BILL ANALYSIS

Senate Research Center

S.B. 1896 By: Kolkhorst Health & Human Services 6/11/2021 Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law does not address the findings of the *M.D. vs. Abbott* child foster care lawsuit nor does current law require a quality placement for every child in foster care. Further, current law does not adequately address best contracting practices, procurement and performance measures for Community Based Care (CBC), expanded capacity needs, flexibility to build capacity, or how to transition to Family First Prevention Services Act (FFPSA) services and supports.

S.B. 1896 requires the Department of Family and Protective Services to find a placement for every child, address needed improvements in CBC implementation, expand capacity for foster child placement, and improve the safety and quality of care for children in the foster care system. The bill also directs a transition for FFPSA services and supports.

(Original Author's/Sponsor's Statement of Intent)

S.B. 1896 amends current law relating to the provision of health and human services by the Department of Family and Protective Services and the Health and Human Services Commission.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Health and Human Services Commission in SECTION 9 (Section 264.157, Family Code) of this bill.

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 20 (Section 42.0433, Human Resources Code), SECTION 21 (Section 42.0538, Human Resources Code), SECTION 24 (Section 42.256, Human Resources Code), and SECTION 25 (Section 43.0081, Human Resources Code) of this bill

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter E, Chapter 263, Family Code, by adding Section 263.409, as follows:

Sec. 263.409. FINAL NOTIFICATION OF BENEFITS RELATED TO KINSHIP VERIFICATION. Requires a court, before the court enters a final order naming a relative or another adult with a longstanding and significant relationship with a foster child as the permanent managing conservator for the child, to verify that:

- (1) the individual was offered the opportunity to become verified by a licensed child-placing agency to qualify for permanency care assistance benefits under Subchapter K (Permanency Care Assistance Program), Chapter 264 (Child Welfare Services), and the individual declined the verification process and the permanency care assistance benefits; and
- (2) the child-placing agency conducting the verification for the individual's permanency care assistance benefits has been notified of the individual's decision to decline the permanency care assistance benefits.

SECTION 2. Amends Section 264.107(g), Family Code, to authorize an employee of the Department of Family and Protective Services (DFPS) or the single source continuum contractor, rather than an employee of DFPS, who has on file with DFPS or the contractor, as applicable, a background and criminal history check, if DFPS or the contractor is unable to find an appropriate placement for a child, to provide temporary emergency care for the child. Makes conforming changes.

SECTION 3. Amends Subchapter B, Chapter 264, Family Code, by adding Sections 264.1071 and 264.1073, as follows:

Sec. 264.1071. OFFICE STAYS PROHIBITED. Prohibits DFPS from allowing a child to stay overnight in a DFPS office.

Sec. 264.1073. TREATMENT FOSTER CARE. Requires DFPS and single source continuum contractors to:

- (1) lessen employment restrictions to allow single parents to participate in treatment foster care, when quality care is assured;
- (2) expand the eligible age for treatment foster care to include children 10 years of age or older;
- (3) prepare and plan for the subsequent placement not later than the 30th day after a child is placed in treatment foster care to assist in the transition to the least restrictive placement; and
- (4) extend the length of time for a treatment foster care placement.

SECTION 4. Amends Subchapter B, Chapter 264, Family Code, by adding Section 264.117, as follows:

- Sec. 264.117. MENTORS FOR FOSTER CHILDREN. (a) Requires DFPS and each single source continuum contractor in this state, in collaboration with local governmental entities and faith- and community-based organizations, to examine the feasibility of designing a volunteer mentor program for children in congregate care settings.
 - (b) Requires DFPS, not later than December 31, 2022, to report its findings and recommendations for establishing a mentor program to the legislature.
 - (c) Provides that this section expires September 1, 2023.

