[LR529]

The Committee on Health and Human Services met at 9:00 a.m. on Thursday, September 13, 2012, in Room 1510 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LR529. Senators present: Kathy Campbell, Chairperson; Mike Gloor, Vice Chairperson; Dave Bloomfield; Gwen Howard; and Bob Krist. Senators absent: Tanya Cook and R. Paul Lambert. Also present: Senator Colby Coash and Senator Amanda McGill.

SENATOR CAMPBELL: We want to welcome you to our first interim hearing for the Health and Human Services Committee. And as you can tell, it's sort of like old home week for the senators. We don't get to see each other very often, so it's very good to see all of our colleagues and be with us today. I want to give some announcements before we start out this morning. First of all, we'll introduce, have everyone introduce themselves up here so you kind of know, and we'll start to my far right, one of our guest senators. [LR529]

SENATOR McGILL: I'm state Senator Amanda McGill from northeast Lincoln. [LR529]

SENATOR COASH: Colby Coash, right here in Lincoln. [LR529]

SENATOR BLOOMFIELD: Dave Bloomfield, District 17, northeast Nebraska. [LR529]

SENATOR GLOOR: Mike Gloor, District 35, Grand Island. [LR529]

SENATOR CAMPBELL: And I'm Kathy Campbell, District 25. [LR529]

MICHELLE CHAFFEE: I'm Michelle Chaffee. I'm legal counsel for the committee. [LR529]

SENATOR HOWARD: Senator Gwen Howard, District 9 in Omaha. [LR529]

SENATOR KRIST: Bob Krist, District 10. [LR529]

DIANE JOHNSON: And I'm Diane Johnson, the committee clerk. [LR529]

SENATOR CAMPBELL: Our page today is Alex Wunrow, so thanks, Alex. I did see him back there. So if you need something during the hearing you can certainly visit with Alex and he can help you out if you need extra copies or whatever. This hearing today is the beginning of hearings between LR529 and LR525. Senator Coash is the introducer of LR525 and I'm sure he's going to make a couple of comments in a minute; but we have been working together on these two interim studies. And so I want to say that not only today is the...this is the first portion of it, and then on October the 5th we will have the

second portion. So you may want to mark your calenders for that. The second portion of the two sets of interim studies will cover the differential response, and DHHS will provide information on four major topics. And then in the afternoon on October the 5th, Martin Klein will give us a county attorney perspective on the entrance to the system; Gene Klein will be with us from the Child Advocacy Center; Debra Brownyard from the Office of Dispute Resolution; Vicky Weisz from the court improvement area. And then we will take public testimony on both LR525 and LR529. So you may want to mark your calenders for that. And, Senator Coash, did you wish to make any comments? Okay. But if you have any comments that you want to make or questions on either you can contact either Senator Coash or myself because we're sort of combining all of our work on that. I'll go through all of the public announcements first before we start today. I'd ask that you please turn off your cell phones or put them on very, very, very silent. It's very discouraging when you are here testifying if there's a phone ringing in the background, so please double-check your phone. Today we will not be taking public testimony--only invited testimony--but at any time in which you appear before the committee we would like 15 copies. If you have brought written testimony, you can give it to the clerk if we take a break this morning or at the end of the hearing, and we'll make sure that your testimony is distributed to all the senators if you brought something with you. If you are going to be testifying today, I think we've covered most of those but we'll just mention for everyone that we do like to have you fill out one of the orange sheets and then we will ask you to spell your name, both first and last. And we get a lot of questions about, well, if you have the orange sheet, why do you need me to spell my name? They're really for two different purposes. One is to help our clerk here who is facilitating running the permanent record. But for the transcribers who listen to it, that's when they need to hear you say your name and spell it, and often that helps them differentiate on parts of the tape as to who's talking. So that's why we ask for those two. Diane, did I cover everything? Good. I have to make sure. I don't want to be in trouble with Diane. I would like to make one announcement that the Children's Commission, which has started, will be meeting tomorrow at 9:00 a.m. at the Lincoln Heights Hotel. And we have a number of members of the Children's Commission and I'd like them just to stand, and welcome them. Don't be shy. (Laughter) I know you're out there. We're taking roll. Thanks for coming today and joining us. I think those are all the announcements I have, so we will start in on our agenda today. And we're going to start with two briefings before we officially open LR529. So, Linda, if you would come forward please. I've asked for two people to give reports to the Health and Human Services Committee. And the first report that we will hear is Linda Cox is here from the Office of the Foster Care Advisory Committee. The committee has been officially appointed and I know has met, and Linda serves as the interim director. Are there any members in the audience from the Foster Care Review Office with us today with us today? [LR529]

LINDA COX: There are. My chair... [LR529]

SENATOR CAMPBELL: Would you stand and we can...Mr. Timm? [LR529]

CRAIG TIMM: Yes. [LR529]

SENATOR CAMPBELL: Is that right? Well, welcome. Thank you. [LR529]

CRAIG TIMM Thank you. [LR529]

SENATOR CAMPBELL I knew you were coming. Anyone else? I thought I saw someone else. Okay. Linda, it's great to have you. For the official record, would you state your name and spell the name too? [LR529]

LINDA COX: (Exhibits 1-2) Yes. My name is Linda M. Cox, L-i-n-d-a C-o-x. I'm the Foster Care Review Office's interim director and I'm also the Foster Care Review Office's data coordinator. I'd like to thank the members of the committee and their guests for this opportunity to speak to some of the issues that the FCRO has identified with how children enter care and what happens after their removal from the home. The Foster Care Review Office tracks and reviews the cases of children in out-of-home care, thus, the FCRO does not have statistical information about children reported to the CPS system who have never been removed from the home. We can, however, answer some questions related to children who were placed in an out-of-home placement. During reviews, the FCRO is required to make a finding on whether reasonable efforts were made to prevent the child's removal from the home. During 2011, local boards found for 20 children no such efforts appeared to have been made, and for another 75 children it was unclear what, if any, efforts were made to prevent the child's removal. Children can be brought into out-of-home placement through a noncourt voluntary placement agreement or by virtue of court action. Comparing the reviews of children in out-of-home care with court involvement to those in care with a voluntary placement agreement, we find some inconsistency in how cases with similar dynamics are approached. Further, there are often questions as to whether and how the voluntary placements receive oversight. The FCRO has had some other concerns with voluntary cases that we've shared with HHS. For example, the FCRO reviewed a case in which the mother had not attempted contact with the child for six months and it remained a noncourt case even though the mother had effectively abandoned the child. In another case, the child had been in out-of-home care for over 525 days, which is about a year and a half, and the case remained noncourt with little resolution in sight. And in another, a child had been in out-of-home care for over a year due to unsanitary living conditions in the parental home with no progress being made before HHS asked for a juvenile court finding. From conversations with HHS officials, it appears they're looking at providing more oversight of these types of cases and plan to develop clearer criteria for when it is appropriate for a case to be noncourt. The child advocacy centers and the 1184 teams will also be addressing some of these issues on a regional level. The FCRO agrees that these cases need additional oversight. While differential response and structured decision making sound promising as a philosophy, the key will be to see how that translates into

practice on the front lines. And it's simply too early in that process to know how these initiatives are going to impact the system. The front end of the system also includes what happens to children upon and shortly after their removal from the home. Through tracking and reviews, the FCRO finds that there are distinct differences between the population of children who are removed from the home for the first time as compared to the population of children who are removed for the second, third time, etcetera. The attached quarterly update has charts that are relevant to this discussion and provide more details than I'm going to provide in my oral testimony today. The following briefly summarizes some of the major points. Children entering care for the first time are equally likely to be in the birth through age 5 group or the 13 to 18 group, but children reentering care are much more likely to be teens. Girls outnumber boys on first removals, but boys outnumber girls for re-removals. Comparisons of the racial backgrounds is a little bit difficult because understandably at a first removal there's a lot of unreported and other designations at first. The Hispanic ethnicity rates, however, seem to be about equal for children with initial and with prior removals. Children on an initial removal from the home are much more likely to be placed in the same county, at 70 percent, compared to children with prior removals at 49 percent. And as a reminder, if placements are not close to the home, the distance can be a barrier to visitation with parents and siblings and can increase the likelihood that the child will experience a change in schools on top of all the other changes inherent in being removed from the home. Some of the differences in proximity between...with the placement include: the children with prior removals are more likely to have mental health, behavioral, or delinquency issues, and those require higher or other levels of care that sometimes are just not available in every county. And some the difference may be due to the location of the two Youth Rehabilitation and Treatment Centers which are away from the major population centers. Many children are experiencing numerous placement changes. And while it may be acceptable to have an initial emergency placement followed by an ongoing placement, some children experience more upheaval than that. The following statistics are for children who are in their initial removal from the home. The chart on page 12 of the update shows that 3 of 172 children who had been in the out-of-home care for less than a month had been moved three times in that time period and 2 had been moved four times in that first month of removal. For children in their second month of removal, 16 had been moved more than twice. And for children in three months after removal, 29 had been moved more than twice. That's just an awful lot of change for children to assimilate who have just recently been removed from their parents. And there is still a lot of change in the HHS worker assigned to children's cases. Only 31 percent of the children in care for under a month had just one worker in that time frame. The Foster Care Review Office conducted 4,632 reviews on 3,272 children's cases during 2011. On page 10 of the update, you'll find a list of the reasons why children entered care. Included there are only reasons that are identified on removal, not issues that are later identified. For example, children may enter care due to neglect which is defined as the failure to provide for the basic necessities of life. The root cause of neglect is often issues such as mental health, substance abuse, domestic violence, and

the unique issues of low-functioning parents. Neglect is the most prevalent reason for children to enter care. The issue of unsafe and substandard housing can also be related to the same types of issues as neglect, and also to a lack of skills necessary to obtain and maintain employment, the general economy, and the cost of living. Other issues are very clear: substance abuse, domestic violence, mental health issues of the parents, etcetera. You'll also see that a sizeable number of children enter care due to their own behavioral or mental health needs. There is a misconception by some that these are all older, difficult teenagers. Through our reviews, we find some of these children with serious needs are young. For example: an eight-year-old that has been suicidal and has not been able to live in a homelike setting for some time; a child with over a dozen placement moves who's been in and out of foster care five times and blames herself for the failures of her parents; a child barely old enough to start school who's exhibiting self-harming behaviors; a ten-year-old who's threatening to harm or kill her family; and a preteen who was adopted from foster care at an early age and is now disclosing extreme sexual abuse during that period and now whose behaviors are out of control and needs help with coping with that early childhood trauma. There needs to be an array of mental health, substance abuse, domestic violence, family support, and other services available in reasonable proximity to every part of the state. Not only can these services help with prevention of child abuse and neglect, but they're also necessary to facilitate safe and timely reintegration of many children into the family home after they have been in a foster care setting. Some children, like the ones I alluded to earlier, are going to need substantial help for a longer period of time if the damage done by early abuse, neglect, and traumatic experiences is to be mitigated. These children and youth present challenging behaviors, so they're the most likely to experience multiple placement moves and possible failed reunification attempts. The additional placement changes and re-entrances to foster care create further issues that must be dealt with by the child and youth involved. When I speak with other states' foster care review organizations each month on our coalition's national conference call, there's a clear distinction between the types of services available in other states, the affordability and accessibility of those services, especially services designed to serve youth, and the Nebraska experience. As one conference call participant put it, "It must cost your state a fortune to not provide the services up-front, especially when you consider the costs of foster care, court interventions, educational delays, and lost income potential for youth who never catch up to grade level or never fully resolve their issues." There is a fiscal and a human toll. We can and we must do better for children entrusted to our care. Building a meaningful array of services will not be cheap, but neither is the long-term cost of not providing such services. And regarding those services, youth who will soon be adults need services to enable them to plan for the time when they are living independently. Senator Campbell had asked me recently what we are seeing in regard to independent living plans. On page 6 of the update are some details regarding 330 youth, age 16 and older, that we reviewed during the first half of the year. It was rare to find a completed written independent living plan, but for 35 percent of the cases there was an oral plan, a partial plan, or a clear documentation that ongoing work was

happening with the youth. The FCRO will continue to recommend that plans be adopted for youth approaching adulthood, because this is important for them as they are shortly to become adults and possibly parents of their own very shortly thereafter. Thank you for the opportunity to address the committee and present this update. And I'd be happy to answer any questions. [LR529]

SENATOR CAMPBELL: Ms. Cox, an important point that we want to illustrate today or point out to our audience is Senator McGill has been quite involved with the aging out, and so I'm very glad that she's here today and can take a look at this information. So thank you for raising that point. [LR529]

SENATOR McGILL: Thank you. [LR529]

SENATOR CAMPBELL: Questions from the senators? We'll start with Senator Krist. [LR529]

SENATOR KRIST: I'd be interested to see statistically if the stability, that is the number of providers of care has increased or decreased as we come out the backside of the privatization effort that failed and the changes that have been made within the system. Can you speak to that briefly? And I have one other question. [LR529]

LINDA COX: The number of placements for children has increased, and there is a trend chart in the quarterly report that illustrates how you can follow from 2008 at the beginning of the talks about privatization, 2009 where it was just beginning to start, with the end of 2009 and then into '10 and '11. There are more placement changes. [LR529]

SENATOR KRIST: And as we come out the backside, are we seeing a decrease in those placement changes? Is it too early to tell? [LR529]

LINDA COX: I have...it's a little too early to tell but I do plan to have some of the 2012 early statistics available to the committee, hopefully within the next couple of months, to kind of give a gauge as to where we're going in that regard. [LR529]

SENATOR KRIST: And then one other question. Thank you, Madam Chair. [LR529]

SENATOR CAMPBELL: Sure. Go right ahead. [LR529]

SENATOR KRIST: We were confronted last year with statistics and one just jumped out at me. We have no sexual abuse treatment facilities for females in this state. We end up sending them outside. That is a problem. Statistically I'm sure that there are some data that would...I'd really like to see that in some detail because we're going to have to deal with that issue. If the facility...as you said, other people saying I can't believe you don't spend the money taking care of it. That really does cost us a great deal not just in

dollars but in human value. Can you...would you like to speak to that? [LR529]

LINDA COX: There are specialized facilities outstate that do deal with some of those types of issues that we don't have available instate. I don't have statistical information with me on that but I will certainly see what I can do to get that information to the committee in a timely manner. [LR529]

SENATOR CAMPBELL: That would be great. [LR529]

SENATOR KRIST: Thank you, Chair. Thank you, Linda. [LR529]

SENATOR CAMPBELL: We'll go with Senator Gloor and then Senator McGill. [LR529]

