

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill makes several changes to statutory provisions addressing the area of child welfare. The bill requires case plans for children who remain in their homes to that the services are to prevent out-of-home placements. On or before July 1, 2013, the Department of Health and Human Services is to apply for reimbursement under Title IV-E for reimbursable costs for the Nebraska Juvenile Justice Delivery Project. The federal funds are to be deposited into the Probation Cash Fund for expenses incurred by the Office of Probation Administration for the project. The staff of the Children’s Commission is placed under the Foster Care Review Board for administrative purposes. The Commission is to hire a policy analyst. On or before July 1, 2013, the Department of Health and Human Services is to develop a policy for reimbursement of all allowable foster care maintenance costs under Title IV-E. The bill requires the initial training for all case managers to be provided by a single entity and prescribes certain minimum content in the curriculum. On or before October 1, 2013, HHS is to adopt new foster care licensing regulations that minimize the mandates for non-safety issues and provides alternatives to address non-safety issues regarding housing and provide assistance to overcome licensing barriers, especially in child-specific relative and kinship placements. HHS shall develop a system for verification of child welfare services provided by private contractors and entities seeking to contract with the state must prove evidence of financial stability. The Department shall implement a formal grievance process for families involved in the child welfare and juvenile justice system.

The staff and operating expenses of the Children’s Commission is moved from HHS to the Foster Care Review Office. The current appropriation of \$100,000 would be moved from the HHS budget to the FCRO budget. The Commission is to hire a policy analyst. Based on the salary and estimated benefits for a Research Analyst II, the cost would be \$85,000.

The bill requires the Department of Health and Human Services to claim federal Title IV-E for eligible children in the Juvenile Services Delivery Project. Both the Supreme Court and HHS have indicated that there may be some additional federal funding that could be captured, but that it would not be a significant amount at this time.

HHS is required to develop a system for verification of child welfare services provided by private contractors, which shall include but not be limited to unannounced visits at least twice a year. The cost will depend on the extent of the verification system that is envisioned. If the system is limited in scope, the verification may be able to be handled by current licensing and case management staff. If the expectation is for a more extensive system, HHS estimates the cost to be \$206,273 (\$173,269GF and \$33,004 FF) in FY 14 and FY 15.

Initial training is to be provided by single entity and the curriculum is to provide instruction on evidence-based and promising casework practices. The Department of Health and Human Services indicates these practices are not included in the current training and would require additional costs to provide these in the instruction. The Department’s estimate is \$534,804 in FY 14 and \$473,304 in FY 15. These costs appear to be high, but additional information, not available at the time of completing this fiscal note, is needed to assess the costs.

On or before July 1, 2013, the Department is to establish a policy to capture all allowable foster care maintenance costs under Title IV-E. The recently conducted Medicaid Crossover Analysis pointed out that there are costs not currently being captured. Implementation of a policy to capture these costs for claiming purposes would increase federal funds and decrease General Funds, but the extent is not known at this time.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 269	AM:	AGENCY/POLT. SUB: Foster Care Review Office
REVIEWED BY: Elton Larson	DATE: 1/29/13	PHONE: 471-4173
COMMENTS: Agency analysis and estimates of fiscal impact appear reasonable.		

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 269	AM:	AGENCY/POLT. SUB: DHHS
REVIEWED BY: Elton Larson	DATE: 1/29/13	PHONE: 471-4173
COMMENTS: Agency analysis and estimates of fiscal impact appear reasonable.		

Please complete ALL (5) blanks in the first three lines.

2013

LB⁽¹⁾ 269 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Foster Care Review Office (070)

Prepared by: ⁽³⁾ Heidi Ore Date Prepared: ⁽⁴⁾ 01/28/2013 Phone: ⁽⁵⁾ 402-471-4676

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>\$189,825</u>	<u> </u>	<u>\$189,825</u>	<u> </u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>\$189,825</u>	<u> </u>	<u>\$189,825</u>	<u> </u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.
 Explanation of Estimate:

Positions: Staff has been hired to support the Nebraska Children’s Commission’s work. This person’s current salary is \$41,220. This person also receives benefits etc. Additional staff hired by the Commission to Perform Policy Research will likely need to be hired at \$50,000 – \$60,000 per year depending on the nature of the position and the duties this person would be expected to perform. Benefits for both positions are estimated at \$43,105.

Operations: \$8,000 would be requested to support phone, internet, postage, copies, etc. for staff and the Commission. The FCRO has office space and desks to accommodate 2 staff persons.