SECTION 5. (a) Amends Section 264.1261, Family Code, by adding Subsections (b-1), (b-2), (b-3), and (b-4), as follows:

- (b-1) Requires the Health and Human Services Commission (HHSC) in collaboration with DFPS and each single source continuum contractor in this state, notwithstanding Section 264.0011 (Reference to Executive Commissioner or Commission), to develop a plan to increase the placement capacity in each catchment area of the state with the goal of eliminating the need to place a child outside of the child's community. Requires HHSC, in developing the plan, to evaluate whether contracting for additional capacity at residential treatment centers, facilities that provide mental inpatient or outpatient beds for crisis intervention and stabilization purposes only for children with severe behavioral health or mental health needs, and other potential temporary placement options provides the best methods for meeting capacity shortages, and to make a recommendation to DFPS regarding contracting for additional capacity.
- (b-2) Requires that a plan developed under Subsection (b-1) that includes the use of an inpatient or outpatient mental health facility require the facility to discharge a child placed in the facility not later than 72 hours after the treating health care

provider determines it is not medically necessary for the child to remain in the facility.

- (b-3) Requires that the plan developed under Subsection (b-1) include information and contingency plans to ensure adequate capacity in other facilities to meet placement needs when a facility is placed on probation.
- (b-4) Requires DFPS and each single source continuum contractor to contract with facilities for reserve beds to ensure DFPS is authorized to place each child in a facility if capacity is otherwise unavailable.
- (b) Repealer: Section 264.1261(a) (relating to the definition of "community-based foster care"), Family Code, as added by Chapter 822 (H.B. 1549), Acts of the 85th Legislature, Regular Session, 2017.

Repealer: Section 264.1261(b) (relating to requiring certain appropriate DFPS management personnel to use data collected by DFPS on foster care capacity needs and availability to create a plan to address the substitute care capacity needs in certain regions), Family Code, as added by Chapter 822 (H.B. 1549), Acts of the 85th Legislature, Regular Session, 2017.

SECTION 6. Amends Section 264.152(4), Family Code, to redefine "community-based care" for Subchapter B-1 (Community Based-Care).

SECTION 7. Amends Section 264.154, Family Code, by amending Subsection (a) and adding Subsection (c), as follows:

- (a) Requires an entity, to enter into a contract with HHSC or DFPS to serve as a single source continuum contractor to provide services under Subchapter B-1, rather than to provide foster care service delivery, to be:
 - (1) a nonprofit entity that has:
 - (A) creates this paragraph from existing text and makes a nonsubstantive change; and
 - (B) a majority of the entity's board members residing in this state; or
 - (2) creates this subdivision from existing text and makes no further changes.

Makes nonsubstantive changes.

- (c) Requires DFPS to request local stakeholders in a catchment area, including those listed in Section 264.155(a)(8) (relating to requiring that a contract with a single source continuum contractor to provide community-based care services in a catchment area include provisions requiring the contractor to provide certain preliminary and ongoing community engagement plans) to provide any necessary information about the catchment area that will assist DFPS in:
 - (1) preparing DFPS's request for bids, proposals, or other applicable expressions of interest to provide community-based care in the catchment area; and
 - (2) selecting a single source continuum contractor to provide community-based care in the catchment area.

SECTION 8. Amends Section 264.155, Family Code, as follows:

Sec. 264.155. REQUIRED CONTRACT PROVISIONS. (a) Creates this subsection from existing text and makes no further changes.

- (b) Provides that a contract with a single source continuum contractor under Subchapter B-1 is required to be consistent with the requirements of applicable law and is authorized to only include terms authorized by the laws or rules of this state.
- (c) Authorizes a contractor, in regions identified for implementing community-based care and in regions where community-based care has been implemented, to apply to DFPS for a waiver from any statutory and regulatory requirement to increase innovation and flexibility for achieving contractual performance outcomes.

SECTION 9. Amends Sections 264.157(a), (b), and (c), Family Code, as follows:

- (a) Requires DFPS, not later than the last day of the state fiscal biennium, rather than not later than December 31, 2019, to:
 - (1) identify the catchment areas in the state where DFPS will implement community-based care, rather than identify not more than eight catchment areas in the state that are best suited to implement community-based care; and
 - (2) following the implementation of community-based care services in those catchment areas, retain an entity based in this state that is independent of DFPS to conduct an evaluation of the implementation process, rather than evaluate the implementation process, and the single source continuum contractor performance in each catchment area.

Makes a nonsubstantive change.