SENATOR GLOOR: Thank you, Madam Chairman. Linda, educate me a little bit if you would. What's the determinant of independent living plans or the need for an independent living plan for a child who's aging out of the system? I mean, is it a requirement? Is it something that's determined... [LR529]

LINDA COX: It is a requirement. It is part of statute. Children at age 16 are supposed to be involved with their worker in developing that plan. There are specific pieces that it needs to address: education, future work goals, family connections, some of the basics of how do I make rent, how do I handle a checkbook, you know, just some of the basic things that we tend to take for granted that can be very new experiences for the youth in foster care. [LR529]

SENATOR GLOOR: So I want to understand some of the categories here. Is a partial...is an oral plan or a partial plan considered addressing the requirement that there be an independent living plan? [LR529]

LINDA COX: It's a movement toward addressing it. The statute states that it needs to be a written plan that then the caseworker and the youth have copies of, and that gets modified over time as they go from 16 to 17 to 18 and about to age out. So it is a step towards that goal but it is not the same as having it written. But it certainly is starting those discussions and that's a good point. [LR529]

SENATOR GLOOR: My questions are all along these lines, so bear with me. So if it's a requirement in statute, why do we even have a category that says "recommended to occur?" Does that just show that in the documentation somebody has said that this child should have an independent living plan? I mean, I'm trying to understand what that means when it says recommended to occur. [LR529]

LINDA COX: Yes, and some of this is for the youth who are, like, 16 years and three months, you know, and the court has said, yeah, now it's time, you need to get that plan

going, those types of instances. [LR529]

SENATOR GLOOR: Okay. Thank you. [LR529]

SENATOR CAMPBELL: We passed the legislation, I believe, two years ago or three years ago which mirrors the federal Fostering Connections. And one of the components that we put in the Nebraska to emphasize it--even though it is a federal law, we wanted it emphasized--is that there is a transition plan. And so I appreciate that you're watching that because that's a huge part of a youth transitioning out of foster care. [LR529]

LINDA COX: Yes. [LR529]

SENATOR CAMPBELL: I'm sure Senator McGill is going to cover that. But we did recently pass it to emphasize the importance of it. [LR529]

LINDA COX: And on page 6 of the update, I did include as kind of the giant footnote there what exactly the statute does include just so that everyone would be clear. [LR529]

SENATOR CAMPBELL: Okay, great. Senator McGill, and then Senator Coash. [LR529]

SENATOR McGILL: Thank you for coming today. I'm looking at that page 10, the reasons that children entered care in 2011. When you talk to other states, what are they saying about our...how much...how frequently we take kids out of care? Do other states do a better job of just treating a family when there's a problem that arises without taking kids out of the home? Is that something you can talk to at all? Because I look at general neglect. Maybe do some states just treat the family as it is without taking a kid out or... [LR529]

LINDA COX: Different states have different approaches. One of the approaches that seems to have merit from a number of different states is a visiting nurse program... [LR529]

SENATOR McGILL: Okay. [LR529]

LINDA COX: ...where they identify infants if a hospital after birth and where there may be some domestic violence or minor substance abuse or maybe perhaps some maternal depression issues, and then have visiting nurses who come in and do some support; and then they can build in other supports if those are necessary. And I know that the Centers for Disease Control back probably about five years ago found that those were extremely cost-effective, that you were actually saving money versus what you were paying for those nurses to go out and provide that kind of service. In some other states they have very good regional mental health services that are available. So

if you have a youth who, for example, was adopted from foster care at an early age and is now reintegrating those experiences, they have some services that they can tap into without having to reenter that child into the system to be able to get to some of those services. It's certainly not, you know, that other states have got all of this figured either because there are costs involved, but a number of states, and then frankly they are states that tend to have a tighter geographic area, for example, Delaware, you know, where they have tapped into some foundation money to put into community mental health to provide for children's mental health issues. So there's a number of different approaches that can be taken to increase that availability. [LR529]

SENATOR McGILL: What about even like a parent with marijuana abuse problems, not heroine or meth per se? Do other states have a better rate of, I don't know, counselling that family to get kids back in the home for...from what I've heard we take more kids out of the home than many states. And, you know, I have...I just question at what level are we taking kids out that maybe don't need to come out of the home that can get some sort of treatment together. [LR529]

LINDA COX: One of the things that some other states are doing and we've got some drug courts that are starting now but aren't completely dealing with all parents with a substance abuse issue is working through the drug court where there's a focus on trying to keep the family together, even through some of the therapy and etcetera that the parents need to go through, trying to work toward facilities that allow those kind of contacts and etcetera. [LR529]

SENATOR McGILL: Okay. [LR529]

LINDA COX: So that's something that we certainly as a state could explore in greater depth. [LR529]

SENATOR CAMPBELL: Okay. Senator Coash. I'm sorry, Senator McGill, were you finished? [LR529]

SENATOR McGILL: Oh, yeah, I am. Sorry. [LR529]

SENATOR CAMPBELL: Okay. Senator Coash. [LR529]

SENATOR COASH: I have one. And thanks for coming. One of the first things you said in your testimony was about the reasonable efforts, and there was 20 were no efforts and 75 was kind of unclear, so almost 100. What's the...and that was 2011? [LR529]

LINDA COX: Yes. [LR529]

SENATOR COASH: Okay. What's the trend of that reasonable effort approach? Is that

95 total higher than what we've seen? Is it trending down? Is it stay...is that pretty average that we see that? [LR529]

LINDA COX: There's always some with a lack of documentation. Lack of documentation has been a greater issue the last three years than it had been prior to. I will have to go back and look at the statistics that were pulled for prior years and I'll get that back to you with where we're at. [LR529]

SENATOR COASH: Okay. I just want to know if we're doing...just wanted to compare to, you know, these 95 kids who basically no effort was made to do anything. I want to know it that's better or worse. How...you know... [LR529]

LINDA COX: And the other thing to recognize with this is that we don't say that no reasonable efforts have been made if a service is not available in the state. And I'm not sure but what sometimes maybe we should. That there's some needs to develop some services that would have been a reasonable way to approach this, but that is not part of that consideration. And I will get more statistics on that to you. [LR529]

SENATOR COASH: Okay. And then Senator Campbell and I have a lot of meetings, and one of the groups that we've met with, we've talked with some law enforcement who are often the first interaction with the family in crisis. And one of the things...I'll share with you kind of overall what we've heard and then ask you to just comment on it if you have any comments. What we've heard from law enforcement is they'll go in, you know, on a call. Maybe it's domestic violence. And then they go and, sure enough, there's a kid there as well. So it's not just two adults not getting along; there's children involved. So they do their best and work with the department and maybe that kid is removed, so. But one of the things that they've said is frustrating from their perspective is that kid is probably back in two to three days, right back in the same environment. And it bothers them and it bothers me that we put the kid through the trauma of, you know, pulling them away from mom and dad even it was a...maybe it was domestic violence or poverty or, you know, something like that. But they're back in the home three days later, and the officers see that. And so can you comment on that? Is that something you're tracking? Something that you see? I mean, the length of stay is what we're hearing is for some of these kids is real short and they're right back with mom and dad quickly. [LR529]

LINDA COX: That is not something that we have been tracking. That is something that we do hear across the state, and supposedly there is a safety plan that is supposed to be written before those children are reintegrated into the household where perhaps a grandma or an aunt or someone can be supervising and making sure that those children are safe. But the connection between domestic violence and child abuse is well recognized and I think that's something that we can always do better at. [LR529]

SENATOR COASH: Okay. Thank you. [LR529]

SENATOR CAMPBELL: Senator Howard. [LR529]

SENATOR HOWARD: Thank you, Senator Campbell. A couple of things. The information on the reasonable efforts is taken from the court orders, isn't it? The documentation from the court orders, those are the findings. [LR529]

LINDA COX: We look at the court orders but it is an independent finding that we make. [LR529]

SENATOR HOWARD: Oh, so you're making this...you're deducting this separate from the court orders... [LR529]

LINDA COX: Yes. [LR529]

SENATOR HOWARD: ...which is important to know. The other thing that I wanted to point out is we do have an early intervention program here with the VNA. That bill was passed in 2005, LB264, and it's very, very effective, working with young moms and families at risk with the infant. Referrals come through Health and Human Services and also through hospitals. So we do have a program. I was just discussing this last night. It's very effective and I think we need to keep supporting that and keep funding that. [LR529]

LINDA COX: Definitely. [LR529]

SENATOR CAMPBELL: Did you have any other questions? Just as a follow-up for a couple of things, I want to follow up Senator Howard's point. And the Legislature did put more money into the visiting nurse program this past year, probably not the amount that we're ultimately going to need. But there also is a program in Lincoln and Lancaster County that has a visiting nurse program that goes out to moms at risk. But I agree with Senator Howard it's probably one of the best practice programs that you can put into place. So I thank you for bringing that up. For the senators and for the people in the audience, we are just beginning in our office to get the reports from the child advocacy centers on voluntary noncourt cases. And they are due to our office and we will compile some of that information and get that out to the senators on the committee. But it is very fascinating to read the reports, and you are really spot-on when you say that we're just at the beginning of trying to put all the pieces in place. It's fascinating to read some of their comments with regard to that. I appreciate Senator Coash bringing up the drug policy and I thought Senator Howard was going to go there (laughter) because the committee did have some discussion and change in the department's policy with regard to that. And I believe the department will cover that on October 5. So we will come back to the issue. I appreciate very much Senator Coash bringing that about because that's

an issue we need to talk about with the department. Linda, as you've...and I realize we're just sort of at the beginning but I want to go back to something that Senator Krist touched on a little bit, and that is, are we beginning to see the documentation be better documentation, more in the files, or is it about the same? Because that's one of the issues that this committee has really followed. [LR529]

LINDA COX: There's a lot of regional differences. There's differences based on who the worker is. We are still definitely working with both HHS and the one remaining lead agency on that. And I think that there is a more concerted focus from both HHS and the lead agency on how this can be improved and a lot of dialogue around that. So I think it's a work in progress right now, and hopefully we will be seeing some good statistical results from that. I don't have the 2012 at this point yet. But shortly I should start getting from the first part of the year so we can take a look at where that trend line is going. [LR529]

SENATOR CAMPBELL: Because that whole issue is just critical for the judges as they make decisions with regard to children. [LR529]

LINDA COX: Yes. [LR529]

SENATOR CAMPBELL: In your discussion with your other states, do other states have a particular way for children and youth to get services without becoming a state ward? [LR529]

LINDA COX: It depends on the service that is needed. [LR529]

SENATOR CAMPBELL: Okay. [LR529]

LINDA COX: There are some that have a much stronger community-based mental health system for mental health services. As I understand from a number of states, there's still a lot of waiting lines with trying to get into drug treatment facilities, but that is something that they work on through their community-based systems as well. And it seems that a lot of the community-based systems are putting their focus on helping the youth but not necessarily have the means to be able to do the same quick availability and affordability of services for the parents who need those services. [LR529]

SENATOR CAMPBELL: And I would appreciate as you have the calls with your colleagues across the country that if anyone has some specific language in statute or a thrust that they've had because that's...I know that's one of the issues that in my discussions with the department has been, you know, how would we get to that point. Because a number of children and youth enter a system, in order to get the services they have to become a state ward and not necessarily that we're dealing with a particular problem. So I'd really appreciate any follow-up you could give us when you

come back. [LR529]

LINDA COX: I will. [LR529]

SENATOR CAMPBELL: That would be great. Senator Krist. [LR529]

SENATOR KRIST: Yes, ma'am. Just one follow-up. The crux behind the juvenile justice pilot program that exists now in Douglas County, the 11th and 12th district, is simply that; and it is to keep children, young folks, out of the foster care system and afford them the accessibility of the services that they need in a timely manner to try to intervene. We also funded in that bill if you remember the evaluation process, both financial and the management analysis of whether we're doing the right thing. And I would suggest to the new committee members and to the foster care folks, statistically, that some collaboration between that program and your database is...we've always talked about different databases, different...you know, let's pull it together, let's look and see if that program in the 11th and 12th in Douglas County is working and try to look at that data because essentially that is the crux of that new program. Thank you. [LR529]

SENATOR CAMPBELL: Good point. Thank you, Senator Krist. Senator Bloomfield. [LR529]

SENATOR BLOOMFIELD: Thank you, Senator Campbell. I want to follow up a little bit on Senator Coash's question about children being put back into the home maybe a little too quickly. You said that wasn't being tracked. Is there any way we can track that? And then again how frequently they're again pulled out of that home after we put them back in so quickly? [LR529]

LINDA COX: I will certainly look at if there's some means that we can provide some of that kind of information. I can do some information on length of timing out-of-home care for children. The issue that I have is being able to cross-correlate that with the reasons for the original removal. And so I will look at that and see if there's anything that I can do to provide you some meaningful statistics. [LR529]

SENATOR BLOOMFIELD: Thank you. [LR529]

SENATOR CAMPBELL: Senator Howard. [LR529]

SENATOR HOWARD: Thank you. I think along with that you're going to want to know what they did to make it a safer place; why could the child go back? I mean, not just the fact they went back. They may have decided it was an unfounded allegation; but if the police decided it was severe enough to pick that child up at that time, I think you want some more information. [LR529]

LINDA COX: And sometimes children end up going to the noncustodial parent at that point, too, so that's another interesting wrinkle in the fabric of life there. [LR529]

SENATOR HOWARD: We'd probably want to know that. [LR529]

SENATOR CAMPBELL: Linda, before you leave, I want to go back to a point that Senator Krist brought out, and it's unrelated to this, but while you're here. I had asked you...if the senators remember, we had put in one of the bills enough money for the department to hire a consultant to take a look at the data and how we do that, if you'll remember how we pieced that into one of the bills. And, Linda, could you share with the committee, because I had asked you if they had contacted you and you responded through an e-mail the other day. Would you share? [LR529]

LINDA COX: Yes. We did have a meeting. Myself and several of my staff met with the consultants. We discussed some of the issues that we have had with the state SACWIS system and with some of the cumbersome nature of being able to enter information onto the system and be able to pull information back off; also with how long it takes to make any changes to that system. And they seem to find that those were consistent themes that they were hearing from a number of other people that they were meeting with as well. So I'm hopeful that that will be part of their recommendations that they will be bringing forward to this committee later on this year is how to get around some of those issues. [LR529]

