

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2013-14</b>		<b>FY 2014-15</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	2,143,394		2,237,394	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>2,143,394</b>		<b>2,237,394</b>	

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

This bill extends the Nebraska Children’s Commission until June 30, 2016. The Commission is currently set to expire on June 30, 2014. The bill requires the reimbursement rate recommendations of the Foster Care Rate Commission to be implemented on or before July 1, 2013. The Department of Health and Human Services is required to establish a pilot project implementing the standardized level of care assessment tools containing standardized criteria to determine a foster child’s placement needs and to appropriately identify the foster care reimbursement rate. The assessment is to be research-based, supported by evidence-based practices and reflect the commitment to systems of care and a trauma-informed, child-centered, family-involved and a coordinated process. The pilot shall consist of two groups, one urban and one rural. Prior to April 1, 2014, the Department shall make recommendations to the Legislature based on a review of the pilot project. The Department is to provide the full reimbursement rate to contracted provider agencies in the pilot program. On or before January 1, 2016, the Children’s Commission shall appoint a Foster Care Reimbursement Rate Committee to make recommendations on the foster care rate structure. The Commission shall reconvene the Committee every four years. The Committee is to recommendations on July 1, 2016 and every four years thereafter.

The chart below shows the rates recommended by the Reimbursement Rate Committee, current rates, the difference and the increase needed to pay rates at the recommended level. In the current fiscal year, an additional \$3.10 per day was added to the foster care rate for all children. HHS has stated their budget request includes the continuation of this amount. The continuation of those rates are assumed in this fiscal note, also. The department’s budget also assumes a 5% decrease in the number of child in out-of-home placements, as does the calculations in this fiscal note.

Age Range	# of Children	Monthly Study Rate	NE Rate	Difference Per Child	Total Difference
0 to 5	666	608	436	172	1,374,521
6 to 11	415	699	594	105	523,089
12 and older	418	760	711	49	245,784
	<b>1,499</b>				<b>2,143,394</b>

The costs to adjust the foster care rates to foster parents would be \$2,143,394 annually.

No new costs are associated with the pilot project.

Continuation of the Children’s Commission would cost \$94,000 GF in FY 15 and FY 16, assuming the continuation of the same staffing structure.