(b) Requires DFPS, notwithstanding the process for the expansion of community-based care described in Subsection (a), to accept and evaluate unsolicited proposals from entities based in this state to provide community-based care services in a geographic service area where DFPS has not implemented community-based care. Requires an entity that submits a proposal to provide community-based care services to ensure that it meets all criteria outlined by Subchapter B-1 and to demonstrate established connections to the area the entity proposes to serve. Requires HHSC in conjunction with DFPS to adopt rules to ensure that proposals submitted under this subsection comply with state procurement laws and rules.

Deletes existing text requiring DFPS, notwithstanding the process for the expansion of community-based care described in Subsection (a), and in accordance with the community-based care implementation plan developed under Section 264.153 (Community-Based Care Implementation Plan), beginning September 1, 2017, to begin accepting applications from entities to provide community-based care services in a designated catchment area.

(c) Authorizes DFPS, in expanding community-based care, to, among other actions, enable satisfactory unsolicited proposals for community-based care services to be accepted and implemented.

SECTION 10. Amends Section 264.158, Family Code, by adding Subsection (d), to provide that a single source continuum contractor is authorized to implement its own procedures to execute the statutory duties of DFPS the contractor assumes and is not required to follow DFPS's procedures to execute the assumed DFPS duties.

SECTION 11. Amends Section 264.159, Family Code, as follows:

Sec. 264.159. DATA ACCESS AND STANDARDS GOVERNANCE COUNCIL. (a) Requires DFPS to create a data access and standards governance council to develop protocols for the interoperable electronic transfer of data from single source continuum

contractors to DFPS to allow the contractors to perform case management functions and additional contracted services by DFPS.

- (b) Requires the council to develop protocols for the access, management, and security of case data that is electronically shared between a single source continuum contractor and DFPS, rather than shared by a single source continuum contractor with DFPS.
- (c) Requires the council to develop protocols for the access, management, and security of data shared with an independent entity retained to conduct the independent evaluations required under Subchapter B-1. Requires that the protocols ensure the entity has full, unrestricted access to all relevant data necessary to perform an evaluation.
- (d) Provides that the council consists of single source continuum contractors with active contracts and DFPS employees who provide data, legal, information technology, and child protective services. Requires the council to meet at least quarterly during each calendar year.

SECTION 12. Amends Subchapter B-1, Chapter 264, Family Code, by adding Sections 264.171 and 264.172, as follows:

- Sec. 264.171. JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON COMMUNITY-BASED CARE TRANSITION. (a) Defines, notwithstanding Section 264.0011, "commission," "committee," and "department."
 - (b) Provides that the Joint Legislative Oversight Committee on Community-Based Care Transition (committee) is composed of six voting members as follows:
 - (1) three members of the Texas Senate (senate), appointed by the lieutenant governor; and
 - (2) three members of the Texas House of Representatives (house), appointed by the speaker of the house.
 - (c) Requires the lieutenant governor and speaker of the house to each appoint a member described by Subsection (b)(1) or (2), respectively, to serve as joint chairs of the committee.
 - (d) Requires the committee to meet at the call of the joint chairs and authorizes the committee to consider public testimony.
 - (e) Authorizes the committee to employ persons necessary to carry out this section through funds made available by the legislature.
 - (f) Requires the committee to monitor and report to the legislature on the following related to the implementation of community-based care:
 - (1) the funding of community-based care;
 - (2) the performance and outcomes of community-based care statewide and by region;
 - (3) statutory or regulatory barriers to the successful implementation of community-based care; and
 - (4) other challenges to the successful implementation of community-based care.

- (g) Authorizes the committee to request any relevant information from HHSC, DFPS, or another relevant state agency, and requires HHSC, DFPS, or the agency to comply with the request, unless the provision of the information is prohibited by state or federal law.
- (h) Requires the committee, not later than January 1 of each odd-numbered year, to submit a written report of the committee's findings and recommendations to the governor, the lieutenant governor, the speaker of the house, and each member of the standing committees of the senate and house having primary jurisdiction over child welfare issues.
- (i) Requires the committee to monitor the continued implementation of community-based care and hold public hearings to receive comments from the public on the implementation of community-based care.