SENATOR CAMPBELL: I just thought for the senators on the Health and Human Services Committee it's encouraging to know that that consultant is in place and out there talking to people who are related to the system. That's good. And we'll ask the department for a follow-up when they're ready to do that. Any other questions or topics that you want to cover? Thank you so much, Linda, for coming in and a great briefing today. [LR529]

LINDA COX: You're welcome. [LR529]

SENATOR CAMPBELL: If we have follow-up questions after we've had a chance to read the full report, we'll get back to you. [LR529]

LINDA COX: Oh, absolutely. [LR529]

SENATOR CAMPBELL: So thank you very much. For the Health and Human Services Committee, it's a great pleasure for me to introduce Julie Rogers, and I know Julie is here. Julie was selected through interviews conducted by the Ombudsman's Office, and Marshall Lux is here. I see him in the audience. And that recommendation then went to...by statute it required that it go the Chairman of the Health and Human Services Committee and the Chairman of the Exec Committee. And we both concurred, Senator

Wightman and I certainly concurred with the recommendation out of it. And it's a pleasure to have Julie, and I asked Julie to come today to talk a little bit about herself and what she's been doing since she started on the job. So welcome, Julie. [LR529]

JULIE ROGERS: (Exhibit 3) Thank you, Senator Campbell. Good morning. My name is Julie Rogers, J-u-l-i-e R-o-g-e-r-s, Inspector General of Nebraska Child Welfare. I began on July 23. I'd like to tell you a little bit about me, how I see this Inspector General's Office operating, things I have done, and next steps. After law school, I worked as a deputy public defender in Madison County. I represented children and parents in juvenile court as well as acting as guardian ad litem. I then served as legal counsel to the Judiciary Committee here at the Nebraska Legislature under then-Chairperson Brashear. I was a policy analyst for the former Community Corrections Council, and most recently I worked on the juvenile service community planning initiatives at the University of Nebraska's Juvenile Justice Institute. The Office of Inspector General of Nebraska Child Welfare Act sets forth that my office is to: provide increased accountability and legislative oversight of the Nebraska child welfare system; assist in improving operations of Health and Human Services and the system; provide an independent form of inquiry for concerns; provide a process for investigation and review to determine whether individual complaints and issues inquiry reveal a system problem necessitating legislative action; and conduct investigations, audits, inspections, and other reviews of the system. As far as investigations, the act specifies when a complaint is warranted and when a full investigation shall be investigated. Generally, an investigation will be completed when there are allegations or incidents of misconduct, misfeasance, malfeasance, violation of statute, or violation of rules and regulations, or when there is a death or serious injury in a foster home, private agency, childcare facility, or other program under contract with Health and Human Services. In order to better understand the roles of my position, I concentrated on doing two things so far: (1) understanding what an Inspector General does; and (2) getting up to speed on the current state of affairs in the Nebraska child welfare system. To have a solid understanding of an Inspector General's Office, I did two main things. First, I spent a day with the Inspector General of the Illinois Department of Children and Family Services, Denise Kane, and her legal counsel. This helped me understand the workings of an IG's Office, particularly dealing with child welfare. Though that office is located under the executive branch and my office under the legislative branch, the visit was very helpful in understanding day-to-day issues that may arise, from communicating to complainants to forms to use. Secondly, I attended and completed the Inspectors General Institute by the Association of Inspectors General. This consisted of a week-long program of classes on standards for IG offices such as independence, planning investigations, organizing, qualifications, direction and control, reporting, confidentiality, and quality assurance. We also learned quite a bit about the various investigations IG offices do, such as procurement fraud, employee misconduct, audits in the various investigation categories. I also learned that the only comparable IG office located in a legislative branch of government is likely the Government Accountability

Office, or GAO, of the United States Congress. Here in Nebraska I have concentrated on getting up to speed on the state of affairs of the child welfare system. That has included a review of many documents, bills, testimony, articles, and reports. I have attended the Nebraska Children's Summit in Kearney as hosted by Through the Eyes of the Child Initiative, have toured YRTC-Kearney and YRTC-Geneva. I have met with Kerry Winterer and Thomas Pristow from DHHS, as well as Dave Newell, the director of Nebraska Families Collaborative, among other. I have met with senators. I have toured Project Harmony and met the folks who participate in Douglas County's 1184 teams. There are others who I will not list at this time and I sincerely appreciate all of the time they have given me. I will continue to try to meet with as many as I can in the child welfare system and the Legislature. In terms of processes, Thomas Pristow, the director of the Division of Children and Family Services, and I have set up a system where I will be cc'd on every critical incident that his office receives. This is important in investigating any death or serious injury, as I spoke about under the act. Within the Ombudsman's Office where my office is located, we have been meeting regularly to talk about any trends and complaints the office receives and to detail our internal processes. That has been working extremely well. So, for next steps: In addition to talking to players within the system and learning as much as I can about child welfare in Nebraska, my next steps include communicating to the Legislature and the public about the Office of Inspector General of Child Welfare, further establishing processes, continuing to observe trending, providing legislative oversight, and educating on how exactly the child welfare system works. I'm excited about this very important work and I couldn't be more humbled by the opportunity. Thank you. [LR529]

SENATOR CAMPBELL: Thank you, Julie. Questions? Senator Krist. [LR529]

SENATOR KRIST: Just a comment, and I shared this with you privately. One of my big concerns in the hours of deliberation, as you know, leading up to putting someone in place called an IG was, is there anybody qualified out there to really do that? The answer is Julie. (Laughter) Thank you so much. And anything that we can do obviously we're here for you. And it should also be mentioned, we gave her, what, two years to finish the IG program and you finished it in the first six months. [LR529]

JULIE ROGERS: (Laugh) Yes. [LR529]

SENATOR KRIST: Fantastic. Thank you. [LR529]

JULIE ROGERS: Thank you. [LR529]

SENATOR CAMPBELL: Senator Gloor. [LR529]

SENATOR GLOOR: Thank you, Senator Campbell. And I appreciate the fact that you're trying to meet with each of us. I think our meeting is within a week or two if not days. But

one of my questions for you was going to be then, and I'll ask it for you now, that if your job were a dinner plate, it would need to be the size of this room to handle all the things that people want to throw on it. [LR529]

JULIE ROGERS: Um-hum. [LR529]

SENATOR GLOOR: How can you be discerning? How can we...as Senator Krist said, let us know if we can help. [LR529]

JULIE ROGERS: Right. [LR529]

SENATOR GLOOR: How can we help you be discerning so that you're not so overwhelmed by all the issues that are likely to be brought your way or issues you're encouraged to grab ahold of? [LR529]

JULIE ROGERS: Yes. [LR529]

SENATOR GLOOR: How can you be discerning in this environment? [LR529]

JULIE ROGERS: Well, first, I have counted on working with the Ombudsman's Office. Because, as you know, the Ombudsman's Office takes child welfare complaints daily, and so figuring out when those complaints still go to those folks working on those complaints. I will probably seek advice and counsel from the committee. And also we have other...utilizing the other resources in the Legislature, like Legislative Research or Performance Audit, I think would be a good way. But it is overwhelming. [LR529]

SENATOR GLOOR: Well, and I'd say that for all of our edification in that I have no doubt that your background, your experience, your history, your successes, you're the right person for the job. But having said that, I also want to make sure that we don't burn you out. And, you know, we've got to be reasonable here in terms of what we expect one person can do given the scope of some of the challenges we're trying to deal with. And so don't be afraid to admit that you may need some help being a little more discerning, and we will try, individually and collectively I think, to help you along those lines. It's really the big concern I have about your position and not you individually. [LR529]

JULIE ROGERS: Okay. Thank you. [LR529]

SENATOR GLOOR: But we can't burn you out. You're too important a resource for us. [LR529]

JULIE ROGERS: Thanks. [LR529]

SENATOR CAMPBELL: Other questions or comments from the senators? Julie, when you went to the training, how many others of you are across the United States? How many states have such an office? [LR529]

JULIE ROGERS: Well, I'm the only one in state government or local that's within the legislative branch, the only IG. So that is very unique. There are many IG offices. A lot of states, like Florida, has an IG for every single department in state government. I think they might be one of the only ones. There are many local IG offices like a mayor's IG office or a county. And then Illinois has a children and families IG. I'm not sure how many deal with just child welfare. I know three for sure: Kansas, Florida, and Illinois. [LR529]

SENATOR CAMPBELL: Interesting. [LR529]

JULIE ROGERS: Yeah. But the GAO at the U.S. Congress is the only other one located in the legislative branch. So this is very unique. [LR529]

SENATOR CAMPBELL: So if you say you have to meet with your counterpart somewhere, we're going to know where you are. (Laughter) [LR529]

JULIE ROGERS: (Laugh) Right. [LR529]

SENATOR CAMPBELL: You're going to Washington obviously. Where are the Illinois, Kansas, and Florida people located if not in...you know, obviously we put you in the Ombudsman's Office. [LR529]

JULIE ROGERS: Right. [LR529]

SENATOR CAMPBELL: Where are they located? [LR529]

JULIE ROGERS: So the Illinois Inspector General, the office is located under the Department of Health and Human Services. And I shouldn't say under. It is like a parallel to the director or head of the department. I believe they're called directors (inaudible). So everything is very separate. She is I believe appointed by the governor and confirmed by the legislature. But everything is separate. The computer systems are separate. She tries to be as separate as possible. She was very excited to learn that I was under the legislative branch because of that issue of being separate and being able to be very independent. [LR529]

SENATOR CAMPBELL: That was a discussion within the Health and Human Services Committee, I can assure you. You'll see the smiles around the table here. We spent a considerable amount of thought and care as to where that would be placed. Do you know where it is with Kansas or... [LR529]

JULIE ROGERS: I believe it is under the same... [LR529]

SENATOR CAMPBELL: The department. [LR529]

JULIE ROGERS: Yes, and the same with Florida as well. [LR529]

SENATOR CAMPBELL: Okay. [LR529]

JULIE ROGERS: Yep. [LR529]

SENATOR CAMPBELL: Very, very interesting. For the committee's benefit, Julie and I talked about that Julie would come periodically to visit with the committee about any issues that she sees and who she's been visiting with. But it is an absolute pleasure I'm sure for all of the committee members and for our visiting senators today to finally see you in place. [LR529]

JULIE ROGERS: Thank you. [LR529]

SENATOR CAMPBELL: Because the whole idea is with term limits when we're all gone, the idea is that someone will be watching over the system. So terrific. Welcome, Julie, and thank you very much for coming today. [LR529]

JULIE ROGERS: Okay. Thank you. Thank you. [LR529]

SENATOR CAMPBELL: Okay, I want to see, is Appleseed read to go? Everyone here? Okay, how about that. For the audience, one of the testifiers today had to fly in this morning, so that's why we reversed kind of a schedule today. So we will officially for the record open LR529, the interim study to provide review and assessment and make recommendations relating to the entry of children into the child welfare system. And also for the record, while it's not on the agenda, we will note that this will also cover LR525, Senator Coash's interim study to examine how Nebraska's system for screening, assessing, and investigating reports of child abuse and neglect contributes to Nebraska's rates of out-of-home care. So with that, we'll invite our testifiers. And I believe that our first testifier will be Nebraska Appleseed. Welcome. [LR529]

BECKY GOULD: Good morning. [LR529]

SENATOR CAMPBELL: And we need you to state your name and spell it for us. [LR529]

BECKY GOULD: (Exhibits 4-5) Absolutely. Good morning. My name is Becky Gould, B-e-c-k-y G-o-u-l-d. I'm the executive director at Nebraska Appleseed. Nebraska

Appleseed is a nonprofit organization that works for justice and opportunity for all Nebraskans. And I just want to thank the committee for this opportunity to talk with you this morning. The reason that I'm here is to talk a little bit about the intersection between poverty and our child welfare system. And those are both issues that we work a lot on at Appleseed. And so what I want to share with you is the complexity but importance of understanding that intersection and what we can do to make sure that the programs that are in our state to address poverty actually work together with the child welfare system to best serve children and families. We know that poverty is a problem in Nebraska. Currently, one in five children live in poverty in our state. At the same time, over half of children enter Nebraska's foster care system due to neglect. And that's defined as the failure to provide for a child's basic physical, mental, educational, or emotional needs. While children should never be removed from their homes and placed in foster care solely on the basis of poverty, poverty and neglect are often confused. And we believe a lot of work can be done to strengthen public assistance programs to help more families who are struggling to meet the needs, the basic needs of their children. And we think this can be accomplished in a number of ways. The first place I want to start is to talk about the ADC program in Nebraska. This is Aid to Dependent Children. This is our cash assistance program or most folks think of when you say welfare program. The core purpose of the ADC program under federal law is to keep children in their own home and out of the child welfare system. That's one of the core purposes of that program. And I think in Nebraska we're failing to take advantage of the opportunities the ADC program can provide in achieving that core purpose. One of the things to take a look at is the amount of assistance that's provided to families within the ADC program. And the amount of assistance that's provided to families in Nebraska has not been adjusted since the 1980s. So folks are receiving the same amount of cash assistance today that they were receiving in the '80s. The monthly ADC rate for a single parent with a school-aged child in Nebraska is $293 a month. By comparison, the monthly base foster care rate prior to the passage of LB820 was $359 per month. And so if you want to look in the second handout with the graphs on the front. On page 4, there's a little chart that walks through the ADC payment and the foster care payment rates. So you can kind of take a look at what we're doing there. Both of these rates are among the lowest in the country, and we believe at Appleseed are inadequate to meet the needs of children. As the Foster Care Reimbursement Rate Committee works to develop adequate standards for foster care payments in Nebraska, we urge the state to look at the ADC rate in conjunction with that and consider adjusting the payment standard to help parents adequately provide for the needs of their children. In addition to outdated payment rates, Nebraska has some of the toughest eligibility requirements in the nation for public benefits programs, including the ADC program and the childcare assistance program or childcare subsidy program. Essentially, you have to be very poor in order to access either of these programs. Increasing eligibility would allow more children and families to get help when they need it and head off the possibility of neglect at the level that would cause children to need to enter into the child welfare system. For children and families who do qualify for programs, there's more that we can do to ensure they're able to