Travel: Between September and December 2012, the Committee has paid \$7,500 in travel expenses. If the Committee and Sub-Committee’s continue their meeting schedule, travel for a year will be closer to \$30,000. Staff’s travel is budgeted at \$3,000 each.

Capital Outlay: \$1,500 would be requested for a computer for the staff performing Policy Research. The Commission’s existing staff person has had a computer purchased for their use.

Senator Dubas has introduced legislation, LB 530, which would extend the work of the Commission through June 30, 2016. As a result, the estimates are included for both fiscal years.

MAJOR OBJECTS OF EXPENDITURE

<u>PERSONAL SERVICES:</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14</u>	<u>2014-15</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Policy Analyst (Legislative Aide Level)	<u>1</u>	<u>1</u>	<u>60,000</u>	<u>60,000</u>
Committee Support	<u>1</u>	<u>1</u>	<u>41,220</u>	<u>41,220</u>
Benefits.....			<u>43,105</u>	<u>43,105</u>
Operating.....			<u>8,000</u>	<u>8,000</u>
Travel.....			<u>36,000</u>	<u>36,000</u>
Capital outlay.....			<u>1,500</u>	<u>1,500</u>
Aid.....				
Capital improvements.....				
TOTAL.....			<u>189,825</u>	<u>189,825</u>

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Willard Bouwens

Date Prepared:(4) 1-29-13

Phone: (5) 471-8072

	<u>FY 2013-2014</u>		<u>FY 2014-2015</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$622,505		\$570,845	
CASH FUNDS				
FEDERAL FUNDS	\$118,572		\$108,732	
OTHER FUNDS				
TOTAL FUNDS	\$747,077		\$679,577	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

Sec 2 Section 43-4101 (2): The extent to which the Department could obtain more cost reimbursement under Title IV-E is unknown. If this source of funds is already being utilized as much as possible then any additional funding revenue would be small. DHHS would expect that the Office of Probation would provide the matching funds for access to Title IV-E services.

Sec 7 Section 68-1212 (2): The training requirement will result in a fiscal impact. The training topics related to evidence based and promising casework practice are not specifically addressed within current curriculum and there will be a cost for curriculum development, training delivery, and evaluation. Six contracted positions (two field training specialists, two trainers, and two research and evaluation staff) from UNL Center on Children, Families, and the Law (CCFL) would be required at an estimated cost of \$473,304 including salary, benefits, and operations cost. An additional \$61,500 would also be required for start-up expenses for the first fiscal year. (\$534,804 FY14, \$473,304 FY15)

Sec 9 (1): The Department does not have staff that could assume the monitoring duties so this would require the addition of three Social Service Workers (IMFC) workers at an estimated cost of \$206,273 (\$173,269 GF, \$33,004 FF).

The fiscal impact of LB269 to the Department of Health and Human Services for the requirements of Section 7 Section 68-1212 (2) and Sec 9 (1) would be \$741,007 FY14 (\$622,505 GF, \$118,572 FF) and \$679,577 FY15 (\$570,845 GF, \$108,732 FF).

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	NUMBER OF POSITIONS		2013-2014	2014-2015	
	POSITION TITLE	13-14	14-15	EXPENDITURES	EXPENDITURES
Social Services Worker (C72172)		3	3	\$99,553	\$99,553
Benefits.....				\$39,821	\$39,821
Operating.....				\$601,704	\$520,204
Travel.....					
Capital Outlay.....					
Aid.....					
Capital Improvements.....					
TOTAL.....				\$741,077	\$679,577

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2013

LB⁽¹⁾ 269 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Supreme Court

Prepared by: ⁽³⁾ Eric Asboe Date Prepared: ⁽⁴⁾ 1/30/13 Phone: ⁽⁵⁾ 1-4138

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 269 will increase Cash Fund expenditures related to Title IV-E reimbursable costs. Under the current configuration of the Juvenile Service Delivery Project, expenditures have not been significant. However, expenditures are estimated to increase as the availability of IV-E funding increases and the Project evolves.

Technical note: The Cash Fund stated in LB 269 should be changed from the Probation Cash Fund (Fund number 20520) to the Probation Program Cash Fund (Fund number 20580).

Potential impact: Section 7 of LB 269 concerns training for case managers. At some point, training to maximize the use of IV-E funding for certain Probation staff will also become necessary.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14 EXPENDITURES</u>	<u>2014-15 EXPENDITURES</u>
	<u>13-14</u>	<u>14-15</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____