Sec. 264.172. OFFICE OF COMMUNITY-BASED CARE TRANSITION. (a) Defines "department" and "office."

- (b) Provides that the Office of Community-Based Care Transition (office) is a state agency independent of but administratively attached to DFPS.
- (c) Requires the office to:
 - (1) assess catchment areas in this state where community-based care services are authorized to be implemented;
 - (2) develop a plan for implementing community-based care in each catchment area in this state, including the order in which community-based care will be implemented in each catchment area and a timeline for implementation;
 - (3) evaluate community-based care providers;
 - (4) contract, on behalf of DFPS, with community-based care providers to provide services in each catchment area in this state;
 - (5) measure contract performance of community-based care providers;
 - (6) provide contract oversight of community-based care providers;
 - (7) report outcomes of community-based care providers;
 - (8) identify the employees and other resources to be transferred to the community-based care provider to provide the necessary implementation, case management, operational, and administrative functions and outline the methodology for determining the employees and resources to be transferred;
 - (9) create a risk-sharing funding model that strategically and explicitly balances financial risk between this state and the community-based care provider and mitigates the financial effects of significant unforeseen changes in the community-based care provider's duties or the population of the region it serves; and
 - (10) require the annual review and adjustment of the funding based on updated cost and finance methodologies, including changes in policy, foster care rates, and regional service usage.

- (d) Requires DFPS to provide any administrative support the office needs, and requires DFPS and HHSC to provide access to any information and legal counsel the office requires to implement community-based care.
- (e) Requires the governor to appoint the director of the office to serve in that capacity at the pleasure of the governor. Provides that the director reports directly to the governor.
- (f) Requires the office to report to the legislature at least once each calendar quarter regarding the implementation of community-based care in the state.
- (g) Provides that a provision of Subchapter B-1 applicable to DFPS with respect to any duty assigned by this section to the office applies to the office in the same manner as the provision would apply to DFPS.
- (h) Provides that, except as otherwise provided by this section, DFPS retains the powers and duties provided by Subchapter B-1 to DFPS.
- (i) Provides that the office is abolished and this section expires on the date that community-based care is implemented in the last DFPS region in this state.

SECTION 13. (a) Amends Subchapter A, Chapter 533, Government Code, by adding Sections 533.00521 and 533.00522, as follows:

Sec. 533.00521. STAR HEALTH PROGRAM: HEALTH CARE FOR FOSTER CHILDREN. (a) Requires HHSC to annually evaluate the use of benefits under the Medicaid program in the STAR Health program offered to children in foster care and provide recommendations to DFPS and each single source continuum contractor in this state to better coordinate the provision of health care and use of those benefits for children in foster care.

- (b) Requires HHSC, in conducting the evaluation required under Subsection (a), to:
 - (1) collaborate with residential child-care providers regarding any unmet needs of children in foster care and the development of capacity for providing quality medical, behavioral health, and other services for children in foster care; and
 - (2) identify options to obtain federal matching funds under the Medical Assistance Program to pay for a safe home-like or community-based residential setting for a child in the conservatorship of DFPS:
 - (A) who is identified or diagnosed as having a serious behavioral or mental health condition that requires intensive treatment;
 - (B) who is identified as a victim of serious abuse or serious neglect;
 - (C) for whom a traditional substitute care placement contracted for or purchased by DFPS is not available or would further denigrate the child's behavioral or mental health condition; or
 - (D) for whom DFPS determines a safe home-like or community-based residential placement could stabilize the child's behavioral or mental health condition in order to return the child to a traditional substitute care placement.