access the services that they're eligible to receive. For example, food assistance is crucial to helping many low-income families meet children's basic food needs. But one in four children in poverty don't access the Supplemental Nutrition Assistance Program, or SNAP, which is the former...formerly called the food stamp program. And in some cases, this is because families are simply unaware that they can apply for and receive these benefits. And of the things we could do better as a state is actually conduct outreach out into the community to reach families and, in particular, working families. I think a lot of folks think if they have a job and that they're working they're not going to qualify for food assistance. And one of the things that we can do is to help working families, in particular, know that this assistance is available and can help meet the needs of their family and help them provide adequate food and nutrition for their kids. Unfortunately many Nebraska children enter the child welfare system because their parents are struggling with substance abuse. It's about 30 percent of children. Many people may be unaware that public benefits programs have the capacity to help prevent this outcome. Specifically, the ADC program can be used to help parents struggling with substance abuse as well as mental illness and domestic violence overcome barriers to caring for their children. This can be accomplished by stronger screening, referral methods, and by extending the amount of time that parents can spend engaged in treatment programs as part of their self-sufficiency plan. So under the ADC program, all parents who are receiving assistance have to engage in a work activity for 20 to 30 hours a week depending on the age of their child. One of the things that can be allowed is removing barriers, activities that remove barriers. Substance abuse treatment, mental health treatment are activities that can be counted. One of the challenges in Nebraska is that there's a very limited amount of time you can spend engaged in those activities and have those count towards your work requirement. And so one of the things that we could do is look at extending that period of time to give people a real chance to get the substance abuse and mental health treatment that they need to be able to continue caring for their family and reenter the work force in the most productive way. And a key piece of that, I do want to just mention, is the screening piece when folks are going onto the ADC program, making sure that we're doing adequate screening that can catch some of those problems maybe before they get to a level at which it's a real serious situation. And so we could do some things in Nebraska to improve our screening tools to better catch those challenges and then make good referrals and help families actually complete the treatment that they need. Finally, 25 percent of children entering the child welfare system do so because they can't access needed behavioral health services. Expanding access to children's behavioral health services could prevent the unnecessary breakup of families. This could be accomplished through increased funding for behavioral health services in general, and through changes to the Medicaid program specifically. And there's already been some discussion of this, this morning, in term so of what we can be doing to better address the behavioral health needs of children. From our perspective at Appleseed, we think there are two key pieces that are currently problems within our system, and those relate to exclusions that exist within the Medicaid program for children with certain diagnoses, as well as exclusions, blanket

exclusions, for certain types of services. And addressing those two issues would help open the door to families who are on the Medicaid program and who need specific behavioral health services that currently they're unable to receive. Smart, efficient, and effective programs exist in Nebraska to help children meet their basic needs in tough economic times. Making strategic improvements in our public assistance programs will help improve outcomes for children and will better position these programs to do as they are intended to do: keep families together and improve their circumstances. We encourage you to consider these options in future legislation and would be happy to provide additional information about these options at any time. I did also just want to draw your attention to, in the longer handout, on pages 6, 7, and 8, there's a little chart that kind of walks through the various opportunities that we see at Appleseed to build off of the existing programs, and a list of some, you know, solutions that could be considered by the Legislature by the Department of Health and Human Services to help us take some steps forward in better serving children and families in our state. So I just wanted to draw your attention to that as I know you're considering all kinds of options and things the state can continue to do to move forward. So with that, I thank you for your time. [LR529]

SENATOR CAMPBELL: Thank you. Questions? Senator Krist. [LR529]

SENATOR KRIST: Two questions, and you said only a certain portion of the drug rehabilitation can be used towards the work time. Is that governed by federal Medicaid rules or can we somehow effect that statistic? [LR529]

BECKY GOULD: So in terms of the amount of time that parents can spend engaged in drug treatment or mental health services and still receive their ADC payment, is that...? I think that's what you're asking about. [LR529]

SENATOR KRIST: Right. [LR529]

BECKY GOULD: There are federal requirements that relate to whether or not you can count that adult toward your federal work participation rate. [LR529]

SENATOR KRIST: Right. [LR529]

BECKY GOULD: So states have the flexibility to set up those requirements however they want as long as they meet their federal work participation rate. So the challenge would be if we extended that time, we wouldn't be able to count those additional months towards our federal work participation rate. We have made a choice in Nebraska to do some things because we are so...we meet our work participation rate several times over currently in our ADC program. So we've made some decisions to allow folks to do education, for example, associate's degree programs and bachelor's degree programs longer than the federal limits allow because we know that's a good investment. That's

going to move those families out of poverty more quickly and reduce the likelihood they'll return to the program. So we could do similar things with mental health treatment and substance abuse. Additionally, at the federal level, they have opened up some opportunities for states to do some I guess steps at trying to experiment with different models. And so at the federal level there would be some opportunities for the state to look at and to work with the Administration of Children and Families on some demonstrations, what would happen if we change the way that we were doing mental health and substance abuse treatments to extend time limits and those kinds of things. So I think there's a lot we could do as a state. I think it's something you have to look at and think about carefully so you continue to meet your work participation rate. But I think it would make a huge difference for parents. [LR529]

SENATOR KRIST: Okay. And then the other question is, you're talking about a specific diagnosis. Are we going back to those criteria that Magellan is applying for the diagnosis again? [LR529]

BECKY GOULD: There's...I mean, there's draft regulations in place that explicitly limit access to certain services for kids with certain diagnoses. So, for example, developmental disabilities is one of the diagnoses where there's a regulation that specifically limits what services kids with developmental disabilities can receive. And so that would be one of the things to change. [LR529]

SENATOR KRIST: State or federal? [LR529]

BECKY GOULD: State. [LR529]

SENATOR KRIST: State. So we're being more restrictive. Same story we heard throughout the year. If Magellan denies services, it's because of our restrictions being fed to as their criteria. [LR529]

BECKY GOULD: And it would be...I mean, it's our position at Appleseed that that's a violation of the federal law, that we...that federal law compels the state to provide those services to children and that that regulation is problematic. [LR529]

SENATOR KRIST: Thank you. [LR529]

SENATOR CAMPBELL: Senator Howard, you had a question. [LR529]

SENATOR HOWARD: Thank you, Senator Campbell. I have a few questions on your chart on page 4. You know, if you read across this: Single Parent, Preschool Aged Child, Aid to Dependent Children Payment; and you've got $293. Now when you go across to the next rate, the Foster Care Payment Rate, you know, if someone wasn't familiar with this, they could read this to say that this is comparable, which it's not,

because the foster care payment rate is only for the child. Now are you telling me this is the minimum that's paid in this category. What's the maximum? [LR529]

BECKY GOULD: You know, I don't know that number off the top of my head. Sarah on our staff (inaudible). [LR529]

SENATOR HOWARD: So it's a sliding... [LR529]

BECKY GOULD: My understanding is that there are ways to get additional payments based on if the child has more extensive needs. [LR529]

SENATOR HOWARD: So the checklist, the foster care checklist. [LR529]

BECKY GOULD: Yes. [LR529]

SENATOR HOWARD: All right. So those figures really aren't comparable because we're not using the same...we're not using a parent and a child; we're using simply a child with the foster care rates. And then that goes right down the line. I just find this a real confusing graph to people who aren't familiar with how these figures come in. Was this...was there a reason why it was put out this way? [LR529]

BECKY GOULD: I think the idea was just to help illustrate that the numbers are low no matter how you slice it, I guess, would be... [LR529]

SENATOR HOWARD: Well, that would be a more honest statement. The numbers are low and have traditionally been low. [LR529]

BECKY GOULD: Yes. [LR529]

SENATOR HOWARD: But your comparisons aren't really equivalent to what you're trying show here. [LR529]

BECKY GOULD: I mean, I think the...what the real comparison is less between ADC and foster care rates and a little bit more between what are the average needs of a child; so in that first column and looking at how the ADC payment rate and the foster care payment rate are both inadequate in helping to meet that need, so. [LR529]

SENATOR HOWARD: You know, I would suggest to you that you might hit the nail more on the head if you looked at what the average payment is for a preschool-aged child and compare that with the set amount for the Aid to Dependent Children payment, which in my experience has always come out lower. [LR529]

BECKY GOULD: Yeah. We can definitely take a look at that. Thank you, Senator.

[LR529]

SENATOR CAMPBELL: If you revise the graph, let us know that. [LR529]

BECKY GOULD: Okay. [LR529]

SENATOR CAMPBELL: I think Senator Howard is probably onto something there. Other questions? Senator Bloomfield. [LR529]

SENATOR BLOOMFIELD: Yeah. At the risk...thank you, Senator Campbell. At the risk of sounding a little bit like Scrooge here, I've looked through this, and eight or ten times I see statements such as strengthening public assistance, including increasing the amount of assistance, increasing the payment. I don't believe Nebraska is going to have all this money to throw around this year. It looks like we're increasing a lot of payments here. [LR529]

BECKY GOULD: Well, and I think the issue is making sure that we're making investments in the right places. I think right now there's a lot of spending that happens in our system that's making up for spending that we didn't do on the front end, and that that is much more expensive to do; so when you see, you know, not heading off some of these problems can end up with youth being in the foster care system for an extended period of time when that's not necessary, and that's an additional cost to the state because they're not only...they're providing for all the needs of that child. For children that end up in the juvenile justice system or down the line, parents who we aren't able to address their needs and they end up in the adult system, those costs are significant and more than the cost of these public benefits programs. So the idea is not necessarily to spend more money but to spend the money that we have in the right places and to make sure that it's the most efficient and effective investments we can make as a state in addressing the real problems that exist in the community. [LR529]

SENATOR BLOOMFIELD: Yeah. I didn't see anything where it said we should decrease spending in a given area. [LR529]

BECKY GOULD: Well, and it's one of those things where you have to make the investment on the front end to see the return down the line. So you couldn't immediately tomorrow, you know, cut your criminal justice budget and put all of that money in the front end of the system. There's a little bit of a making the up-front investment to see the return down the line. But that's a real challenge. If we don't make those investments on the front end, we are going to pay much more on the back end. So how do we make adjustments to our systems over time to prevent that from happening? [LR529]

SENATOR BLOOMFIELD: You still have to have the dollars up-front to put them there. [LR529]

BECKY GOULD: Absolutely. [LR529]

SENATOR BLOOMFIELD: Thank you. [LR529]

SENATOR CAMPBELL: Other questions or comments? One of the things that we'll probably hear when Vicky Weisz is with us from the court improvement project and the Eyes of the Child is the emphasis on how difficult it is for parents to get into substance abuse. Would you concur with that? I mean, you talked a little bit about that. Is there...do other states look at that differently, Becky? Have you looked at any comparisons there? [LR529]

BECKY GOULD: You know, I haven't looked at comparisons there in terms of what other states are doing. We do hear that as a problem, an ongoing challenge for adults that there are waiting lists. Those waiting lists can be long. And that just creates additional, you know, stress and challenge for those families. So it's definitely a problem that we hear as well. And Vicky is probably...she would probably have more information in terms of... [LR529]

SENATOR CAMPBELL: Right. [LR529]

BECKY GOULD: ...of across other states, what they're doing. [LR529]

SENATOR CAMPBELL: I just think it's really important for us to continue to take a look at that, the whole issue of an entrance to the system in the sense that I was starting to hear over and over from different people that, you know, the parent, when a report comes in and it's substantiated and everybody is right there, the parent seems much more dedicated to saying, yes, I do need help; and can we bring those services in and help that family. And then it's like, okay, we're all ready to go, and then there's delay upon delay upon delay. And it's human nature that, as time goes by, you go, well, I'm a little less committed to what that was. And I think this committee is going to hear that time and again that if we could really start the family on a program right then and there, we'd have a lot greater chance of success, because it's the delay that hurts us too. [LR529]

BECKY GOULD: Yeah. [LR529]

SENATOR CAMPBELL: Okay. Any other comments? Thank you very much... [LR529]

BECKY GOULD: Thank you. [LR529]

SENATOR CAMPBELL: ...for coming today. Madam Clerk, are you okay? Do you want me to take a break? Okay. All right. We will continue with the agenda. And I'm not quite

sure who our next speaker will be out of the four. [LR529]

JUSTIN MILNER: Justin Milner from the Annie E. Casey Foundation. [LR529]

SENATOR CAMPBELL: Okay. Justin, we're glad to have you today. Could you take a chair just so that in the microphone you state your name and spell it. [LR529]

JUSTIN MILNER: Absolutely. Yes. [LR529]

SENATOR CAMPBELL: But I don't...you can then run it from there if you need to. [LR529]

JUSTIN MILNER: (Exhibit 6) And I believe you all have handouts, right? [LR529]

SENATOR CAMPBELL: Yes, that's correct, we do. [LR529]

JUSTIN MILNER: Fantastic. And it looks like the projector is working. [LR529]

SENATOR CAMPBELL: We'll do a formal introduction of your name. [LR529]

