1		AN .	ACT 1	relating to health and welfare and declaring an emergency.			
2	Be it enacted by the General Assembly of the Commonwealth of Kentucky:						
3		Section 1. KRS 205.592 is amended to read as follows:					
4	[Beg	ginnin	g Oct	ober 1, 1990,]Pregnant women, new mothers up to twelve (12) months			
5	<u>post</u>	partu	<u>n,</u> an	d children up to age one (1) shall be eligible for participation in the			
6	Ken	tucky	Medio	cal Assistance Program if:			
7	(1)	They	y have	e family income up to but not exceeding one hundred and eighty-five			
8		perc	ent (1	85%) of the nonfarm income official poverty guidelines as promulgated			
9		by tl	ne De	partment of Health and Human Services of the United States as revised			
10		annu	ally; a	and			
11	(2)	They	are c	therwise eligible for the program.			
12		⇒S	ection	2. If the Cabinet for Health and Family Services or the Department for			
13	Med	licaid	Servi	ces determines that a waiver or any other authorization from a federal			
14	ager	ncy is	neces	sary prior to the implementation of Section 1 of this Act, the cabinet or			
15	depa	artmen	ıt shal	l, within 90 days after the effective date of this Act, request the waiver or			
16	auth	orizat	ion ar	nd shall only delay full implementation of Section 1 of this Act until the			
17	waiv	ver or	author	rization is granted.			
18		⇒S	ection	3. KRS 625.090 is amended to read as follows:			
19	(1)	The	Circu	it Court may involuntarily terminate all parental rights of a parent of a			
20		nam	ed ch	ild, if the Circuit Court finds from the pleadings and by clear and			
21		conv	vincing	g evidence that:			
22		(a)	1.	The child has been adjudged to be an abused or neglected child, as			
23				defined in KRS 600.020(1), by a court of competent jurisdiction;			
24			2.	The child is found to be an abused or neglected child, as defined in KRS			
25				600.020(1), by the Circuit Court in this proceeding;			
26			3.	The child is found to have been diagnosed with neonatal abstinence			
27				syndrome at the time of birth, unless his or her birth mother:			

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1				a.	Was prescribed and properly using medication for a legitimate
2					medical condition as directed by a health care practitioner that may
3					have led to the neonatal abstinence syndrome;[or]
4				b.	Is currently, or within ninety (90) days after the birth, enrolled in
5					and maintaining substantial compliance with both a substance
6					abuse treatment or recovery program and a regimen of prenatal
7					care or postnatal care as recommended by her health care
8					practitioner throughout the remaining term of her pregnancy or the
9					appropriate time after her pregnancy; or
10				с.	In the absence of a prescription for the treatment of a legitimate
11					medical condition, agrees, prior to discharge from the hospital,
12					to participate in a court-ordered assessment by a drug treatment
13					provider and the assigning of a certified peer support specialist
14					for referral to appropriate treatment, and agrees to participate in
15					treatment which shall commence within ninety (90) days after
16					the birth; or
17			4.	The	parent has been convicted of a criminal charge relating to the
18				phys	ical or sexual abuse or neglect of any child and that physical or
19				sexu	al abuse, neglect, or emotional injury to the child named in the
20				pres	ent termination action is likely to occur if the parental rights are not
21				term	inated;
22		(b)	The	Cabir	net for Health and Family Services has filed a petition with the court
23			purs	uant t	o KRS 620.180; and
24		(c)	Terr	ninati	on would be in the best interest of the child.
25	(2)	No t	ermir	nation	of parental rights shall be ordered unless the Circuit Court also finds
26		by c	lear a	nd co	nvincing evidence the existence of one (1) or more of the following
27		grou	inds:		

1	(a)	That the parent has abandoned the child for a period of not less than ninety
2		(90) days;
3	(b)	That the parent has inflicted or allowed to be inflicted upon the child, by other
4		than accidental means, serious physical injury;
5	(c)	That the parent has continuously or repeatedly inflicted or allowed to be
6		inflicted upon the child, by other than accidental means, physical injury or
7		emotional harm;
8	(d)	That the parent has been convicted of a felony that involved the infliction of
9		serious physical injury to any child;
10	(e)	That the parent, for a period of not less than six (6) months, has continuously
11		or repeatedly failed or refused to provide or has been substantially incapable
12		of providing essential parental care and protection for the child and that there
13		is no reasonable expectation of improvement in parental care and protection,
14		considering the age of the child;
15	(f)	That the parent has caused or allowed the child to be sexually abused or
16		exploited;
17	(g)	That the parent, for reasons other than poverty alone, has continuously or
18		repeatedly failed to provide or is incapable of providing essential food,
19		clothing, shelter, medical care, or education reasonably necessary and
20		available for the child's well-being and that there is no reasonable expectation
21		of significant improvement in the parent's conduct in the immediately
22		foreseeable future, considering the age of the child;
23	(h)	That:
24		1. The parent's parental rights to another child have been involuntarily
25		terminated;
26		2. The child named in the present termination action was born subsequent
27		to or during the pendency of the previous termination; and

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1			3. The conditions or factors which were the basis for the previous
2			termination finding have not been corrected;
3		(i)	That the parent has been convicted in a criminal proceeding of having caused
4			or contributed to the death of another child as a result of physical or sexual
5			abuse or neglect;
6		(j)	That the child has been in foster care under the responsibility of the cabinet
7			for fifteen (15) cumulative months out of forty-eight (48) months preceding
8			the filing of the petition to terminate parental rights; or
9		(k)	That the child has been removed from the biological or legal parents more
10			than two (2) times in a twenty-four (24) month period by the cabinet or a
11			court.
12	(3)	In d	etermining the best interest of the child and the existence of a ground for
13		term	ination, the Circuit Court shall consider the following factors:
14		(a)	Mental illness as defined by KRS 202A.011(9), or an intellectual disability as
15			defined by KRS 202B.010(9) of the parent as certified by a qualified mental
16			health professional, which renders the parent consistently unable to care for
17			the immediate and ongoing physical or psychological needs of the child for
18			extended periods of time;
19		(b)	Acts of abuse or neglect as defined in KRS 600.020(1) toward any child in the
20			family;
21		(c)	If the child has been placed with the cabinet, whether the cabinet has, prior to
22			the filing of the petition made reasonable efforts as defined in KRS 620.020 to
23			reunite the child with the parents unless one or more of the circumstances
24			enumerated in KRS 610.127 for not requiring reasonable efforts have been
25			substantiated in a written finding by the District Court;
26		(d)	The efforts and adjustments the parent has made in his circumstances,
27			conduct, or conditions to make it in the child's best interest to return him to his