- (c) Requires HHSC to report its findings to the standing committees of the senate and house having jurisdiction over DFPS.
- Sec. 533.00522. STAR HEALTH PROGRAM: MENTAL HEALTH PROVIDERS. Requires that a contract between a Medicaid managed care organization and HHSC for the organization to provide health care services to recipients under the STAR Health program require the organization to ensure the organization maintains a network of mental and behavioral health providers, including child psychiatrists and other appropriate providers, in all DFPS regions in this state, regardless of whether community-based care has been implemented in any region.
- (b) Provides that the changes in law made by this section apply only to a contract for the provision of health care services under the STAR Health program between HHSC and a Medicaid managed care organization under Chapter 533 (Medicaid Managed Care Program), Government Code, that is entered into, renewed, or extended on or after the effective date of this section.
- (c) Provides that, if before implementing Section 533.00522, Government Code, as added by this section, HHSC determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the health and human services agency affected by the provision is required to request the waiver or authorization and is authorized to delay implementing that provision until the waiver or authorization is granted.
- SECTION 14. Amends Section 2155.089(c), Government Code, to provide that Section 2155.089 (Reporting Vendor Performance) does not apply to a child-specific contract entered into by DFPS for a child without placement. Makes nonsubstantive changes.
- SECTION 15. Amends Section 2155.144(a), Government Code, to provide that Section 2155.144 (Procurements by Health and Human Services Agencies) applies only to certain entities, including DFPS. Provides that, for the purposes of Section 2155.144, DFPS is considered a health and human services agency. Makes a nonsubstantive change.
- SECTION 16. Amends Subchapter C, Chapter 40, Human Resources Code, by adding Section 40.05291, as follows:
 - Sec. 40.05291. ELECTRONIC CASE MANAGEMENT SYSTEM. (a) Requires DFPS to develop a plan to eliminate DFPS's use of paper case files and fully transition to an electronic case management system.
 - (b) Requires DFPS to implement a fully electronic case management system not later than September 1, 2023.
 - (c) Provides that this section expires September 1, 2025.
- SECTION 17. Amends Subchapter C, Chapter 40, Human Resources Code, by adding Section 40.0583, as follows:
 - Sec. 40.0583. STATE AUDITOR REVIEW OF CONTRACTS. Requires the state auditor to annually review DFPS's performance-based contracts to determine whether DFPS is properly enforcing contract provisions with providers and to provide recommendations for improving DFPS oversight and execution of contracts.
- SECTION 18. Amends Subchapter C, Chapter 40, Human Resources Code, by adding Section 40.081, as follows:
 - Sec. 40.081. IMPLEMENTATION OF FEDERAL LAW. (a) Requires DFPS, in furtherance of DFPS duties under Section 40.002(d) (relating to requiring DFPS to

cooperate with certain federal and state agencies to the extent necessary to qualify for federal assistance in the delivery of services), to the greatest extent possible to develop capacity for placement settings that are eligible for federal financial participation under 42 U.S.C. Section 672, including settings:

- (1) specializing in providing prenatal, postpartum, or parenting support for youth;
- (2) providing high-quality residential care and supportive services to children and youth who this state has reasonable cause to believe are, or who are at risk of being, sex trafficking victims in accordance with 42 U.S.C. Section 671(a)(9)(C);
- (3) providing supervised independent living for young adults;
- (4) offering residential family-based substance abuse treatment as described by 42 U.S.C. Section 672(j); and
- (5) serving as a qualified residential treatment program.
- (b) Requires DFPS, in developing capacity for settings described by Subsection (a)(2), to:
 - (1) promote the use of nationally recognized tools such as the Commercial Sexual Exploitation-Identification Tool (CSE-IT) and any other indicated treatment models or best practices for the treatment and prevention of sex trafficking victimization; and
 - (2) use providers that:
 - (A) use a trauma-informed care model;
 - (B) have defined programming to address the specific needs of trafficking survivors and youth at risk of trafficking;
 - (C) have leadership and direct-care staff who have completed training regarding the specific needs of trafficking survivors and youth at risk of trafficking;
 - (D) have established policies and procedures to minimize risk to a child who is a victim of trafficking placed with the provider and other children placed with the provider, including risks related to running away from the placement or becoming a victim of trafficking; and
 - (E) provide case management services or contract with an entity in the geographic area of the provider to provide case management services to trafficking victims or potential victims.

SECTION 19. Amends Subchapter B, Chapter 42, Human Resources Code, by adding Section 42.026, as follows:

Sec. 42.026. ACCESS TO DATABASE. (a) Requires HHSC to make the child-care licensing division's searchable database accessible to HHSC and DFPS investigators.