JUSTIN MILNER: Okay. I'm Justin Milner, J-u-s-t-i-n, from the Annie E. Casey Foundation on the evidence-based practice team. And the Annie E. Casey Foundation is a national foundation dedicated to improving outcomes for children and families, vulnerable children and families. And within the foundation, the evidence-based practice team that I'm a part of is focused on how do you help public systems really integrate some of the best practices in the most proven programs so that they're able to improve child well-being. And I want to just say, first of all, thank you very much for this opportunity to speak to you all. We're thrilled to be here and we have a fantastic team that will be presenting to you. This is the line-up. I'm starting us off, and then we've got the rest of the group coming afterwards and they'll also provide a brief introduction about their background and the organizations that they're from. So the objective for our presentation is this: We want you to walk away with a better sense of what we think are the key areas that you're going to want to consider when thinking about this broader child welfare reform effort that's taking place in Nebraska. And we want to do that by covering a few key areas. We want to share a vision that's centered on child well-being and talk about all of the pieces around building partnerships, using assessment tools, and thinking about how you pay for those programs and invest in proven programs, and how you tie all that together. We want to do that by also taking a look at what are some of the best practices in other states and what are some of the best practices in terms of individual programs that we know work in child welfare. We want to talk about some of those actual programs. And then, most importantly, we want to answer your questions. And so we come to the table today not as Nebraska-specific experts; we're coming to the table with experience in working the child welfare systems across the country. But I

think we are qualified to say that based upon our discussions with stakeholders in child welfare in Nebraska, conversations with Director Pristow, that there is a real window of opportunity in Nebraska right now. And that this attention and the very fact that this committee has paid so much attention to child welfare reform over the last few years, and that leadership inside and outside the agency is paying attention and really focused on how do we improve outcomes for kids and families, that represents a real opportunity and an exciting moment. And then at a national level, there is greater attention and greater support for thinking about how to flexibly fund child welfare programming at the state level coming down from the feds. And so there is a much greater willingness to think about how can the federal agencies support states so that they can deliver the best programming possible. And so we thought that the key question that you guys are thinking about is, well, where are some of the areas that we need to move forward. And we imagine these are some of the key questions that you're thinking about. First, how do you assess the needs and strengths of children and families within the system so that you know what are some of the programs and services that they actually need? Second, how do you identify the programs that could really meet those needs? Then a key question that the senator just brought up is, how do you pay for those programs and what does that process look like? Where do you...how do you either look for new monies or redirected current monies so that you're spending more effectively? Fourth, how do you prepare some of the systems for program implementation so that you can get these programs and services off the ground? And then finally, who needs to be at the table to make this vision a reality? And so we think about it under this umbrella of this metaphor of a road map. Right? And we're at a place now where we might call business as usually. But we know that there's a place out there--we can see it--called business as should be. And it's a place we want to get to. What are the steps along the way? So like any journey and you set out your...you get your GPS and you plug in the coordinates and you say, here are the stops along the way that we're going to need to hit in order to be able to make that vision a reality. And so we think these are the key stops along the way. And so in this presentation we're going to talk about each of these areas in greater depth. So first and foremost, it's this idea, the first stop along the way is really creating a vision and building support for where you want to go, and thinking about a vision that is less focused perhaps on traditional perspective of child welfare that has been focused mostly on the safety and permanency components of the child welfare mandate and perhaps less on the well-being component. I think that we would say that that can be flipped, that what we want to think about and that a vision that can be most powerful and most constructive for child welfare right now is to think first and foremost about how do we improve child well-being, and then think about how through improving child well-being that can lead to both better outcomes and also hit upon safety and permanency. And to support that, I want to just read a quote from the commissioner of Administration of Children, Youth and Families at the Department of Health and Human Services in Washington who I think articulates this very well. He says that, "Increasing the focus on well-being is not a move away from the child welfare system's essential emphasis on safety and permanency; rather an integrated approach

is needed. Policies, programs, and practices can improve children's social and emotional functioning while concurrently working towards goals of reunification, guardianship, and adoption." So of course child welfare will always be pursuing those goals of reunification, guardianship, and adoption. But there's increasing recognition that it's not sufficient and that when we're talking about really improving outcomes over the long term that it goes beyond that. But in order to do that, it's not going to be just a child welfare effort. When you think about child well-being, and when I say well-being we'll get into more depth in this in a minute, but think about the things that you want for your kids or that you want for your nieces and nephews. It's not just safety. It's not just permanency. It's broader than that. You want them to have academic success. You want them to have strong emotional skills to be able to deal with what the world throws at them. And so in order to do that we're really talking about support at a high level from the Legislature--and it's fantastic that you guys are here--but also from executive and at the agency level. And then thinking about what are the partnerships around the table beyond child welfare that have to be a part of this discussion. And so Administration of Children, Youth and Families, they try to put this vision onto one slide. And I think this captures it to some extent about what needs to take place to operationalize that type of vision. And with the focus on social and emotional well-being, it comes fundamentally to starting to scale back with things we know don't work or maybe don't have an idea if it works and starting to invest more in programs that have a strong research backing and have some support that they can actually deliver the outcomes that we're interested in. But again, in order to do this, we realize that it's going to take partners around the table. I think Senator Bloomfield had this point of kids in child welfare, they might not be staying long within the system, and then once they've returned to their families and their communities, they're still dealing with some of the same problems. Child welfare does not...kids within the child welfare system, it doesn't exist within a vacuum. These are kids that exist within this larger societal milieu. And that we know that other domains and other systems are going to impact how well those kids end up doing in the future. So what we've seen is most effective child welfare systems are trying to engage in partnerships with other systems that are working with the same kids. And that includes the school systems because every kids is going to school. That includes the community mental health systems because many of these kids as we know who have suffered trauma or are dealing with other mental health issues are receiving services in those systems. And also within the health systems and Medicaid. And so partnerships, and I just wanted to highlight a few examples here, under those headings there's different entry points with which a partnership can take place. So partnership within schools, the entry point might actually be at the prevention level. And prevention is all about how do we stop kids...how do we address some problems before they turn into major issues, and are there ways to actually prevent kids from ending up in deeper end systems. In terms of targeted treatment, you might look under community mental health, that there are case management services such as multisystemic therapy, family functional therapy, that have been proven programs, have worked well, and cities and counties who have partnered with both the child welfare system and the mental health systems

to deliver those services and to pay for those services. And that's often where Medicaid comes in. A lot of these services, if the Medicaid systems are on board and if they've worked to find the right coding to pay for some of these services, are actually able to help pay for it and to help lessen the burden a bit on child welfare systems. So with that, I'm going to turn it over to David Murphey of Child Trends who's going to talk about the next signpost along the way. [LR529]

SENATOR CAMPBELL: What we'll do is we'll let all four of the presenters present, and then we'll go to questions and we'll try to figure out some way to get them all here if you have questions. Welcome. [LR529]

DAVID MURPHEY: Thank you. [LR529]

SENATOR CAMPBELL: And we do need you to state your name and spell it for the record. [LR529]

DAVID MURPHEY: Good morning. My name is David Murphey, D-a-v-i-d M-u-r-p-h-e-y. I'm from Child Trends, established more than 30 years ago as the only national nonpartisan research organization focused exclusively on children. As Justin mentioned, I'm going to talk really about some of the uses of data and assessment, in particular, to understand where we are as a system and how to improve that system. So I'm going to talk briefly about how screenings and functional assessments can help us understand children's strengths and needs, how we can use data to inform the development of services, how data can drive decision making, how we can monitor ongoing progress, and how we consider child populations that are at a particular risk. So next slide. Oh, I'm sorry. So I want to talk a little bit about how we think about well-being. There's no one single right way to slice up the whole child, as we like to think of it, but these are some...this is one way that we use at Child Trends to think about the domains of well-being. So we're talking about not only physical health and safety, and I gave some examples of the kinds of things here that would fall under that--not an exhaustive list by any means. So we're talking not only about physical health and safety, we're talking about psychological health. We're talking about social health so our youth are engaged in positive social activities. We're talking obviously about cognitive development and education. And we're talking about relationships, both the relationships that a young person has with one or more adults who provide positive advice and support as well as relationships with positive rather than negative peer groups. Relationships, we understand from research, increasingly are important throughout life, starting in infancy with the attachment relationship between infants and their parents and other caregivers, but continuing on into the teenage years, young adulthood, and on into adulthood. We all rely, for our overall well-being, on many different kinds of relationships. Now this is...these five domains of child well-being, as I said, is only one way to slice up the whole picture of child well-being; but it is true that, as you've probably heard, that what gets measured gets done. So if we are concerned

about the whole child, it's important to bear in mind that there are multiple dimensions of a child's well-being that we need to hold in mind. I know the Administration for Children, Youth and Families uses a framework that includes four domains, mapped fairly well onto these: cognitive functioning, physical health and development, behavioral/emotional functioning, and social functioning. And, in fact, as I think Justin pointed out, there's recently been a special focus on promoting the social and emotional well-being of children and youth. We're learning more and more from brain research and other kinds of research how inextricably connected social and emotional learning are to more traditional kinds of cognitive learning and how, you know again, this is a domain or area of competence which is important throughout life. So the Administration for Children, Youth and Families, in their recent memo on this topic, has said that clearly in the social and emotional domain there are great challenges being faced by children. We know that there are resources and policies to leverage improvement in this area, there are effective practices and programs to promote this, and if we emphasize this area we can significantly improve outcomes for children and for child welfare systems. So that's clearly a hot topic on the horizon. Next slide, there we go. So let's talk a little bit about indicators, indicators really being a way to answer the question: Well, how would we know whether well-being is improving? So we measure many things for many different purposes, but I wanted to just outline here some of the major functions that having well-chosen indicators of well-being in each of those domain areas that I talked about with the last slide are important. So at a most fundamental level indicators can describe the population, give us a snapshot of where we are today--how many boys, how many girls, how many Latinos, how many African Americans, how many whites, how many children in poverty, how many children--you know, lots of demographic information about the population. We can also use indicators for monitoring over time: Are conditions improving? Often we rely on indicators to help us understand whether we're meeting goals that we may have set; or if we haven't set goals yet, based on the data that we see over the recent years: What are some realistic goals to set based on the data? Moving from goal setting then we can begin to use indicators also for outcomes-based accountability. This is kind of a new frame for thinking about responsibility and accountability. It is not the same as evaluation, which I'll talk about in a minute. But really, when you take a well-being frame to understand how children are doing and have measures to help you quantify that progress, there are many ways in which a variety of stakeholders, both public and private, can see a role for themselves in moving the needle in the desired direction, and all people can have a share in that accountability that's based on improving outcomes. Finally, evaluation can be used to help us understand what the data are telling us about what's working well in specific programs, what may need to be added, what may need to be enhanced, what may need to be dropped; all of this really feeding into the overall notion that we can have better informed decision making if we have good data. We can better serve our families. There are a number of considerations when it comes to choosing assessments. We want to understand what the purpose of the assessment is. Is it for screening? Is it for more in-depth identification of needs and strengths? We want to understand better what the

source of the information is. Is it coming from administrative data or is already existing, or is it going to require new data collection? We want to talk about the focus of the assessment so we want to understand better...sorry. We want to understand, is the focus on improving program performance or is the focus on a more broad systems change? We want to think about who is the informant here, who's providing the information. Assessments may gather information from parents about their child. They may directly ask the child. The informant may be the caseworker or classroom teacher, all of which...all of whom can provide important information; and there may be value in collecting information from all those parties. We want to think about what domains of development are covered by the assessment, so again reflecting back to that earlier slide on physical health, social health, psychological health, and so on. We want to understand which domains are covered by a given assessment, and we want to understand what ages or developmental stages the assessment is appropriate for. Is this most appropriate for preschoolers, is this appropriate for teenagers, is this appropriate for infants, is this appropriate for a wider span of ages? Other considerations, of course, in choosing assessments include such important items as who is going to administer the assessment; what prior training might be required; how long is it going to take to administer a given assessment; how frequently will it be repeated; is this assessment something that's culturally sensitive to the different needs of children across your state; and I think probably most important, are there processes in place to see that the information is used to improve practices, so including the capacity to refer for any services that may be indicated as a result of that assessment. So clearly, it's one thing to have an assessment program in place, but its value will be greatly diminished if it's not part of a broader system to see that that information is actually used, fed back into the system to improve practice and ultimately to improve outcomes for children. I'm going to stop there and see if there might be any questions. [LR529]

SENATOR CAMPBELL: Any questions for Mr. Murphey? Senator Gloor. [LR529]

SENATOR GLOOR: Yes, thank you, Senator Campbell. I'm not tracking well. We've gone from discussions about domains to indicators to assessments. [LR529]

DAVID MURPHEY: Correct. [LR529]

SENATOR GLOOR: And I'm looking for the flow in how this all ties together. I mean... [LR529]

DAVID MURPHEY: Sure. [LR529]

SENATOR GLOOR: ...I understand we're looking at ways to assess, but I'm not sure whether we're talking about assessing evidence-based practices. I'm not sure what it is that we're talking about assessing here. [LR529]

DAVID MURPHEY: Okay. [LR529]

SENATOR GLOOR: And I have some experience in evidence-based acute care practice, but I'm looking to try and bring this all together, and perhaps that's my challenge in the world I used to know as it relates to how we're going to bring this to play in the issue of child welfare reform. So the assessment, the jump from indicators to assessments has got me a little confused about where we're leading. [LR529]

DAVID MURPHEY: Sure, I'd be happy to try to elaborate on that. You know, I think there's a role for using data at multiple stages of a reform effort, such as the one that you're embarking on. When I talk about indicators, I'm mostly talking about population-based measures that have to do with large groups of children. When we're talking about assessments, we're drilling down to the use... [LR529]

SENATOR GLOOR: Individual. [LR529]

DAVID MURPHEY: ...of data about individual children to help us understand how well specific programs are performing; then, within specific programs, are there certain groups of children that are succeeding more than others even within a given program. So there are multiple levels here and I apologize that that wasn't clear in what I had to say. [LR529]

SENATOR GLOOR: But that connects it for me. Thank you. [LR529]

DAVID MURPHEY: Yeah, okay. You're welcome. [LR529]

SENATOR CAMPBELL: Other questions from the senators before we move on? Okay. Thank you, Mr. Murphey. [LR529]

DAVID MURPHEY: Thank you. [LR529]

SENATOR CAMPBELL: While our next presenter is coming forward, I should note for my colleagues that Child Trends presented a lot of information at the NCSL Conference on the child welfare tract, and it was excellent because they were comparing, showing different states and how they're tracking that. So I appreciate that Child Trends is here. Good morning. [LR529]