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1		home within a re	easonable period of time, considering the age of the child;
2		(e) The physical, er	notional, and mental health of the child and the prospects for
3		the improvement	t of the child's welfare if termination is ordered; and
4		(f) The payment or	the failure to pay a reasonable portion of substitute physical
5		care and mainter	nance if financially able to do so.
6	(4)	If the child has been	placed with the cabinet, the parent may present testimony
7		concerning the reunif	cation services offered by the cabinet and whether additional
8		services would be like	ely to bring about lasting parental adjustment enabling a return
9		of the child to the pare	ent.
10	(5)	If the parent proves	by a preponderance of the evidence that the child will not
11		continue to be an al	bused or neglected child as defined in KRS 600.020(1) if
12		returned to the paren	t the court in its discretion may determine not to terminate
13		parental rights.	
14	(6)	Upon the conclusion of	of proof and argument of counsel, the Circuit Court shall enter
15		findings of fact, conc	lusions of law, and a decision as to each parent-respondent
16		within thirty (30) days	either:
17		(a) Terminating the	right of the parent; or
18		(b) Dismissing the	petition and stating whether the child shall be returned to the
19		parent or shall re	emain in the custody of the state.
20		Section 4. KRS 22	A.190 is amended to read as follows:
21	(1)	The General Assemb	ly respectfully requests that the Supreme Court of Kentucky
22		institute a pilot proje	ct to study the feasibility and desirability of the opening or
23		limited opening of c	ourt proceedings, except for proceedings related to sexual
24		abuse, to the public w	hich are related to:
25		(a) Dependency, ne	glect, and abuse proceedings under KRS Chapter 620; and
26		(b) Termination of J	parental rights proceedings under KRS Chapter 625.
27	(2)	(a) The pilot proje	ct may be established in a minimum of three (3) diverse

1			judic	cial districts or judicial circuits or a division or divisions thereof chosen
2			by th	ne Chief Justice.
3		(b)	A p	ilot project authorized by this subsection shall not be established in a
4			judic	cial district or judicial circuit or a division thereof when objected to by the
5			appl	icable judge or county attorney.
6	(3)	The	pilot j	project shall:
7		(a)	Requ	uire participating courts to be presumptively open;
8		(b)	Last	for four (4) years, unless extended or limited by the General Assembly;
9			and	
10		(c)	Be r	monitored and evaluated by the Administrative Office of the Courts to
11			deter	rmine:
12			1.	Whether there are adverse effects resulting from the opening of certain
13				proceedings or release of records;
14			2.	Whether the pilot project demonstrates a benefit to the litigants;
15			3.	Whether the pilot project demonstrates a benefit to the public;
16			4.	Whether the pilot project supports a determination that such proceedings
17				should be presumptively open;
18			5.	Whether the pilot project supports a determination that such proceedings
19				should be closed;
20			6.	How open proceedings under the pilot project impact the child;
21			7.	The parameters and limits of the program;
22			8.	Suggestions for the operation and improvement of the program;
23			9.	Rules changes which may be needed if the program is to be made
24				permanent and expanded to all courts; and
25			10.	Recommendations for statutory changes which may be needed if the
26				program is to be made permanent and expanded to all courts.
27	(4)	The	Admi	nistrative Office of the Courts:

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- (a) Shall provide an annual report to the Legislative Research Commission[, the
 Child Welfare Oversight and Advisory Committee established in KRS 6.943,]
 and the Interim Joint Committee on Judiciary by September 1 of each year the
 program is in operation with statistics, findings, and recommendations; and
- 5 (b) May make periodic progress reports and statistical reports and provide 6 suggestions to the Interim Joint Committee on Health and Welfare and to the 7 Interim Joint Committee on Judiciary when determined necessary by the Chief 8 Justice.
- 9 \rightarrow Section 5. KRS 157.065 is amended to read as follows:
- (1) Any school that does not offer a school breakfast program shall submit an annual
 report no later than September 15 to the Kentucky Board of Education indicating
 the reasons for not offering the program. The report shall include the number of
 children enrolled at the school and the number of children who are eligible for free
 or reduced priced meals under the federal program.
- 15 (2) The state board shall inform the school of the value of the school breakfast
 program, its favorable effects on student attendance and performance, and the
 availability of funds to implement the program.
- 18 (3) The commissioner of education shall submit an annual report no later than 19 December 1 to the Interim Joint Committee on Education and the Child Welfare 20 Oversight and Advisory Committee established in KRS 6.943] regarding the status 21 of the school breakfast program including, but not limited to, information 22 describing the schools that do not offer the program, the reasons given by the 23 schools for not offering the program, the number of children enrolled in each 24 school, the number of children in each school who are eligible for free or reduced 25 priced meals under the federal program, and the action taken by the state board to 26 encourage schools to implement the program.
- → Section 6. KRS 194A.030 is amended to read as follows:

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1 The cabinet consists of the following major organizational units, which are hereby 2 created:

3 (1) Office of the Secretary. Within the Office of the Secretary, there shall be an Office
4 of the Ombudsman and Administrative Review, an Office of Legal Services, an
5 Office of Inspector General, an Office of Public Affairs, an Office of Human
6 Resource Management, an Office of Finance and Budget, an Office of Legislative
7 and Regulatory Affairs, an Office of Administrative Services, and an Office of
8 Application Technology Services, as follows:

9 (a) The Office of the Ombudsman and Administrative Review shall be headed by 10 an executive director who shall be appointed by the secretary with the 11 approval of the Governor under KRS 12.050 and shall:

- 12 1. Investigate, upon complaint or on its own initiative, any administrative 13 act of an organizational unit, employee, or contractor of the cabinet, 14 without regard to the finality of the administrative act. Organizational 15 units, employees, or contractors of the cabinet shall not willfully 16 obstruct an investigation, restrict access to records or personnel, or 17 retaliate against a complainant or cabinet employee;
- Make recommendations that resolve citizen complaints and improve
 governmental performance and may require corrective action when
 policy violations are identified;
- 21
 2. Provide evaluation and information analysis of cabinet performance and
 2. compliance with state and federal law;
- 4. Place an emphasis on research and best practices, program
 accountability, quality service delivery, and improved governmental
 performance;
- 26 5. Provide information on how to contact the office for public posting at all
 27 offices where Department for Community Based Services employees or

1			contractors work, at any facility where a child in the custody of the
2			cabinet resides, and to all cabinet or contracted foster parents;
3		6.	Report to the Office of Inspector General for review and investigation
4			any charge or case against an employee of the Cabinet for Health and
5			Family Services where it has cause to believe the employee has engaged
6			in dishonest, unethical, or illegal conduct or practices related to his or
7			her job duties; or any violation of state law or administrative regulation
8			by any organization or individual regulated by, or contracted with the
9			cabinet;
10		7.	Compile a report of all citizen complaints about programs or services of
11			the cabinet and a summary of resolution of the complaints and submit
12			the report upon request to the [Child Welfare Oversight and Advisory
13			Committee established in KRS 6.943, and the]Interim Joint Committee
14			on Health and Welfare and Family Services;
15		8.	Include oversight of administrative hearings; and
16		9.	Provide information to the Office of the Attorney General, when
17			requested, related to substantiated violations of state law against an
18			employee, a contractor of the cabinet, or a foster or adoptive parent;
19	(b)	The	Office of Legal Services shall provide legal advice and assistance to all
20		units	of the cabinet in any legal action in which it may be involved. The Office
21		of L	egal Services shall employ all attorneys of the cabinet who serve the
22		cabiı	net in the capacity of attorney, giving legal advice and opinions
23		conc	erning the operation of all programs in the cabinet. The Office of Legal
24		Serv	ices shall be headed by a general counsel who shall be appointed by the
25		secre	etary with the approval of the Governor under KRS 12.050 and 12.210.
26		The	general counsel shall be the chief legal advisor to the secretary and shall
27		be d	irectly responsible to the secretary. The Attorney General, on the request

1		of the secretary, may designate the general counsel as an assistant attorney
2		general under the provisions of KRS 15.105;
3	(c)	The Office of Inspector General shall be headed by an inspector general who
4		shall be appointed by the secretary with the approval of the Governor. The
5		inspector general shall be directly responsible to the secretary. The Office of
6		Inspector General shall be responsible for:
7		1. The conduct of audits and investigations for detecting the perpetration of
8		fraud or abuse of any program by any client, or by any vendor of
9		services with whom the cabinet has contracted; and the conduct of
10		special investigations requested by the secretary, commissioners, or
11		office heads of the cabinet into matters related to the cabinet or its
12		programs;
13		2. Licensing and regulatory functions as the secretary may delegate;
14		3. Review of health facilities participating in transplant programs, as
15		determined by the secretary, for the purpose of determining any
16		violations of KRS 311.1911 to 311.1959, 311.1961, and 311.1963;
17		4. The duties, responsibilities, and authority pertaining to the certificate of
18		need functions and the licensure appeals functions, pursuant to KRS
19		Chapter 216B; and
20		5. The notification and forwarding of any information relevant to possible
21		criminal violations to the appropriate prosecuting authority;
22	(d)	The Office of Public Affairs shall be headed by an executive director
23		appointed by the secretary with the approval of the Governor in accordance
24		with KRS 12.050. The office shall provide information to the public and news
25		media about the programs, services, and initiatives of the cabinet;
26	(e)	The Office of Human Resource Management shall be headed by an executive
27		director appointed by the secretary with the approval of the Governor in

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1accordance with KRS 12.050. The office shall coordinate, oversee, and2execute all personnel, training, and management functions of the cabinet. The3office shall focus on the oversight, development, and implementation of4quality improvement services; curriculum development and delivery of5instruction to staff; the administration, management, and oversight of training6operations; health, safety, and compliance training; and equal employment7opportunity compliance functions;

8 (f) The Office of Finance and Budget shall be headed by an executive director 9 appointed by the secretary with the approval of the Governor in accordance 10 with KRS 12.050. The office shall provide central review and oversight of 11 budget, contract, and cabinet finances. The office shall provide coordination, 12 assistance, and support to program departments and independent review and 13 analysis on behalf of the secretary;

- (g) The Office of Legislative and Regulatory Affairs shall be headed by an
 executive director appointed by the secretary with the approval of the
 Governor in accordance with KRS 12.050. The office shall provide central
 review and oversight of legislation, policy, and administrative regulations.
 The office shall provide coordination, assistance, and support to program
 departments and independent review and analysis on behalf of the secretary;
- (h) The Office of Administrative Services shall be headed by an executive
 director appointed by the secretary with the approval of the Governor in
 accordance with KRS 12.050. The office shall provide central review and
 oversight of procurement, general accounting including grant monitoring, and
 facility management. The office shall provide coordination, assistance, and
 support to program departments and independent review and analysis on
 behalf of the secretary; and
- 27

(i) The Office of Application Technology Services shall be headed by an

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executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050. The office shall provide application technology services including central review and oversight. The office shall provide coordination, assistance, and support to program departments and independent review and analysis on behalf of the secretary;

