

Health and Human Services Committee
LB 179
February 23, 2017

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Good afternoon, Senator Riepe, and members of the Health and Human Services Committee. My name is Doug Weinberg (D-O-U-G W-E-I-N-B-E-R-G) and I am the Director of the Division of Children and Family Services in the Department of Health and Human Services (DHHS).

First, I would like to say that DHHS has a good relationship with the office of Probation. I respect and appreciate all the work they do, and I value our partnership working with the youth in our state. I am here to respectfully oppose LB 179 due to the expansion of current programs that would place an enormous financial burden on the Agency in tough budget times.

LB 179 states that DHHS would need to enter into a Title IV-E interagency agreement for children within the Office of Probation who are placed in out-of-home care; create new eligibility criteria for those entering Bridge to Independence from the Office of Probation; and expand the Medical Assistance Program for those young adults entering Bridge to Independence from the Office of Probation.

Since LB 216 was passed in 2013 to start the Bridge to Independence program, the State of Nebraska implemented new foster care rates. The increase in the foster care rates resulted in a considerable increase to the stipend that the young Bridge to Independence adult receives each month, which is over double the amount that was originally indicated in the fiscal note for LB 216. Since the inception of the Bridge to Independence program the IV-E claimable penetration rate has averaged 15%. Of the young adults who are currently eligible for Bridge to Independence on average, 85% of those young adults enter the program. The rate of eligibility for federal funding has not been as high as anticipated for this program. DHHS is not in a financial position to enter into an inter-agency agreement to expand services using Title IV-E funds.

DHHS is the only agency approved by the U.S. Administration for Children and Families (ACF) to utilize IV-E funding. DHHS must have approval from ACF on any modifications made to the IV-E State Plan Amendment (SPA), before implementation of any changes occur. Without ACF approval of the IV-E SPA, DHHS will be unable to draw down IV-E funds for this population and will have to rely on 100% state general funds. If approval of a SPA is received, Probation will be responsible for providing information as requested by DHHS to determine eligibility in order to draw down IV-E funds for this population.

This bill also impacts Medicaid by optionally expanding the program, increasing costs and enrollment. Any youth determined eligible under IV-E is also automatically Medicaid eligible. Opening up the IV-E plan to include youth on probation may also increase the amount of Medicaid enrollees. Youth found eligible for extended benefits under the Bridge to Independence program who are also IV-E eligible will receive Medicaid while in Bridge to Independence, which would increase Medicaid enrollees.

Youth who are not eligible in Bridge to Independence under IV-E could have eligibility determined under a Reasonable Classification category. These youth must also meet the criteria outlined in the bill starting on page 10, line 28 through page 11 line 2 as well as Medicaid eligibility and income guidelines. A Medicaid State Plan Amendment would be required to create a new, optional, Reasonable Classification category. Extending IV-E eligibility to youth in probation would also extend eligibility in the Former Foster Care category to any IV-E eligible youth who ages out of probation. This medical assistance would continue without regard to income until the youth turns 26.

I'm happy to answer any questions you may have.