ABEL ORTIZ: Good morning. My name is Abel Ortiz, it's A-b-e-l O-r-t-i-z, and I am the director of Evidence-Based Practice Group at the Annie E. Casey Foundation. And I think the last question that was asked is a very important question, is how does all this tie together and what does this mean particularly for child welfare? And so to kind of set a little bit of context for you, I want to...if you can imagine child welfare workers in the

state of Nebraska. What they're charged to do is they're charged to develop case plans for specific children and families that the state has either taken into custody--so you all have the responsibility for the care, education, and reunification or permanency of those children--or they come in and there is an investigation of child abuse and neglect, and there is your mandate, as a state, to determine whether that child can remain at home or not. And some states have an opportunity to leave kids at home and work with them at home, so the family is not disrupted, and mitigate any need of protection. Well, what your opportunity here is to consider is when you think about that child welfare worker, in most states they have a bachelor's degree, their supervisor has a master's degree, and they have to create a case plan to resolve issues that are presented to them from the family. In order to resolve those issues, they do a lot of referring to outside agencies for support. The only...the thing that is going to...that the success of their families in those case plans is going to be based on is how successful those services are going to be. And for those services to be successful, those services have got to meet the needs of the kids that are coming in the front door to Nebraska's child welfare system. If they don't match, you can spend as much money as you have in your state budget on services, no matter whether the funding source is Medicaid, IV-E, TANF, state General Fund. If the services don't meet the needs of the kids, those families are going to continue to be in your systems and those kids are going to continue to produce poor outcomes. So what we're trying to do is to paint a picture for you, is how do we, when...if I'm a caseworker and I'm developing this case plan, and this parent needs some intervention in substance abuse or parenting, how do I know if I send them to program X, program X is what that parent needs--and program X has been tested and proven to be effective--and that my state funding streams can pay for program X in the most efficient way? So in order to get that alignment what we have to have is we have a vision of knowing, one, that child welfare worker sitting at that table, writing that plan, has a bachelor's degree and knows how to do case management. They don't know how to do therapy, they don't know how to practice medicine, but they have to weave a net of all of those services together in order to produce a good outcome for that child. So this is about, when we talk about casting a vision, how do we cast that vision so we make sure that net that they're going to weave together is solid and is going to produce the result that that family and child needs so that child remains safe, they can get a good education, and they begin to step away from public services and into life as children should have with supportive families and supportive communities. So casting that vision and knowing that it takes more than child welfare to make that net that's going to be strong for those children and families. The assessment, the way most child welfare agencies figure out how to spend money is they say, if I have high utilization and I have high spend, that means I must have a high need. Generally, that's not the case. Generally, what child welfare systems have not been able to do in the past is get good assessments at an individual level to say this individual child needs this type of service so they know what to buy. What they also haven't been very good at is taking those assessments and rolling them up or doing a more general screening that gives you, at a population level, if I look at all the kids coming into child welfare in foster care,

is there one assessment that I could do or one screening I could do to all of them that would tell me how many of them have anxiety, how many of them have depression, how many of them have PTSD and at what age do they have it, so that that way I know, when I am going out for procurement on a contract of a new vendor, whether it's them or community mental health center, I know I need this much of this service for this many kids. Right now it's a shot in the dark. It truly is a shot in the dark. What they do is they purchase what they generally have purchased in the past, they purchase what their providers know how to provide, or they purchase what they have heard at conferences is the next big thing. The needs of the children and the families and their funding streams are secondary, and they try to figure all that out later. What we're trying to present is a road map to change that so that you have a vision that knows that child welfare does child welfare, but child welfare includes healthcare, education, and funding of those services. So how do you get that in line? How do you know how much of what you need to buy in order so that you can be accurate in your assessments and your service delivery? That's what the assessment and the screening piece was intended to do. What I want to talk to you about is now when you think about those services, right now most of the services that are provided for child welfare, there's been very little research to say that they've actually been proven to work anywhere. So it's like taking your child to the doctor and him saying, okay, your child has an infection, now he can go out and, you know, drink tea, eat grass, take an aspirin, or take some antibiotic; whatever you can get to which you believe might work, go ahead and do that. That's basically what we do in a lot of child welfare cases when it comes to treatment planning around behavioral interventions, parenting interventions, substance abuse interventions. But there is a process to say we know what works now; how can we get it to kids in child welfare with the funding that we have, because we don't have any more money. We have to use what we have. How can that happen? And so what I want to talk to you about a little bit is about a way that you can look at doing that. Why is it important to look at the evidence behind the treatment that's being provided to kids in foster care? First thing is this idea of well-being. If child welfare continues to focus on programmatic outcomes, the number of kids in child welfare, length of stay, length of time to adoption, you're going to move kids through the system, but when they get out the other side they're going to have exactly the same problems or maybe even worse as they did coming in the front door. Well-being is about if you have a child in foster care, shouldn't they be better off educationally, emotionally, physically when they exit the system than they did when they came on? That's what child welfare is about. Can you provide services, since you're spending money anyway, spend it in a way that will improve those outcomes for children rather than just moving them through the system. Also, it gives the ethical argument of if they're your charge, they're your ward of the state, you have the obligation to ensure that they get the best possible care with the resources that you have. And so how can you structure a plan that allows you to do that? I'm sure you...you mentioned evidence-based practices. You're going to hear that a lot from a lot of your departments, from your substance abuse department, your behavioral health department, your Medicaid, education. And what we want to do is talk about a little bit,

what does that mean and what you should be looking for when you hear that, as members of the Legislature, because you're going to hear it a lot. What should you be looking for? What questions should you ask? That's what this chart is designed to talk to you about. First thing is you look at the impact. Each evidence-based practice goes to impact one specific area in a child's life. It could be grade level reading, improving their test scores, could be reduction of depression. Always ask: What is this practice or program intended to achieve? And make sure there are no negative side effects. There could be negative side effects for certain subpopulations, gender, and age. Also what you want to look at is evaluation quality. What you want to look for is a program that has at least one randomized controlled trial or quasi-experimental trials without design flaws. So easy way to say that is they've had to have been able to compare it to another group of kids that was getting business as usual, and shown, you know, if this...if what we do with kids now is X and this evidence-based practice does something different, compare the two and make sure that they're getting better results than what you're currently doing is what that means. The second thing is...the third thing is intervention specificity. Not all evidence-based programs are designed to treat the entire focus of kids; in fact, most of them are not. They have very specific age groups, very specific conditions they are designed to treat, and unless you pick the right one it's not going to be very helpful. What many states tend to do, you probably heard the terms MST, FFT, MTFC, the three big ones, treat very few kids that are actually in your systems but they are very expensive. So states spend a lot of money on those types of programming when in fact most kids could do with something very much less intensive, more community-based, and get just as...and get better results in their home and in the community, not that...those programs are excellent but you've got to make sure that you're sending the right kid to the right place. Otherwise, you're not going to get the right result. So intervention specificity is very important. Also what it looks at is what were the specific causes that brought the children to the attention of your child welfare agency and how each specific practice can begin to address those causes. And so you look at the underlying reasons why they came. Second...the fourth thing, the last thing, and this is really important, is system readiness. Many times, when you talk about evidence-based practices, they're good, but they...but if your Department of Health, child welfare, or Education called up the developer of the evidence-based practice, they would have no way to teach you how to do it. So you need to make sure that, if you're going to buy one, they have a training manual. They can tell you from the beginning it's going to cost you X amount of dollars to train X number of workers and your up-front cost is going to be X and then your maintenance cost over the years is going to be X and X, so that that way you know how to plan and you know how to budget. Otherwise, you go in blind and you think you're buying the silver bullet and you find out that silver bullet has a lot of rust around it and it's real expensive rust. And so when you think about evidence-based practice, all of these matter. And there's ways that you can figure out from a state all of these issues so that you make sure that your agencies provide the best services for what you can provide. One of the things that we have done is we worked with the University of Colorado, because we know states have had a real difficult time choosing

which practice meets their need, so we worked with Colorado State to develop a database called Blueprints for Healthy Youth Development. All four of those modules will be in there and available to states on-line beginning January 1. We're working with the University of Colorado to get child welfare agencies earlier utilization, because we know many of them are going through things like what Nebraska is going through. And it's very crucial they begin to look at the right kind of practice, the right kind of assessment with the needs of their children, and to know how to pay for it. So Blueprints has a road map that goes through all of those practices on there. This is an example of what states can do with evidence-based practices. You can develop a continuum approach where you look at is there a particular...when you do an assessment, is there a particular issue that you find children in your community have that are common across developmental stages. So for example, if problem behavior is a concern across ages, you could develop a portfolio similar to this where you would look at age zero to...age two to four. Incredible Years is a program that is for kids at risk of behavior problems. It's an early...it's a prevention program. Then you could go down to a universal program in the schools that also is focused on behavior problems for zero to five, all the way down to where you get to FFT for kids that are on the cusp of saying they have to be removed from the community. By looking at your data and the assessments that you could do within child welfare with your children's mental health, you could develop a portfolio approach across your cities in Nebraska so that you could have each department focusing on behavioral problems. It would help schools with classroom management. It would help juvenile justice with the front door of probation. And it would help provide good services for kids that have already been removed in child welfare by making sure that they have appropriate services to be referred to. Another way you could look at it is just across developmental stages; and these are specific programs specifically designed to look at the needs of children in child welfare. When you think about this...many states, when they think about improving their practice, they think about training: How do I train workers or how do I train my work force to do a better job? Training is only part of the component. The states that are doing the best at improving practice in child welfare and community mental health and in education and in public health have really looked at the idea of you've got to ensure quality implementation, so that means good training, that also means quality assurance, and that means measuring to make sure that the programs you've put in place, they're followed to fidelity. So that means if you get a prescription from a doctor and they say you need to take this medicine in this course of treatment, if you take it differently it's not going to work as well. Same thing with these programs. The developers know you've got to do certain treatments for a certain amount of time in a certain sequence in order to get the effect. Now what you hear a lot of times from your child welfare agencies, your mental health agencies, is that takes the creativity out of my workers' ability to do their job, and you get a lot of resistance. When you hear that, begin to think about if you're a CPS worker how much creativity do you want with them to go into every house? You don't want very much. You want them to know that they have to have a specific skill set to do the job a specific way. It's exactly the same thing with evidence-based practices. It gives

you a guideline. If you talk to a therapist in a community health center and you say, tell me what you do when you close the door for this specific diagnosis, and you talk to five of them in the same community health center, chances are you're going to get five different answers. What an evidence-based program does is it gives you the consistency of practice, regardless of who the practitioner is, to help them achieve the same result. Now I'm going to turn it over to Barbara Langford, who's going to talk to you about how you would finance this. Please. [LR529]

SENATOR CAMPBELL: Questions for Mr. Ortiz before we go on? [LR529]

ABEL ORTIZ: Okay. [LR529]

SENATOR CAMPBELL: Senator Howard. [LR529]

ABEL ORTIZ: Uh-huh. [LR529]

SENATOR HOWARD: I have to point out that, you know, it's all well and good to talk about accurate assessments and to make good choices to meet the family or child's needs. Who would argue with that? [LR529]

ABEL ORTIZ: Uh-huh. [LR529]

SENATOR HOWARD: But when you don't have the resources to do that,... [LR529]

ABEL ORTIZ: Uh-huh. [LR529]

SENATOR HOWARD: ...the rest becomes kind of null and void. Wouldn't you agree? I mean we have been through a tough period the last few years. We've lost a lot of our providers due to payment problems and various issues, payment problems being the main one. I come from a background of working in case management. Without resources, you're not going to get anywhere. [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR HOWARD: And without resources that the family engages in, you're going to court with nothing when you have to report on the situation. So while I appreciate your observations, I think specific information regarding what Nebraska needs to do or what would benefit families in Nebraska would be really helpful. [LR529]

ABEL ORTIZ: Yeah. I think...I've also been a caseworker, I've been a supervisor. I ran Utah's child welfare system and Utah's children's mental health system. I would...I would hate to think that Nebraska is not doing any assessments on their children right now. And so when we talk about assessment, we're not talking about doing a whole

bunch of new assessments. We're talking about taking the assessments you're currently doing, looking at them, and saying if they're not giving us what we need let's sub them out for other assessments that are in the public domain that we can train our workers to do instead that give us a better outcome. Also talking about you're spending money right now on parenting programs and you're spending money right now on treatment programs. It's about how you reconfigure those. One of the things that as we work with states we're very realistic about the budget crisis. I was Governor Perdue's, in Georgia, his policy advisor for health and human services, so I've been in the position of sitting in the governor's office and saying, how do we take a $14 million cut out of children's mental health services, and had to figure out how to do that. There's ways that you can do that by looking at what works. Now one of the also things you need to...we really emphasize with states is you don't need to do it all at one time. You need to phase it in over a period of time. And there needs to be a plan that the Legislature understands, the executive branch understands, and that the work force and the administration within your departments can move. So we're...while we're talking in generalities here, we did that for the sake of giving you a broad overview. We didn't want to come in here and be prescriptive because that wouldn't be fair to your departments or to your providers, who we haven't had much opportunity to engage. So what we want to do is we wanted to give you a broad overview. We would be able to do what you're asking us to do if we engaged further, but that was not the purpose of this presentation. This presentation was about what are the possibilities and what can be done. [LR529]

SENATOR HOWARD: Is that the possibilities in any...you're talking any state basically. [LR529]

ABEL ORTIZ: Yeah. Yeah, because what we do is we look at the funding streams that are...your state gets all the same federal funding streams as every other state. It's how you manage those funding streams and how you help them use...come together. [LR529]

SENATOR HOWARD: Well, I don't want to leave you with the impression that Nebraska does not do assessments. Nebraska does do assessments. We do have diagnoses. Those diagnoses are only as good as services are available to meet the needs. [LR529]

ABEL ORTIZ: And that was my point around the evidence-based practices, yeah. [LR529]

SENATOR CAMPBELL: Senator Gloor. [LR529]

SENATOR GLOOR: Thank you, Senator Campbell. And thanks for the presentation. I'm engaged. I think the detail of this...even though you referenced it being a very general overview, the detail of this either has you engaged or people have slipped out the door... [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR GLOOR: ...or slipped into a coma or...(laughter). [LR529]

ABEL ORTIZ: Yeah. Yeah. Yeah. [LR529]

SENATOR GLOOR: I mean, this is pretty... [LR529]

SENATOR CAMPBELL: We're paying attention. [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR GLOOR: This is weighty stuff. [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR GLOOR: And I'm a supporter of evidence-based practice. But, you know, like any road map, it's only as good as the mapmaker. And what I'm struggling with here are two things. One is whether legislatively this level of detail, the decisions about what appropriate evidence-based practice should be focused on, is something that's going to really fall into our purview or not. And maybe your intent is just, you know, from a standpoint of oversight, it's important that we hold the department's feet to the fire on this. But the other issue I have, and it's a bigger one, is who vets these different approaches for evidence-based practice? [LR529]

ABEL ORTIZ: Okay. [LR529]

SENATOR GLOOR: Who do we trust? My past background put me in a position with evidence-based practice of having recommendations from the American College of Cardiology... [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR GLOOR: ...versus the National Institutes of Health. [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR GLOOR: And they didn't say the same thing. [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR GLOOR: They weren't the exact road map. [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR McGILL: Uh-huh. [LR529]

SENATOR GLOOR: Who decides? [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR GLOOR: And how do we legislatively decide, oh yeah, this evidence-based practice is right on the beam,... [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR GLOOR: ...it's what we're going to turn loose on the children of the state of Nebraska? [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR GLOOR: Does Annie E. Casey serve in that capacity or are we expected to trust the department to be discerning? [LR529]