6 Department for Medicaid Services. The Department for Medicaid Services shall (2)7 serve as the single state agency in the Commonwealth to administer Title XIX of the 8 Federal Social Security Act. The Department for Medicaid Services shall be headed 9 by a commissioner for Medicaid services, who shall be appointed by the secretary 10 with the approval of the Governor under KRS 12.050. The commissioner for 11 Medicaid services shall be a person who by experience and training in 12 administration and management is qualified to perform the duties of this office. The 13 commissioner for Medicaid services shall exercise authority over the Department 14 for Medicaid Services under the direction of the secretary and shall only fulfill those 15 responsibilities as delegated by the secretary;

16 (3)Department for Public Health. The Department for Public Health shall develop and 17 operate all programs of the cabinet that provide health services and all programs for 18 assessing the health status of the population for the promotion of health and the 19 prevention of disease, injury, disability, and premature death. This shall include but 20 not be limited to oversight of the Division of Women's Health. The Department for 21 Public Health shall be headed by a commissioner for public health who shall be 22 appointed by the secretary with the approval of the Governor under KRS 12.050. 23 The commissioner for public health shall be a duly licensed physician who by 24 experience and training in administration and management is qualified to perform 25 the duties of this office. The commissioner shall advise the head of each major 26 organizational unit enumerated in this section on policies, plans, and programs 27 relating to all matters of public health, including any actions necessary to safeguard

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the health of the citizens of the Commonwealth. The commissioner shall serve as chief medical officer of the Commonwealth. The commissioner for public health shall exercise authority over the Department for Public Health under the direction of the secretary and shall only fulfill those responsibilities as delegated by the secretary;

6 (4) Department for Behavioral Health, Developmental and Intellectual Disabilities. The 7 Department for Behavioral Health, Developmental and Intellectual Disabilities shall develop and administer programs for the prevention of mental illness, intellectual 8 9 disabilities, brain injury, developmental disabilities, and substance abuse disorders 10 and shall develop and administer an array of services and support for the treatment, 11 habilitation, and rehabilitation of persons who have a mental illness or emotional 12 disability, or who have an intellectual disability, brain injury, developmental 13 disability, or a substance abuse disorder. The Department for Behavioral Health, 14 Developmental and Intellectual Disabilities shall be headed by a commissioner for 15 behavioral health, developmental and intellectual disabilities who shall be 16 appointed by the secretary with the approval of the Governor under KRS 12.050. 17 The commissioner for behavioral health, developmental and intellectual disabilities shall be by training and experience in administration and management qualified to 18 19 perform the duties of the office. The commissioner for behavioral health, 20 developmental and intellectual disabilities shall exercise authority over the 21 department under the direction of the secretary, and shall only fulfill those 22 responsibilities as delegated by the secretary;

(5) Office for Children with Special Health Care Needs. The duties, responsibilities,
and authority set out in KRS 200.460 to 200.490 shall be performed by the office.
The office shall advocate the rights of children with disabilities and, to the extent
that funds are available, shall ensure the administration of services for children with
disabilities as are deemed appropriate by this office pursuant to Title V of the Social

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Security Act. The office may promulgate administrative regulations under KRS
 Chapter 13A as may be necessary to implement and administer its responsibilities.
 The duties, responsibilities, and authority of the Office for Children with Special
 Health Care Needs shall be performed through the office of the executive director.
 The executive director shall be appointed by the secretary with the approval of the
 Governor under KRS 12.050;

7 Department for Family Resource Centers and Volunteer Services. The Department (6) 8 for Family Resource Centers and Volunteer Services shall streamline the various 9 responsibilities associated with the human services programs for which the cabinet 10 is responsible. This shall include, but not be limited to, oversight of the Division of 11 Family Resource and Youth Services Centers and Serve Kentucky. The Department 12 for Family Resource Centers and Volunteer Services shall be headed by a 13 commissioner who shall be appointed by the secretary with the approval of the 14 Governor under KRS 12.050. The commissioner for family resource centers and 15 volunteer services shall be by training and experience in administration and 16 management qualified to perform the duties of the office, shall exercise authority 17 over the department under the direction of the secretary, and shall only fulfill those 18 responsibilities as delegated by the secretary;

19 (7)The Office of Health Data and Analytics shall identify and innovate strategic 20 initiatives to inform public policy initiatives and provide opportunities for improved 21 health outcomes for all Kentuckians through data analytics. The office shall provide 22 leadership in the redesign of the health care delivery system using electronic 23 information technology as a means to improve patient care and reduce medical 24 errors and duplicative services. The office shall facilitate the purchase of individual 25 and small business health insurance coverage for Kentuckians. The office shall be 26 headed by an executive director appointed by the secretary with the approval of the 27 Governor under KRS 12.050;

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(8) Department for Community Based Services. The Department for Community Based
 Services shall administer and be responsible for child and adult protection, violence
 prevention resources, foster care and adoption, permanency, and services to enhance
 family self-sufficiency, including child care, social services, public assistance, and
 family support. The department shall be headed by a commissioner appointed by the
 secretary with the approval of the Governor in accordance with KRS 12.050;

7 (9) Department for Income Support. The Department for Income Support shall be responsible for child support enforcement and disability determination. The 8 9 department shall serve as the state unit as required by Title II and Title XVI of the 10 Social Security Act, and shall have responsibility for determining eligibility for 11 disability for those citizens of the Commonwealth who file applications for 12 disability with the Social Security Administration. The department shall be headed by a commissioner appointed by the secretary with the approval of the Governor in 13 14 accordance with KRS 12.050; and