(b) Requires DFPS to make DFPS's searchable database accessible to HHSC and DFPS investigators.

SECTION 20. Amends Subchapter C, Chapter 42, Human Resources Code, by adding Section 42.0433, as follows:

Sec. 42.0433. SUICIDE PREVENTION, INTERVENTION, AND POSTVENTION PLAN. (a) Defines "postvention."

- (b) Requires the executive commissioner of HHSC (executive commissioner) by rule to adopt a model suicide prevention, intervention, and postvention policy for use by a residential child-care facility. Requires that the model policy:
 - (1) be based on current and best evidence-based practices;
 - (2) require all employees of the facility to receive annual suicide prevention training that includes understanding of safety planning and screening for risk;
 - (3) promote suicide prevention training for non-employee entities, as appropriate; and
 - (4) include procedures to support children who return to the facility following hospitalization for a mental health condition.
- (c) Requires each residential child-care facility to adopt a suicide prevention, intervention, and postvention policy. Authorizes a residential child-care facility to adopt the model policy adopted by the executive commissioner under Subsection (b), or another suicide prevention, intervention, and postvention policy approved by the executive commissioner.
- (d) Authorizes the suicide prevention, intervention, and postvention policy adopted under Subsection (c) to be part of a broader mental health crisis plan if the components of the plan include suicide prevention, intervention, and postvention.
- (e) Requires HHSC to provide to a residential child-care facility any technical assistance necessary to adopt or implement a suicide prevention, intervention, and postvention policy.

SECTION 21. Amends Subchapter C, Chapter 42, Human Resources Code, by adding Sections 42.0538 and 42.0583, as follows:

Sec. 42.0538. PROVISIONAL LICENSE FOR KINSHIP PROVIDER. (a) Requires the executive commissioner by rule to allow a child-placing agency to issue a provisional license for a kinship provider, as defined by Section 264.851 (Definitions), Family Code, who meets the basic safety requirements provided by HHSC rule. Requires a kinship provider issued a provisional license under this section to complete all licensing requirements within the time provided by rule.

(b) Requires the executive commissioner to ensure that the implementation of this section does not reduce the amount of federal money available to this state.

Sec. 42.0583. IDENTIFYING AT-RISK PROVIDERS. (a) Requires DFPS to use data analytics collected regarding residential child-care providers, including general residential operations providing treatment services to young adults with emotional disorders, to develop an early warning system to identify at-risk providers most in need of technical support and to promote corrective actions and minimize standard violations.

(b) Requires that the system developed under Subsection (a) distinguish between different levels of risk using a multi-point severity scale. Requires DFPS to make information regarding the severity scale available to the standing committees of the senate and the house with oversight of child-care facilities and to the public through DFPS's Internet website.

SECTION 22. Amends Subchapter D, Chapter 42, Human Resources Code, by adding Section 42.080, as follows:

Sec. 42.080. DISCIPLINARY ACTION PROHIBITED. Prohibits HHSC from issuing a citation to or taking any other disciplinary action against a general residential operation or a child-placing agency for failing to employ a licensed child-care administrator or licensed child-placing administrator, as appropriate, if the operation or agency has been without an administrator for less than 60 days and has made substantial efforts to hire a qualified administrator.

SECTION 23. Amends Section 42.252(c), Human Resources Code, to require that the proposed operational plan required as part of the application for a license to operate a general residential operation include a suicide prevention, intervention, and postvention plan that meets the requirements of Section 42.0433. Makes nonsubstantive changes.

SECTION 24. Amends Subchapter H, Chapter 42, Human Resources Code, by adding Sections 42.2541, 42.256, 42.257, 42.258, 42.259, and 42.260, as follows:

Sec. 42.2541. IMPROVING EDUCATION SERVICES FOR CHILDREN. (a) Requires DFPS to develop a strategic plan for improving the provision of educational services to children placed in a general residential operation.

- (b) Requires DFPS to report to the Texas Education Agency (TEA) the educational outcomes for children placed in a general residential operation.
- (c) Requires DFPS and TEA to annually evaluate the educational outcomes for children placed in a general residential operation and adopt strategies and policies to improve the outcomes and standards.