ABEL ORTIZ: Uh-huh, two very good questions. To the first one, one of the reasons why we feel it's important for legislators to know about even this level of detail is when it comes to looking at funding and when it comes to looking at programming, the way states do their budgets, and you all know this, is they generally are programmatic. And for child welfare systems to make some of the shifts they need to make, those lines, they need to shift funds from program to program. And when they begin to shift funds, it ripples down and you begin to get calls around why are you supporting this and why are you supporting that, that's going to impact me in this specific way. What we would...what we encourage departments to do is to make sure that they are in conversations with you to say we are going to make these adjustments in our budget in our programming and this is why, and to have that conversation so that that way, when you get those calls and when you have to make those decisions, you know what the map looks like and you're not caught off guard. I think one of the things that, when I did child welfare and children's mental health in the state of Utah, one of the things that was the hardest to do was to move change because there were so many ripples, and having the Legislature understand what those ripples are; and, if you're not going to support something, to tell me early on to say, we just can't do that, can you figure out a different way; and to have me be able to say, okay, I got the message, let me start looking at a plan B; to then come back to you and say, okay, here's how we can maybe accomplish something similar. So that's why we think it's important for the Legislature to be engaged. The second question about who do you trust, one of the things that we knew about this was

that exact question. So as we developed this, what I showed you around what it means to be an evidence-based practice, what that database also does, and this is just for...we built it particularly for use of state people, people in state government and state systems, is it has a matrix where you can go to all the other lists and it has a matrix that list all the programs on there and it says what the Blueprints rating is, but then it also gives you what the other lists out there rate them so that you can look across and say, if I'm getting a consistent pattern that this program is rated high on several of these lists, even though their standards are very similar but there are some slight differences, I'm going to be more confident if I'm getting a good, consistent look by all of these different entities that are looking at these programs. And so while Blueprints will give you specific recommendations, it also gives you like in a Consumer Reports chart that says this is how it was rated on the federal database, this is how it was rated on the California Clearinghouse database, this is how it was rated on the "Be for Education" (phonetic). And so when you look at it, you not only get what Blueprints rated it; you get a look at what everybody else did and so it gives you some...there's some reliability in looking at all these scientists looking at this are seeing it in somewhat the same way. [LR529]

SENATOR GLOOR: Well, then the overall issue that is a takeaway for me is requiring some degree of discipline when it comes to looking at the evaluations... [LR529]

ABEL ORTIZ: Yes. [LR529]

SENATOR GLOOR: ...or the various practices that are out there,... [LR529]

ABEL ORTIZ: Yes. [LR529]

SENATOR GLOOR: ...as opposed to, as I think you referenced, somebody coming back from the most recent conference they've been at and imposing that particular... [LR529]

ABEL ORTIZ: That's exactly right. [LR529]

SENATOR GLOOR: ..."I've got a great idea I just learned at a conference" concept... [LR529]

SENATOR McGILL: Uh-huh. [LR529]

SENATOR GLOOR: ...on the entire state of Nebraska. [LR529]

ABEL ORTIZ: And while your questions have been tough, it's exactly the way you should be asking the questions of people that come in here and say we want to do this program, is ask those type to make sure that they have done their homework to say this is why we're doing this, it's not just the latest thing. [LR529]

SENATOR GLOOR: Okay. Thank you. [LR529]

ABEL ORTIZ: Yeah. Uh-huh. [LR529]

SENATOR CAMPBELL: I'm going to interject just a comment before your other...but isn't all of this, at least the state has to have and work toward, very real-time data? [LR529]

ABEL ORTIZ: Yes. [LR529]

SENATOR CAMPBELL: I mean is it? I mean because that becomes a problem if you can't extrapolate from the systems we have. Senator Krist is a broken record on this, bless his heart. [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR CAMPBELL: But truly, that is why we wanted the consultant to review all of this,... [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR CAMPBELL: ...because right now systems don't talk to each other,... [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR CAMPBELL: ...you can't get real time. You're lucky if you can even get a month time. [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR CAMPBELL: I mean it's very frustrating, I think, for all of us in terms of making decisions, because the lawmakers, policy drivers, have to have that data. [LR529]

ABEL ORTIZ: Yeah, and that's true. One of the things I would say in caution about that point is don't wait until you have a better data system to start saying let's do the best that we can with the data that we have. [LR529]

SENATOR CAMPBELL: Oh no. Yeah, I understand that. [LR529]

ABEL ORTIZ: And so...because they have to report to federal agencies, all of your departments do, so they have to have some clean data to begin to use that they can

begin to make some decisions with. Yeah. [LR529]

SENATOR CAMPBELL: Good point. I'll do Senator Krist. Did, Senator McGill, did you have a question too? [LR529]

SENATOR McGILL: No. No. [LR529]

SENATOR CAMPBELL: Okay. Senator Krist. [LR529]

SENATOR KRIST: Here goes the broken record again. I hear what you're saying and I understand the road maps and I think this committee in particular in this Legislature in the last couple of years is somewhere in between step three and step never, you know, as we move across. [LR529]

ABEL ORTIZ: Yeah. Yeah. [LR529]

SENATOR KRIST: Our problem has been in the analysis, as you say, data. We corrected part of that last year by putting a committee in place with just foster care review where we're now getting real data... [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR KRIST: ...without having anybody censor anything,... [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR KRIST: ...if that happened, hypothetically. So we're moving in different directions, trying to put the data together. But my frustration, along with Senator Gloor's point to are we too much in the weeds, my frustration is I look at statistical data that says if you don't treat that child, in other words if Magellan doesn't authorize the treatment after three physicians have said he needs or she needs that treatment, you have just wasted money downstream because you haven't intervened at the beginning. And if that is coming from the executive branch saying we're going to cut the funds and it's going to come from here, and then later transfer those funds someplace else so they can use it in some other area, it is extremely frustrating. Which is why we go back to we appropriate, we basically...we legislate, we appropriate, and then our oversight capacity is there. So we have to skip to the end step in terms of oversight to be able to look at the appropriations phase. [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR KRIST: And somewhere that process has to go from step five back to three, five to three, five to three, back and forth. Am I off? [LR529]

ABEL ORTIZ: Yeah. Yes, that's exactly right. Yes. [LR529]

SENATOR KRIST: Okay. [LR529]

ABEL ORTIZ: Yeah. Yeah. Thanks. [LR529]

SENATOR KRIST: Thank you. [LR529]

SENATOR CAMPBELL: The other comment I did want to make and that is one of the things that we learned in our study the last couple of years, and I don't see it mentioned heavily enough in this, is understanding how all three branches of government, the Legislature, the executive, and the judiciary, and I know we have several people from the judiciary, is the emphasis of how important it is to work with the judiciary... [LR529]

ABEL ORTIZ: Okay. [LR529]

SENATOR CAMPBELL: ...in all that we do. And I know you mentioned them as a stakeholder. [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR CAMPBELL: But in our research, it would tell you that you have to include them a lot more heavily... [LR529]

ABEL ORTIZ: You do. [LR529]

SENATOR CAMPBELL: ...than just considering them a stakeholder, I guess. [LR529]

ABEL ORTIZ: You do, yeah, that's exactly right, because when you begin to look at states that do best practice, they are at the table when you begin to develop your practice. [LR529]

SENATOR CAMPBELL: Right. [LR529]

ABEL ORTIZ: They know what assessments...they know how to work with assessments in a courtroom. They know how to order their orders so that it doesn't ruin your ability to pull down federal dollars. And then they know how to monitor children in a specific program so that they don't disrupt the services. And they also know how services impact families as they go through the process of the permanency hearings. And so they are an integral part to it, yeah. [LR529]

SENATOR CAMPBELL: Thank you. [LR529]

ABEL ORTIZ: Thanks. Uh-huh. [LR529]

SENATOR CAMPBELL: Thank you. Okay, next presenter, who I kept seeing over there nodding and nodding, so welcome. And again, formally, your name and spelling. [LR529]

BARBARA LANGFORD: Right. Thank you, Senator Campbell and members of the committee. I am Barbara Langford, B-a-r-b-a-r-a L-a-n-g-f-o-r-d. I'm with Mainspring Consulting. Mainspring works with state agencies, foundations, and community collaboratives to design initiatives for children and families and to develop effective financing plans to be able to support implementation. We help states analyze current investments to take a look at where you might be able to make important shifts, to conduct fiscal analysis, to project cost over time, and to design effective financing strategies that improve outcomes for children, youth, and families. We've had the pleasure of working with the Nebraska Children and Families Foundation and the Jim Casey Youth Opportunities Initiative to conduct a fiscal analysis of extending IV-E eligibility to 21. Many folks in this room lent their contributions to that effort, including Appleseed, staff from Senator McGill's office, Linda, and many others. I'm actually a product of Nebraska, being born and raised outside of Hastings, and so it's my particular pleasure to be back in my home state today. [LR529]

SENATOR CAMPBELL: Welcome home. [LR529]

BARBARA LANGFORD: Thank you. Thank you. In the context of your child welfare reform efforts, I want to talk about strategic financing, how you finance those efforts, signpost number four. Once you're able to assess needs and be able to match needs with effective programs, the next question becomes how do you finance those programs. And we work with states and localities through a strategic planning process that typically involves four key steps: first, being able to clearly identify your financing goals regarding what are the programs and services that you want to implement; to estimate the cost of implementing those goals to take into account the broad array of costs that you need to be able to account for through full implementation, importantly, including transition costs; to analyze current investments to determine opportunities and constraints to shift funding; and to identify financing strategies and structures to support implementation. So I want to briefly walk through those four key steps in the context of the reform effort that Nebraska is currently undertaking. The first important step is to identify clear financing goals regarding what are the specific programs and services that you're seeking to implement, for what population, for what outcomes, again connecting very clearly the work David and Abel mentioned in terms of assessing needs and matching needs to services, being focused and clear on how those financing goals will actually get you to the outcomes that you're trying to get to, and to think strategically about how to phase in those changes over time. The second step is developing a

financing plan is being able to clearly estimate the cost of implementing those goals. And there's a range of costs that you want to make sure that you're accounting for: program start-up costs that include the initial training, technical assistance, potentially licensing that go along with an evidence-based program; the transition cost, which you all are well aware of the importance of transition costs given recent history, to move from current practice to new practices. That could include staff development, phase-in and phase-out cost of beginning new programs and scaling down ineffective programs. The ongoing program operating cost: the staffing costs, fidelity monitoring to make sure that program is being implemented true to form, and the ongoing evaluation costs so you know you have the data, that it's working in the way that it's supposed to be working. And the infrastructure costs: the systems-level functions, including assessment, evaluation, and capacity building--so being clear on what the true costs are for implementing those financial goals. The third important step after you're clear on your financing goals and you have an accurate sense of the cost of implementing those goals are analyzing current investments to assess constraints and opportunities. Given the financial constraints virtually all states are experiencing, this step is particularly important given the environment that we're in, so analyzing rates of entry, considering if kids who are entering foster care and juvenile justice systems could be served within their families with appropriate supports or through community-based alternatives; considering if prevention services might also offer more cost-effective investments than deep-end expensive treatments; placement options, considering to what extent are you using high-cost placements for which there may be lower-cost alternatives that could potentially yield better outcomes; considering the IV-E penetration rate to maximize federal revenue coming into Nebraska, considering mechanisms to increase the penetration rate across IV-E programs such as providing licensing support so that you're licensing all available placements that could potentially be licensed, adequate support for IV-E determination so you're making sure to draw down all available federal funds that might be able to flow into the state; and to review opportunities for coordination with public health and behavioral health systems, again, a critical piece of looking at the landscape to make sure there's alignment and partnerships there. So it's combining the review of administrative data with an analysis of financial data to get a clear picture of the constraints and opportunities within the state to be able to make important changes to be able to finance the system. [LR529]

SENATOR CAMPBELL: Before you go on, could I interrupt and ask you a question? [LR529]

BARBARA LANGFORD: Absolutely. [LR529]

SENATOR CAMPBELL: One of the things that I learned this summer on the Title IV-E penetration rate is that it's also based on what the state had in place in terms of its base payment in 1996. Am I right, Mr. Ortiz? I thought it was '96, maybe it's earlier than that. But Nebraska has a very low rate, and so part of our problem in trying to build on a Title

IV-E waiver and go forward. To your knowledge, has there been any effort in Congress to revisit that? Because Nebraska is not the only state... [LR529]

BARBARA LANGFORD: Right. [LR529]

SENATOR CAMPBELL: ...that's struggled with that. In a meeting when I was at NCSL,... [LR529]

BARBARA LANGFORD: Uh-huh. [LR529]

SENATOR CAMPBELL: ...other states talked about this. Has there been any movement to do that or do we need to start tackling our congressional people? [LR529]

BARBARA LANGFORD: I think tackling may be in order at this point in time. [LR529]

SENATOR CAMPBELL: Okay. [LR529]

BARBARA LANGFORD: In terms of financing reform at the federal level, the notion of delinking Title IV-E eligibility from those old AFDC standards has been an issue that has emerged year after year by child welfare advocates. [LR529]

SENATOR CAMPBELL: And we can't get it through. [LR529]

BARBARA LANGFORD: No one has been successful in making that delink but it's certainly a highly critical step in reforming how the financial structure at the federal level provides opportunities and is able to provide adequate resources for states to be able to support kids and families. [LR529]

SENATOR CAMPBELL: Whatever background paper that you might have on that or materials, if you could provide so that we could send a letter to our congressional delegation or perhaps meet with some of them... [LR529]

BARBARA LANGFORD: Uh-huh. [LR529]

SENATOR CAMPBELL: ...so that we have some ammunition, it would be helpful, if you wouldn't mind. [LR529]

BARBARA LANGFORD: Uh-huh. We're happy to provide those resources. [LR529]

SENATOR CAMPBELL: Because I think that's about what this committee is going to have to do in terms of talking to our people. [LR529]

BARBARA LANGFORD: It's an important, critical contextual factor in terms of the

resources that are coming down to the states. [LR529]

SENATOR CAMPBELL: Thank you for...that would be great for your help. Thank you. [LR529]