15 (10) Department for Aging and Independent Living. The Department for Aging and 16 Independent Living shall serve as the state unit as designated by the Administration 17 on Aging Services under the Older Americans Act and shall have responsibility for 18 administration of the federal community support services, in-home services, meals, 19 family and caregiver support services, elder rights and legal assistance, senior 20 community services employment program, the state health insurance assistance 21 program, state home and community based services including home care, 22 Alzheimer's respite services and the personal care attendant program, certifications 23 of assisted living facilities, the state Council on Alzheimer's Disease and other 24 related disorders, and guardianship services. The department shall also administer 25 the Long-Term Care Ombudsman Program and the Medicaid Home and 26 Community Based Waivers Participant Directed Services Option (PDS) Program. 27 The department shall serve as the information and assistance center for aging and

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1		disability services and administer multiple federal grants and other state initiatives.
2		The department shall be headed by a commissioner appointed by the secretary with
3		the approval of the Governor in accordance with KRS 12.050.
4		Section 7. KRS 194A.365 is amended to read as follows:
5	The	cabinet shall make an annual report to the Governor, the Legislative Research
6	<u>Con</u>	umission, [, the Child Welfare Oversight and Advisory Committee established in KRS
7	6.9 4	3,] and the Chief Justice. The report shall be tendered not later than December 1 of
8	each	year and shall include information for the previous fiscal year. The report shall
9	inclu	ade, but not be limited to, the following information:
10	(1)	The number of children under an order of dependent, status, public, or voluntary
11		commitment to the cabinet, according to: permanency planning goals, current
12		placement, average number of placements, type of commitment, and the average
13		length of time children remain committed to the cabinet;
14	(2)	The number of children in the custody of the cabinet in the following types of
15		residential placements, the average length of stay in these placements, and the
16		average number of placements experienced by these children: family foster homes,
17		private child care facilities, and placement with biological parent or person
18		exercising custodial control or supervision;
19	(3)	The number of children in the custody of the cabinet eligible for adoption, the
20		number placed in an adoptive home, and the number ineligible for adoption and the
21		reasons therefor;
22	(4)	The cost in federal and state general funds to care for the children defined in
23		subsections (1) and (2) of this section, including the average cost per child for each
24		type of placement, direct social worker services, operating expenses, training, and
25		administrative costs; and
26	(5)	Any other matters relating to the care of foster children that the cabinet deems

27 appropriate and that may promote further understanding of the impediments to

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1		providing permanent homes for foster children.
2		→Section 8. KRS 199.665 is amended to read as follows:
3	(1)	As used in this section, unless the context otherwise requires;
4		(a) "Cabinet" means the Cabinet for Health and Family Services;
5		(b) "Performance-based contracting" means an approach that stresses permanency
6		outcomes for children and utilizes a payment structure that reinforces provider
7		agencies' efforts to offer services that improve the outcomes for children; and
8		(c) "Secretary" means the secretary of the Cabinet for Health and Family
9		Services.
10	(2)	The secretary shall designate a study group to make recommendations regarding the
11		creation and implementation of performance-based contracting for licensed child-
12		caring facilities and child-placing agencies in the Commonwealth.
13	(3)	The study group shall be composed of the following members:
14		(a) The secretary;
15		(b) The commissioner for the Department for Community Based Services;
16		(c) The director of the Administrative Office of the Courts, or designee;
17		(d) The executive director of the Governor's Office of Early Childhood, or
18		designee;
19		(e) One (1) adult who was a former foster child in the Commonwealth;
20		(f) One (1) adult who is a current or former foster parent in the Commonwealth;
21		(g) Two (2) employees of a licensed child-placing agency;
22		(h) Two (2) employees of a licensed child-caring facility; and
23		(i) Any personnel within the Department for Community Based Services that the
24		secretary deems necessary.
25	(4)	In its deliberations, the study group shall include but not be limited to analysis of
26		improved timeliness and likelihood of permanency such as reunification, adoption,
27		or guardianship; fewer moves for children in foster care; and reduced instances of

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1		reentry into care.
2	(5)	The study group shall report its recommendations by December 1, 2018, to the
3		Governor <u>and</u> [,] the Interim Joint Committees on Appropriations and Revenue and
4		Health and Welfare and Family Services, and the Child Welfare Oversight and
5		Advisory Committee established in KRS 6.943]. The study group shall cease to
6		operate after the delivery of the recommendations required by this subsection.
7	(6)	By July 1, 2019, the cabinet shall:
8		(a) Establish and implement performance-based contracting for licensed child-
9		caring facilities and child-placing agencies that contract with the department
10		for services; and
11		(b) Apply and implement all standards, processes, and procedures established for
12		performance-based contracting for licensed child-caring facilities and child-
13		placing agencies in accordance with paragraph (a) of this subsection to all
14		other cabinet-operated programs that are like those operated by child-caring
15		facilities and child-placing agencies.
16	(7)	The cabinet shall promulgate administrative regulations to implement this section.
17		Section 9. KRS 199.8943 is amended to read as follows:
18	(1)	As used in this section:
19		(a) "Federally funded time-limited employee" has the same meaning as in KRS
20		18A.005;
21		(b) "Primary school program" has the same meaning as in KRS 158.031(1); and
22		(c) "Public-funded" means a program which receives local, state, or federal
23		funding.
24	(2)	The Early Childhood Advisory Council shall, in consultation with early care and
25		education providers, the Cabinet for Health and Family Services, and others,
26		including but not limited to child-care resource and referral agencies and family
27		resource centers, Head Start agencies, and the Kentucky Department of Education,