Sec. 42.256. TREATMENT MODEL. (a) Requires each general residential operation providing treatment services, on issuance of an initial or renewal license under Chapter 42 (Regulation of Certain Facilities, Homes, and Agencies That Provide Child-Care Services), to submit to HHSC information on the operation's treatment model. Requires a general residential operation that contracts with DFPS to provide residential care for children in foster care to submit information on the operation's treatment model to DFPS on execution and renewal of a contract.

- (b) Requires the operation to annually evaluate the overall effectiveness of the model adopted under this section.
- (c) Requires that the treatment model address all aspects related to children's care, including children's therapeutic needs. Requires that the model include:
 - (1) the manner in which treatment goals will be individualized and identified for each child;
 - (2) the method the operation will use to measure the effectiveness of each treatment goal for the child;
 - (3) the actions the operation will take if the treatment goals are not met; and
 - (4) the method the operation will use to monitor and evaluate the effectiveness of the treatment model.
- (d) Authorizes a general residential operation to change a treatment model adopted under this section after notifying HHSC of the change and submitting the new treatment model to HHSC.

- (e) Authorizes the executive commissioner to adopt rules to implement this section.
- (f) Requires the general residential operation to adopt policies and procedures to implement the treatment model.

Sec. 42.257. EVALUATION OF PLACEMENTS. (a) Requires a general residential operation that considers accepting a child's placement with the operation to evaluate the proposed placement on the following criteria:

- (1) whether the child meets the operation's admission criteria;
- (2) whether the child would benefit from the treatment model implemented at the operation; and
- (3) whether the operation has the staff and resources to meet the child's needs considering the other children at the operation and the other children's needs.
- (b) Requires a general residential operation to ensure that the evaluation under Subsection (a) does not delay the timely placement of a child.

Sec. 42.258. LIMIT ON PLACEMENTS FOR NEW FACILITY. Requires that the contract, if DFPS or a single source continuum contractor contracts with a general residential operation providing treatment services to place children with the operation before the operation is licensed, limit the number of children that are authorized to be placed at the operation each month and limit the number of children with a service level of specialized, intense, or intense plus until the operation exhibits sustained compliance with the licensing standards.

Sec. 42.259. TRANSITION PLANS. Requires a general residential operation to develop a transition plan for each child who has been placed at the operation for longer than six months.

Sec. 42.260. TELEHEALTH PILOT PROGRAM. Requires HHSC in coordination with DFPS and single source continuum contractors to establish guidelines in the STAR Health program to improve the use of telehealth services to provide and enhance mental health and behavioral health care for children placed in the managing conservatorship of the state.

SECTION 25. Amends Section 43.0081, Human Resources Code, as follows:

Sec. 43.0081. PROVISIONAL LICENSE. (a) Authorizes HHSC, rather than DFPS, to issue a provisional child-care administrator's license to:

- (1) an applicant licensed in another state who applies for a license in this state if the applicant:
 - (A) creates this paragraph from existing text and makes conforming and nonsubstantive changes;
 - (B) has passed a national or other examination recognized by HHSC, rather than by DFPS, that demonstrates competence in the field of child-care administration; and
 - (C) is sponsored by a person licensed by HHSC, rather than by DFPS, under Chapter 43 (Regulation of Child-Care and Child-Placing Agency Administrators) with whom the provisional license holder is authorized to practice under this section; and

(2) an applicant who:

- (A) otherwise qualifies for a license but does not meet the experience requirement in Section 43.004(a)(4) (relating to requiring a person to have one year of full-time experience in management or supervision of child-care personnel and programs to be eligible for a child-care administrator's license); and
- (B) complies with an additional requirement established by rule under Subsection (e).

Makes nonsubstantive changes.