BARBARA LANGFORD: Happy to do that. So just to refresh folks's memories in terms of what the child welfare funding landscape looks like, obviously the dedicated child welfare funds, in that orange circle, include Title IV-E, Title IV-B, which is largely the prevention funds, a much smaller pot of money coming from the federal government down to states compared with the dollars that are invested in out-of-home placement supports; Chafee funding, which supports older youth currently in and transitioning from foster care; and state and local child welfare allocations. So that's the core set of child welfare funding that an analysis wants to take a hard look at, reviewing the combination of administrative and financial data to see where opportunities and challenges might exist. Also, to extend into that yellow circle, the typically used human service funds that many states use to be able to support child welfare related services for family strengthening efforts, TANF funds--the Temporary Assistance to Needy Family block grant. The Social Services Block Grant provides important wraparound supports that many states use to be able to supplement their child welfare budget. Medicaid is obviously another critical source of funding, particularly around mental and behavioral health. Moving toward a focus on well-being requires the state to also think about aligning its child welfare funding with other funding sources outside the Department of Human Services. The Maternal Health Block Grant, the Substance Abuse Block Grant, IDEA--which supports special education, Title I education funding, Workforce Investment Act funding, extending those partnerships and considering the alignment of shared goals focused on well-being presents another opportunity in terms of how to use other systems to wrap around and support your child welfare reform efforts. So once you've done that analysis looking at potential opportunities and constraints within the current funding landscape, the final step in a financial planning process is to design financing strategies to be able to meet those fiscal needs. You'll notice nowhere in the next two slides are generating new revenue, an option that we include. In this current economic environment, current state budget environment, new taxes, new sources of revenue typically are off the table. They're just not a viable financing strategy. So the most important strategies to consider at this point in time are things like redirection and reinvestment, taking a look at how to make the best use of dollars already in your system. So in terms of a redirection strategy, shifting funding from lower priority services, or in this context those with less evidence, to higher priority services, or those with a higher level of evidence, where you have a greater degree of confidence that those investments will actually produce an outcome. Florida's project, Redirection, is a great example of this strategy where they found they were placing juveniles who had nonlaw violations on probation--they missed a curfew--into a residential facility. They shifted that practice to placing those young people in a community-based alternative using an evidence-based practice that was one-tenth the cost of the secure facility bed

and were able to save about $50 million over the span of five years. Reinvestment is a related financing strategy, shifting funding from higher-cost services to lower-cost services and then reinvesting the savings. The Maryland Opportunity Compact is a great example of a reinvestment strategy where they were able to take kids that were entering the juvenile justice system for pretty low violations and, again, shift them to a community-based alternative, at a fraction of the cost; that was an evidence-based program. The savings that they were able to generate could sustain that program over the next four or five years. No new dollars were required. They were able to shift and then sustain that new programming. Maximizing federal funding, which we touched on: maximizing IV-E in terms of the penetration rate, and Medicaid funding, claiming for all eligible services. Arizona has a cross-agency partnership that did a great job of assessing to what extent the Medicaid claiming requirements could be altered to ensure that a young person who needs a 24-hour treatment slot doesn't have to enter care as a condition of being able to have it be a Medicaid-eligible service; so lots of different ways to think about potential financing strategies. Changes to budget structures: ensuring funding is directed towards evidence-based practice. Tennessee passed a law in 2007, for example, requiring all juvenile justice spending to be phased into evidence-based programs over a five-year period of time, shifting...making it a requirement that 25 percent of the juvenile justice budget had to go to evidence-based programs. They're in the middle of implementation and have been able to keep track. Pooled or braided funding is another important financing strategy to consider which combines or coordinates funding from categorical sources to support comprehensive services. WrapAround Milwaukee is a great example of being able to pool funding sources from four different agencies to be able to comprehensively support the needs of a child. And performance-based incentives: improving the contracting process, for example, to gain efficiency and accountability for outcomes. Illinois switched to performance-based contracting for its foster care contracts. The contracts were based on how many days a kid was in care. They changed the accountability requirements to focus on placement stability and permanency. Providers get paid if they increase placement stability and move a kid towards permanency, not based on the outputs that they produce or the number of days a kid is in care. So lots of different options to think about creative financing strategies to support the implementation of evidence-based programs. And finally, in the context of child welfare reform in Nebraska, the importance of Title IV-E, considering the state is evaluating whether a IV-E waiver might be an option and provide some benefits in the context of your reform efforts. Again, IV-E is the major federal funding program that supports child welfare services. It includes support for adoption assistance, guardianship assistance, and foster care maintenance in addition to providing reimbursements for administration and training costs. It's a critical funding source. Congress authorized ACYF to be able to grant waivers for IV-E over the coming years. The opportunities under that waiver is to be able to have flexibility to use IV-E funds to shift investments upstream to enable states to use IV-E, which is generally only available once the child is removed from their home, to support evidence-based family support and prevention treatment models to prevent placement in the first place, to

expedite reunification, and to improve child well-being. Of course, the major considerations are the cost neutrality requirement, that freeing up your current IV-E dollars from traditional maintenance cost to be able to reinvest in community-based options; and you're basically trading uncapped funds for funding flexibility; and also wanting to make sure that you take into account the additional transition costs and the current provider capacity to be able to use a waiver effectively. So that provides you a very brief overview of a process for putting a financing plan in place, some examples of how other states have been able to implement financing strategies to support evidence-based practices, and the opportunities under a potential IV-E waiver. [LR529]

SENATOR CAMPBELL: Questions? Senator Gloor. [LR529]

SENATOR GLOOR: Thank you, Senator Campbell. And thank you, Ms. Langford, for being here. I'm a graduate of Hastings College, so if there's a connection there... [LR529]

BARBARA LANGFORD: I'm an alumni actually. I went to Hastings College myself. Go Broncos. [LR529]

SENATOR GLOOR: There is a lot of Langford history at Hastings College, as I know. Here's a question, and it may get back to data assessment or data compilation eventually. What's your experience with states understanding their cost, direct costs, indirect costs? I mean some of the challenges here are going to be that very question I think. [LR529]

BARBARA LANGFORD: Absolutely. [LR529]

SENATOR GLOOR: It certainly was part of a challenge we had with privatization. I don't think the state had any idea what its cost was to then go out and set a price--problematic. [LR529]

BARBARA LANGFORD: Right. [LR529]

SENATOR GLOOR: I can see that being problematic in doing this effectively. [LR529]

BARBARA LANGFORD: That's an essential capacity any state agency needs to possess. And in terms of looking at the array of state child welfare agencies, that capacity varies across states. States that have been able to do it well have been able to set rates effectively and been able to maintain caps and controls. States that have had more difficulty in understanding the variety of costs that go in to implementation, it can be pretty disastrous results if you're not able to set those rates effectively, if you're not able to fully account for the array of cost, including the operating, the indirect costs, but also the transition costs. You're asking folks in some cases to stop a piece of work that

they're doing and start a new piece of work; rehiring, retraining staff; this...simply the budget cycles, in terms of when you can end and when you can start, that when you're ramping up that may not be at full capacity in the first six months but that you likely have to hire a person even if you can't put a full caseload on their plate. So being very clear and very strategic about accounting for the full array of costs is an incredibly essential part of this process. [LR529]

SENATOR GLOOR: And I sometimes get a little concerned when we talk about inpatient services, the institutionalization being a much higher cost, when in fact once the building is built you have to heat it, light has to be lit, you have to have a minimum number of staff. [LR529]

BARBARA LANGFORD: Right. [LR529]

SENATOR GLOOR: I'm not sure that those costs are always adequately assessed when we take a look at that cost versus building new programs, hiring new staff,... [LR529]

BARBARA LANGFORD: Absolutely. [LR529]

SENATOR GLOOR: ...paying mileage for home visits. That's not to speak to the clinical appropriateness, but some of the discussions I've heard about institutional care and the cost associated with it, I'm not sure we really know what that cost is fairly. Is that something that your organization gets involved in,... [LR529]

BARBARA LANGFORD: We do. [LR529]

SENATOR GLOOR: ...is boiling down, trying to peel the onion a little bit on what actual costs are there that are direct versus indirect? [LR529]

BARBARA LANGFORD: We do. And we work frequently with the Annie E. Casey Foundation on developing those cost models and being able to accurately project costs and then set appropriate rates as a result. [LR529]

SENATOR GLOOR: Okay. Thank you. [LR529]

SENATOR CAMPBELL: Senator Krist. [LR529]

SENATOR KRIST: We have kind of a unique problem, I guess I think it's unique, in the fact that once we figure out how much something costs and we put that into that bucket, sometimes it disappears from that bucket and goes someplace else. We're trying to figure out how to make sure that that doesn't happen, we've taken some steps to do that, but neither here nor there. One of our other problems is we're not here to make

adjustments, so if we don't put enough money into the pot and we're out of session, then we get into a whole new bailiwick in terms of... [LR529]

BARBARA LANGFORD: Right. [LR529]

SENATOR KRIST: ...how to keep things going. Do you deal with that as well? [LR529]

BARBARA LANGFORD: Well, you may also want to build into your cost estimation some margin of contingency planning, some margin of...which is difficult to build in and to protect but that you imagine that there may be some over and unders at the end of the day, that no estimate is perfect--a budget is a projection--and being able to account for those overs and unders, particularly in an extended legislative cycle where you can't come back... [LR529]

SENATOR KRIST: Sure. [LR529]

BARBARA LANGFORD: ...on a regular basis or on an every six-month basis and being able to make adjustments, so... [LR529]

SENATOR KRIST: Is that the strategic budget process that you're talking about now? [LR529]

BARBARA LANGFORD: Absolutely. [LR529]

SENATOR KRIST: Okay. [LR529]

BARBARA LANGFORD: Absolutely. Again, projecting the full array of costs and being able to put in some buffers in the event that what you projected and the assumptions that went into that projection change over the course of a period of time. [LR529]

SENATOR KRIST: Thank you. Thanks for being here. Thanks, Chair. [LR529]

SENATOR CAMPBELL: Questions from the senators? Ms. Langford, one of the points, and I'm really glad you are from Hastings, Nebraska, because you are going to know exactly why I'm asking this question, and that is I think that we have struggled as a committee as we have studied this over the past couple years in terms of the rural part... [LR529]

BARBARA LANGFORD: Hmm. [LR529]

SENATOR CAMPBELL: ...of Nebraska and what may work on the eastern urban versus rural and then very rural parts of Nebraska,... [LR529]

BARBARA LANGFORD: Absolutely. [LR529]

SENATOR CAMPBELL: ...which you would understand. When you work with states, what would you suggest that we take into account with that? Are there any special techniques or any special advice you'd have for us? [LR529]

BARBARA LANGFORD: Well, thinking about what might be the differential in costs between an urban and a rural service array, so obviously transportation costs might be higher outstate, salary costs may be lower potentially; so thinking about what might be important variations in cost when you're in an urban area versus in a rural area. Also thinking about what might be important staff development costs. If it's a smaller organization where one person may have to do four different jobs because there's not enough demand or need for them to specialize and only do one job, what that looks like in term of additional training costs. So thinking through what the differential of important variations across costs between providers in different areas is, is an important part of the process as well. [LR529]

SENATOR CAMPBELL: Is there any kind of market analysis or tool that can be used to make sure that you are balancing a difference and what salary costs might be, because I don't know whether we do a lot of that--internally I think agencies do that--but whether there's any tools that one could apply at a state level to make sure? Because part of our concern... [LR529]

BARBARA LANGFORD: Uh-huh. [LR529]

SENATOR CAMPBELL: ...in the last year or so was when what we fondly call the 3rd District but the Central, Western, and Northern Service Areas starting losing these services,... [LR529]

BARBARA LANGFORD: Right. [LR529]

SENATOR CAMPBELL: ...is how to ensure that we start getting them back and yet be market comparable to what else might be happening on the eastern side. [LR529]

BARBARA LANGFORD: Right. Right. And it may be a reverse type of incentive that you may actually have to have higher salaries in rural areas so you're not pulling folks out of those areas. If there's going to be a differential,... [LR529]

SENATOR CAMPBELL: Interesting. [LR529]

BARBARA LANGFORD: ...you may want the incentive to be back to the rural area so that if salaries are higher in Lincoln you don't want to be able...you don't want to try and encourage folks from Kenesaw and Grand Island to then move to Lincoln, because they

can get a higher wage, and then leave a big service gap in the rural area. [LR529]

SENATOR CAMPBELL: Truly spoken as a Nebraskan there with those examples. (Laughter) But you know, that is somewhat of a myth, I agree with you, that some people say, well, they can...you know, they're not going to pay, they don't have to pay as much out there. But we've heard that question as a committee in terms of how we're beginning to look at healthcare costs, and we had some testifiers last year in hearings who talked about having to have higher salaries in some of our more rural areas to retain... [LR529]

BARBARA LANGFORD: Absolutely. [LR529]

SENATOR CAMPBELL: ...the professional degree. [LR529]

BARBARA LANGFORD: Absolutely. [LR529]

SENATOR CAMPBELL: Any other questions or comments from the senators today? Thank you very much. [LR529]

BARBARA LANGFORD: Thank you. [LR529]

SENATOR CAMPBELL: Does Appleseed or Mr. Ortiz wish to make any closing comments for us? [LR529]

ABEL ORTIZ: Just this one last slide where, admittedly, this has been a lot that we've given you today and...but what we wanted to give you is a big...is an overview of what it would take to begin to really see change. And what we want is that it's going to take some capacity building within your systems. And so like Barbara talked about, making a strategic financing plan, developing the capacity along that plan to implement and to have staff that can then monitor and carry it out. So I think the last slide is just to let you know that it is a process, it is a process of capacity building within your organizations and building the infrastructures that need to be put in place so you get the appropriate data so that you can monitor contracts in the most appropriate way so you can have the most appropriate assessments. And the beginning point is very strategic, and so having your departments work together is really key to that, because not one of them can do it on their own because their funding streams rely so much on each other to serve a very similar population and the same families. [LR529]

SENATOR CAMPBELL: And to realize that the provider community cannot move on a dime. [LR529]

ABEL ORTIZ: Exactly. Exactly. [LR529]

SENATOR CAMPBELL: They have difficulty... [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR CAMPBELL: ...because they, too, have budgets... [LR529]

ABEL ORTIZ: Yes. [LR529]

SENATOR CAMPBELL: ...and year strategies... [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR CAMPBELL: ...and so you can't just say, well, we want you to retool tomorrow. [LR529]

ABEL ORTIZ: Exactly, yeah. [LR529]

SENATOR CAMPBELL: That's hard. [LR529]

ABEL ORTIZ: Yeah. [LR529]

SENATOR CAMPBELL: Any other questions for them? Thank you very much. [LR529]

ABEL ORTIZ: Okay, uh-huh. [LR529]

SENATOR CAMPBELL: I much appreciate Nebraska Appleseed putting together the panel of testifiers for us. The whole idea today was to give a more broad overview of entrance to the child welfare system. Senator Coash and I have been working cooperatively. When we go to October 5, so this is sort of like a coming announcement, the sequel to today and continuance, and we would hope that you would all return on October 5 where we will start getting a little bit more detailed. And we are bringing in some people to kind of fill in the spaces for where we are in Nebraska, so it's very important. I also want to mention just...and I'm sure there's lots of other things going on, but while I'm thinking about it I know that Boys Town is doing something this next week, I believe, on trauma. And I see Mr. Davis in the audience. If you want to know about that you can visit with him. But there are many things going on in the state of Nebraska in the area of child welfare and we certainly encourage all of you to be engaged. This afternoon, Appleseed will continue with a seminar and the speakers that you heard this morning I think will be available, so if you have not signed up for that you can see Ms. Helvey and I'm sure they'd be glad to try to shoehorn you in, if need be. No other comments? We will close the public hearing today on LR529, and thank you all for coming. [LR529]