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1		develo	op a quality-based graduated early care and education program rating system			
2		for pu	for public-funded licensed child-care and certified family child-care homes, public-			
3		funde	funded preschool, and Head Start, based on but not limited to:			
4		(a)	Classroom and instructional quality;			
5		(b) .	Administrative and leadership practices;			
6		(c)	Staff qualifications and professional development; and			
7		(d)]	Family and community engagement.			
8	(3)	(a) ⁷	The Cabinet for Health and Family Services shall, in consultation with the			
9]	Early Childhood Advisory Council, promulgate administrative regulations in			
10		i	accordance with KRS Chapter 13A to implement the quality-based graduated			
11		(early childhood rating system for public-funded child-care and certified family			
12		(child-care homes developed under subsection (2) of this section.			
13		(b) '	The Kentucky Department of Education shall, in consultation with the Early			
14		(Childhood Advisory Council, promulgate administrative regulations in			
15		ä	accordance with KRS Chapter 13A to implement the quality-based graduated			
16		(early childhood rating system, developed under subsection (2) of this section,			
17		t	for public-funded preschool.			
18		(c) ⁷	The administrative regulations promulgated in accordance with paragraphs (a)			
19		i	and (b) of this subsection shall include:			
20			1. Agency time frames of reviews for rating;			
21		/	2. An appellate process under KRS Chapter 13B; and			
22		-	3. The ability of providers to request reevaluation for rating.			
23	(4)	The q	uality-based early childhood rating system shall not be used for enforcement			
24		of con	npliance or in any punitive manner.			
25	(5)	The E	Early Childhood Advisory Council, in consultation with the Kentucky Center			
26		for Ed	lucation and Workforce Statistics, the Kentucky Department of Education, and			
27		the Ca	abinet for Health and Family Services, shall report by October 1 of each year			

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1		to the Interim Joint Committee on Education[and the Child Welfare Oversight and		
2		Advisory Committee established in KRS 6.943] on the implementation of the		
3		quality-based graduated early childhood rating system. The report shall include the		
4		following quantitative performance measures as data becomes available:		
5		(a) Program participation in the rating system;		
6		(b) Ratings of programs by program type;		
7		(c) Changes in student school-readiness measures;		
8		(d) Longitudinal student cohort performance data tracked through student		
9		completion of the primary school program; and		
10		(e) Long-term viability recommendations for sustainability at the end of the Race		
11		to the Top-Early Learning Challenge grant.		
12	(6)	By November 1, 2017, the Early Childhood Advisory Council and the Cabinet for		
13		Health and Family Services shall report to the Interim Joint Committee on		
14		Education and the Interim Joint Committee on Health and Welfare on		
15		recommendations and plans for sustaining program quality after the depletion of		
16		federal Race to the Top-Early Learning Challenge grant funds.		
17	(7)	Any federally funded time-limited employee personnel positions created as a result		
18		of the federal Race to the Top-Early Learning Challenge grant shall be eliminated		
19		upon depletion of the grant funds.		
20		→Section 10. KRS 199.8983 is amended to read as follows:		
21	(1)	There is hereby created the Kentucky Child Care Advisory Council to be composed		
22		of eighteen (18) members. The members appointed by the Governor shall serve a		
23		term of three (3) years. The appointed members of the council shall be		
24		geographically and culturally representative of the population of the		
25		Commonwealth. For administrative purposes, the council shall be attached to the		
26		department. The members shall be as follows:		
27		(a) The commissioner of the department, or designee;		

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1		(b)	Four (4) members appointed by the Governor representing child-care center
2			providers licensed pursuant to this chapter;
3		(c)	Two (2) members appointed by the Governor representing family child-care
4			home providers licensed pursuant to this chapter;
5		(d)	Three (3) members appointed by the Governor who are parents, de facto
6			custodians, guardians, or legal custodians of children receiving services from
7			child-care centers or family child-care homes licensed pursuant to this
8			chapter;
9		(e)	Three (3) members appointed by the Governor from the private sector who are
10			knowledgeable about education, health, and development of children;
11		(f)	The director of the Division of Child Care within the department, or designee,
12			as a nonvoting ex officio member;
13		(g)	The commissioner of education, Education and Workforce Development
14			Cabinet, or designee, as a nonvoting ex officio member;
15		(h)	The executive director of the Governor's Office of Early Childhood, or
16			designee, as a nonvoting ex officio member;
17		(i)	The commissioner of the Department for Public Health within the cabinet, or
18			designee, as a nonvoting ex officio member; and
19		(j)	The state fire marshal, Public Protection Cabinet, or designee, as a nonvoting
20			ex officio member;
21	(2)	The	council shall have two (2) co-chairpersons. One (1) co-chairperson shall be the
22		com	missioner of the department, or designee, and one (1) co-chairperson shall be
23		elec	ted by the voting members of the council.
24	(3)	Mer	nbers shall serve until a successor has been appointed. If a vacancy on the
25		cour	ncil occurs, the Governor shall appoint a replacement for the remainder of the
26		uney	xpired term.
27	(A)	Mor	nhars shall sarve without companyation but shall be raimburged for reasonable

27 (4) Members shall serve without compensation but shall be reimbursed for reasonable

1		1
1		and necessary expenses in accordance with state travel expenses and reimbursement
2		administrative regulations.
3	(5)	The council shall meet at least quarterly and at other times upon call of the co-
4		chairpersons.
5	(6)	The council shall advise the cabinet on matters affecting the operations, funding,
6		and licensing of child-care centers and family child-care homes. The council shall
7		provide input and recommendations for ways to improve quality, access, and
8		outcomes.
9	(7)	The council shall make an annual report by December 1 that provides summaries
10		and recommendations to address the availability, affordability, accessibility, and
11		quality of child care in the Commonwealth. A copy of the annual report shall be
12		provided to the secretary, the Governor, <u>and</u> the Legislative Research Commission [,
13		and the Child Welfare Oversight and Advisory Committee established in KRS
14		6.943] .
15		→ Section 11. KRS 200.575 is amended to read as follows:
16	(1)	As used in this section, unless the context otherwise requires:
17		(a) "Department" means the Department for Community Based Services; and
18		(b) "Family preservation services" means programs that:
19		1. Follow intensive, home-based service models with demonstrated
20		effectiveness in reducing or avoiding the need for out-of-home
21		placement;
22		2. Provide such services that result in lower costs than would out-of-home
23		placement; and
24		3. Employ specially trained caseworkers who shall:
25		a. Provide at least half of their services in the family's home or other
26		natural community setting;
27		b. Provide direct therapeutic services available twenty-four (24)

