied that staff had to work under the direction of a psychiatrist, but the psychiatrist positions were already filled in northern and southern Nevada.

Chair Benitez-Thompson noted that the federal system of care grant was scheduled to expire on September 30, 2019. Decision unit E-490 included a proposal to eliminate ten positions funded under the grant, three of which were vacant. She believed that there was another system of care grant that could replace the existing grant, and she asked Mr. Armstrong to discuss the new grant opportunity, his level of confidence that the grant would be awarded to Nevada, and the timelines. Mr. Armstrong replied that the new grant applications were due in April 2019, and the team was working on the application submittal. The grant would be \$12 million over a four-year period. He was hopeful the application would be successful, but he could not provide an estimate on the chance of success. The federal agency that oversaw the current system of care grant had provided positive reports on Nevada's grant performance. A decision would be made by late summer 2019. Grants were aligned with federal fiscal years, so he could not speculate on the possibility for overlapping the next federal year.

Chair Benitez-Thompson asked whether other states had received consecutive federal system of care grants. Mr. Armstrong replied that the current system of care grant was not the first system of care grant that Nevada had received, and that it was possible to receive multiple system of care grants over a period of time.

Senator Denis noted that there was a potential for the system of care grants to overlap. He wondered about the existence of a plan for system of care grant positions to be eliminated or reassigned. Mr. Armstrong stated that the Division was working with the Division of Human Resources Management to find placements for staff members who worked under the federal system of care grant. Strategizing was underway for a worst-case scenario, potential vacancies were identified, and job classes with similar job requirements and skill levels were under consideration within the Department of Health and Human Services. If the new system of care grant was awarded before the existing grant expired, and there was an opportunity to draw the new federal funds before the expiration of the existing grant, the expectation was that employees in the seven filled positions would retain their existing positions. Authority for the new federal revenue would be requested from the Interim Finance Committee (IFC) as soon as possible to minimize disruptions were that scenario to occur.

Senator Denis asked about the existing federal system of care grant and any notable outcomes. Mr. Armstrong said that a training platform was developed with the Center for the Application of Substance Abuse Technologies (CASAT). Later, the CASAT created an online platform to teach system of care principles and best practices for children's mental health professionals. This training resource for state and private Nevada providers enabled those professionals to enhance skill sets and to learn about a wraparound model to provide comprehensive case management for families with that need. Other notable achievements included the development of a service rate for rural mobile crisis units. Also, the grant-funded Building Bridges Initiative documented effective discharge plans to ensure youth preparing to leave a facility were ready to return to family and to society. Finally, two school-based health clinics were funded so students in school could have mental health resources available from a community provider when needed. These efforts included community building, training, and enhancing the expertise across Nevada.

Senator Denis asked about community partners and stakeholders and how those partners would continue to achieve the noted outcomes. Mr. Armstrong replied that one of the benefits of the system of care was that it brought all the partners and stakeholders together, including family advocates and educators, and emphasized the aspects outside of what was normally considered to be children's mental health. Capacity had been expanded, and a system of care subgrant was awarded to the Boys and Girls Clubs of Southern Nevada. The subgrant provided for the availability of mental health services at clubhouses and ensured sustainable funding for the services was identified. The Boys and Girls Clubs of Southern Nevada were exploring the possibility of becoming a managed care provider. Managed care providers were a Medicaid-reimbursable service, so the services could be

continued in the future. The advice and technical assistance for potential future funding sources had been invaluable to the clubs.

Hearing no other questions from Subcommittee members, Chair Benitez-Thompson opened the hearing for public comment in Las Vegas. Hearing no public comment from Las Vegas, the Chair asked for public comment from Carson City.

Jared Busker, a paid, nonprofit lobbyist and Associate Director and Government Affairs Manager for the Children's Advocacy Alliance, spoke about childcare and respite enhancement for Clark County Child Welfare budget account (BA) 3142, Washoe County Child Welfare, BA 3141, and Rural Child Welfare, BA 3229. When the Children's Advocacy Alliance first approached the Governor of Nevada, the vision was that the funding would go to the Child Assistance and Development Budget, BA 3267. When foster parents took responsibility for a foster child who needed services, because of the reimbursement rate through the child-care subsidy program that was based on 2015 market rates, there was a difference between the cost of care and the state reimbursement rate. This difference was often difficult for foster parents to cover and was a disincentive. He supported an increase to the three budget accounts discussed today and to child-care assistance for foster families. Also, he hoped to see an overall study of the child welfare budgets to aid in projecting budgets in the future.

Hearing no other public comments from Carson City, Chair Benitez-Thompson adjourned the hearing at 10:18 a.m.

RESPECTFULLY SUBMITTED:

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Carmen M. Neveau  
Committee Secretary

APPROVED BY:

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Teresa Benitez-Thompson, Chair

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

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Senator Moises Denis, Chair

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



## **EXHIBITS**

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a PowerPoint presentation titled "FY 2020-21 [2019-2021 biennium] Budget Presentation, Division of Child and Family Services, Child Welfare and Children's Mental Health Budgets," dated March 28, 2019, presented by Ross E. Armstrong, Administrator, Division of Child and Family Services, Department of Health and Human Services.