- (b) Authorizes HHSC to waive the requirement of Subsection (a)(1)(C) for an applicant if HHSC determines that compliance with that paragraph constitutes a hardship to the applicant. Makes conforming changes.
- (c) Provides that a provisional license under Subsection (a)(1) is valid until the date HHSC approves or denies the provisional license holder's application for a license. Requires HHSC to issue a license under Chapter 43 to the provisional license holder described by Subsection (a)(1) if certain conditions are met. Makes conforming changes.
- (d) Requires HHSC, for a provisional license holder described by Subsection (a)(1), to complete the processing of a provisional license holder's application for a license not later than the 180th day after the date the provisional license is issued. Makes conforming changes.
- (e) Authorizes the executive commissioner by rule to establish additional requirements for the issuance of a provisional child-care administrator's license under Subsection (a)(2)(A) as the executive commissioner determines appropriate.

SECTION 26. Repealer: Section 264.156(c) (relating to requiring DFPS and HHSC to develop the review process before DFPS is authorized to expand community-based care outside of the initial catchment areas where community-based care has been implemented), Family Code.

Repealer: Section 264.169 (Pilot Program for Family-Based Safety Services), Family Code.

Repealer: Section 40.0581(f) (relating to the inapplicability of Section 40.0581 (Performance Measures For Certain Service Provider Contracts) to a provider that has entered into a contract with HHSC to provide certain family-based safety services), Human Resources Code.

- SECTION 27. (a) Requires HHSC, in collaboration with DFPS, to review the Centers for Medicare and Medicaid Services' Integrated Care for Kids (InCK) Model to determine whether implementing the model could benefit children in this state, including children enrolled in the STAR Health Medicaid managed care program.
 - (b) Requires HHSC, not later than December 1, 2022, to report its findings to the governor and legislature.
 - (c) Provides that this section expires September 1, 2023.

SECTION 28. Requires the executive commissioner, not later than July 1, 2022, to adopt the model suicide prevention, intervention, and postvention policy required by Section 42.0433, Human Resources Code, as added by this Act.

SECTION 29. Requires DFPS, not later than December 1, 2022, to provide the legislature with options for conducting independent administrative reviews of DFPS investigations of licensed residential child-care facilities and independent appeals of determinations from those investigations.

SECTION 30. (a) Requires DFPS to study extending permanency care assistance benefits to individuals who are not relatives of a foster child and who do not have a longstanding and significant relationship with the foster child before the child enters foster care and to assess the potential impact and favorable permanency outcomes for children who might otherwise remain in foster care for long periods or have managing conservatorship of the child transferred without any benefits to the caregiver.

- (b) Requires DFPS, not later than December 31, 2022, to submit a report to the legislature on the results of the study and assessment conducted under this section and recommendations for further action based on the study and assessment.
- (c) Provides that this section expires September 1, 2023.

SECTION 31. Requires DFPS, not later than January 1, 2025, to transition the family-based safety services program to evidenced-based programs under the Family First Prevention Services Act (Title VII, Div. E, Pub. L. No. 115-123), to develop an implementation plan for the transition of services, and to develop community referrals to existing prevention and early intervention programs.

SECTION 32. Requires the executive commissioner to adopt minimum standards related to continuum-of-care operations, cottage home operations, and specialized child-care homes as provided by Section 42.042 (Rules and Standards), Human Resources Code, as amended by Chapter 317 (H.B. 7), Acts of the 85th Legislature, Regular Session, 2017, as soon as practicable after the effective date of this Act but not later than January 1, 2024.

SECTION 33. Requires HHSC and DFPS to jointly evaluate the Consolidated Appropriations Act, 2021 (Pub. L. 116-260), to determine methods for maximizing this state's receipt of federal funds to provide foster youth transition planning to adulthood and additional services for foster youth and young adults in extended foster care.

SECTION 34. (a) Requires the governor, as soon as practicable after the effective date of this Act but not later than October 15, 2021, to appoint the director of the office as required by Section 264.172, Family Code, as added by this Act.

(b) Requires DFPS, as soon as practicable after the effective date of this Act, to transfer all money, contracts, leases, property, and obligations related to the powers and duties of the office to that office.

SECTION 35. Provides that the office, DFPS, and HHSC are required to implement this Act only if the legislature appropriates money specifically for that purpose. Provides that, if the legislature does not appropriate money specifically for that purpose, the office, DFPS, and HHSC are authorized, but are not required, to implement this Act using other appropriations available for the purpose.

SECTION 36. Effective date: upon passage or September 1, 2021.