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1		hours per day for a family;
2		c. Aid in the solution of practical problems that contribute to family
3		stress so as to effect improved parental performance and enhanced
4		functioning of the family unit;
5		d. Arrange for additional assistance, including but not limited to
6		housing, child care, education, and job training, emergency cash
7		grants, state and federally funded public assistance, and other basic
8		support needs; and
9		e. Supervise any paraprofessionals or "family aides" made available
10		to provide specialized services or skills to manage everyday
11		problems and better provide and care for children.
12	(2)	The department shall be the lead administrative agency for family preservation
13		services and may receive funding for the implementation of these services. The
14		department shall:
15		(a) Provide the coordination of and planning for the implementation of family
16		preservation services;
17		(b) Provide standards for family preservation services programs;
18		(c) Monitor these services to ensure they meet measurable standards of
19		performance as set forth in state law and as developed by the department; and
20		(d) Provide the initial training and approve any ongoing training required by
21		providers of family preservation services.
22	(3)	The department may provide family preservation services directly or may contract
23		to provide these services. In the event the department provides family preservation
24		services with state caseworkers, those caseworkers and cases shall be excluded for
25		the overall caseworker or case averages provided on a quarterly basis to the
26		Legislative Research Commission and the Governor's office under KRS 199.461.
27		Family preservation services caseworkers and cases shall be included in the report

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1		as a separate category.	
2	(4)	If the department contracts to provide family preservation services, the contract	
3		shall include:	
4		(a) Requirements for acceptance of any client referred by the department for	
5		family preservation services;	
6		(b) Caseload standards per caseworker;	
7		(c) Provision of twenty-four (24) hour crisis intervention services to families	
8		served by the program;	
9		(d) Minimum initial and ongoing training standards for family preservation	
10		services staff; and	
11		(e) Internal programmatic evaluation and cooperation with external evaluation as	
12		directed by the department.	
13	(5)	Family preservation services shall be provided only to those children who are at	
14		actual, imminent risk of out-of-home placement:	
15		(a) Who are at risk of commitment as dependent, abused, or neglected;	
16		(b) Who are emotionally disturbed; and	
17		(c) Whose families are in conflict such that they are unable to exercise reasonable	
18		control of the child.	
19	(6)	Families in which children are at risk of recurring sexual abuse perpetrated by a	
20		member of their immediate household who remains in close physical proximity to	
21		the victim or whose continued safety from recurring abuse cannot be reasonably	
22		ensured, shall not be eligible for family preservation services.	
23	(7)	The implementation of family preservation services shall be limited to those	
24		situations where protection can be ensured for children, families, and the	
25		community.	
26	(8)	The provision of family preservation services to a family shall constitute a	
27		reasonable effort by the Cabinet for Health and Family Services to prevent the	

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22 RS SB 178/EN

- removal of a child from the child's home under KRS 620.140, provided that the
 family has received timely access to other services from the Cabinet for Health and
 Family Services for which the family is eligible.
- 4 (9) Acceptance of family preservation services shall not be considered an admission to
 5 any allegation that initiated the investigation of the family, nor shall refusal of
 6 family preservation services be considered as evidence in any proceeding except
 7 where the issue is whether the Cabinet for Health and Family Services has made
 8 reasonable efforts to prevent removal of a child.
- 9 (10) No family preservation services program shall compel any family member to
 engage in any activity or refrain from any activity, which is not reasonably related to
 remedying any condition that gave rise, or which could reasonably give rise, to any
 finding of child abuse, neglect, or dependency.
- (11) The commissioner of the department shall conduct and submit to the <u>Legislative</u>
 <u>Research Commission</u>[Child Welfare Oversight and Advisory Committee
 established in KRS 6.943,] an annual evaluation of the family preservation services,
 which shall include the following:
- 17 (a) The number of families receiving family preservation services, the number of
 18 children in those families, and the number of children in those families who
 19 would have been placed in out-of-home care if the family preservation
 20 services had not be available;
- (b) Among those families receiving family preservation services, the number of
 children placed outside the home;
- 23 (c) The average cost per family of providing family preservation services;
- (d) The number of children who remain reunified with their families six (6)
 months and one (1) year after completion of the family preservation services;
 and
- 27 (e) An overall evaluation of the progress of family preservation services programs

1		during the preceding year, recommendations for improvements in the delivery
2		of this service, and a plan for the continued development of family
3		preservation services to ensure progress towards statewide availability.
4	(12)	Nothing in this section shall prohibit the department from developing other in-home
5		services in accordance with its statutory authority to promulgate administrative
6		regulations in accordance with KRS Chapter 13A or to enter into contractual
7		arrangements in accordance with KRS Chapter 45.
8		→ Section 12. KRS 211.684 is amended to read as follows:
9	(1)	For the purposes of KRS Chapter 211:
10		(a) "Child fatality" means the death of a person under the age of eighteen (18)
11		years;
12		(b) "Local child and maternal fatality response team" and "local team" means a
13		community team composed of representatives of agencies, offices, and
14		institutions that investigate child and maternal deaths, including but not
15		limited to, coroners, social service workers, medical professionals, law
16		enforcement officials, and Commonwealth's and county attorneys; and
17		(c) "Maternal fatality" means the death of a woman within one (1) year of giving
18		birth.
19	(2)	The Department for Public Health may establish a state child and maternal fatality
20		review team. The state team may include representatives of public health, social
21		services, law enforcement, prosecution, coroners, health-care providers, and other
22		agencies or professions deemed appropriate by the commissioner of the department.
23	(3)	If a state team is created, the duties of the state team may include the following:
24		(a) Develop and distribute a model protocol for local child and maternal fatality
25		response teams for the investigation of child and maternal fatalities;
26		(b) Facilitate the development of local child and maternal fatality response teams
27		which may include, but is not limited to, providing joint training opportunities

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and, upon request, providing technical assistance;

2 (c) Review and approve local protocols prepared and submitted by local teams;

- 3 (d) Receive data and information on child and maternal fatalities and analyze the
 4 information to identify trends, patterns, and risk factors;
- 5 (e) Evaluate the effectiveness of prevention and intervention strategies adopted;
 6 and

7 (f) Recommend changes in state programs, legislation, administrative regulations,
8 policies, budgets, and treatment and service standards which may facilitate
9 strategies for prevention and reduce the number of child and maternal
10 fatalities.

11 (4) The department shall prepare an annual report to be submitted no later than 12 November 1 of each year to the Governor, the Child Welfare Oversight and 13 Advisory Committee established in KRS 6.943], the Interim Joint Committee on 14 Health, Welfare, and Family Services, the Chief Justice of the Kentucky Supreme 15 Court, and to be made available to the citizens of the Commonwealth. The report 16 shall include a statistical analysis, that include the demographics of race, income, 17 and geography, of the incidence and causes of child and maternal fatalities in the 18 Commonwealth during the past fiscal year and recommendations for action. The 19 report shall not include any information which would identify specific child and 20 maternal fatality cases.

21

Section 13. KRS 605.120 is amended to read as follows: \blacksquare

(1) The cabinet is authorized to expend available funds to provide for the board,
lodging, and care of children who would otherwise be placed in foster care or who
are placed by the cabinet in a foster home or boarding home, or may arrange for
payments or contributions by any local governmental unit, or public or private
agency or organization, willing to make payments or contributions for such purpose.
The cabinet may accept any gift, devise, or bequest made to it for its purposes.

1 (2)The cabinet shall establish a reimbursement system, within existing appropriation 2 amounts, for foster parents that comes as close as possible to meeting the actual cost 3 of caring for foster children. The cabinet shall consider providing additional 4 reimbursement for foster parents who obtain additional training, and foster parents 5 who have served for an extended period of time. In establishing a reimbursement 6 system, the cabinet shall, to the extent possible within existing appropriation 7 amounts, address the additional cost associated with providing care to children with 8 exceptional needs.

9 (3) The cabinet shall review reimbursement rates paid to foster parents and shall issue a
report upon request comparing the rates paid by Kentucky to the figures presented
in the Expenditures on Children by Families Annual Report prepared by the United
States Department of Agriculture and the rates paid to foster parents by other states.
To the extent that funding is available, reimbursement rates paid to foster parents
shall be increased on an annual basis to reflect cost of living increases.

15 (4) The cabinet is encouraged to develop pilot projects both within the state system and
 in collaboration with private child caring agencies to test alternative delivery
 systems and nontraditional funding mechanisms.

- 18 (5) (a) The cabinet shall track and analyze data on relative and fictive kin caregiver
 19 placements. The data shall include but not be limited to:
- Demographic data on relative and fictive kin caregivers and children in
 their care;
- 22 2. Custodial options selected by the relative and fictive kin caregivers;
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- 254. Permanency benchmarks and outcomes for relative and fictive kin26caregiver placements.
- 27 (b) By September 30, 2020, and upon request thereafter, the cabinet shall submit a

1			report to the Governor, the Chief Justice of the Supreme Court, and the
2			director of the Legislative Research Commission for distribution to the [Child
3			Welfare Oversight and Advisory Committee and the] Interim Joint Committee
4			on Health and Welfare and Family Services relating to the data tracking and
5			analysis established in this subsection.
6	(6)	Fost	er parents shall have the authority, unless the cabinet determines that the child's
7		relig	ion, race, ethnicity, or national origin prevents it, to make decisions regarding
8		hairc	cuts and hairstyles for foster children who are in their care for thirty (30) days or
9		more	e.
10		⇒S	ection 14. KRS 620.055 is amended to read as follows:
11	(1)	An	external child fatality and near fatality review panel is hereby created and
12		estal	olished for the purpose of conducting comprehensive reviews of child fatalities
13		and	near fatalities, reported to the Cabinet for Health and Family Services,
14		susp	ected to be a result of abuse or neglect. The panel shall be attached to the
15		Justi	ce and Public Safety Cabinet for staff and administrative purposes.
16	(2)	The	external child fatality and near fatality review panel shall be composed of the
17		follo	owing five (5) ex officio nonvoting members and fifteen (15) voting members:
18		(a)	The chairperson of the House Health and Welfare Committee of the Kentucky
19			General Assembly, who shall be an ex officio nonvoting member;
20		(b)	The chairperson of the Senate Health and Welfare Committee of the Kentucky
21			General Assembly, who shall be an ex officio nonvoting member;
22		(c)	The commissioner of the Department for Community Based Services, who
23			shall be an ex officio nonvoting member;
24		(d)	The commissioner of the Department for Public Health, who shall be an ex
25			officio nonvoting member;
26		(e)	A family court judge selected by the Chief Justice of the Kentucky Supreme
27			Court, who shall be an ex officio nonvoting member;

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- 1 (f) A pediatrician from the University of Kentucky's Department of Pediatrics 2 who is licensed and experienced in forensic medicine relating to child abuse 3 and neglect to be selected by the Attorney General from a list of three (3) 4 names provided by the dean of the University of Kentucky School of Medicine; 5 6 A pediatrician from the University of Louisville's Department of Pediatrics (g) 7 who is licensed and experienced in forensic medicine relating to child abuse 8 and neglect to be selected by the Attorney General from a list of three (3) 9 names provided by the dean of the University of Louisville School of Medicine; 10 11 (h) The state medical examiner or designee; 12 A court-appointed special advocate (CASA) program director to be selected (i) 13 by the Attorney General from a list of three (3) names provided by the 14 Kentucky CASA Association; 15 A peace officer with experience investigating child abuse and neglect fatalities (i) 16 and near fatalities to be selected by the Attorney General from a list of three 17 (3) names provided by the commissioner of the Kentucky State Police; A representative from Prevent Child Abuse Kentucky, Inc. to be selected by 18 (k) 19 the Attorney General from a list of three (3) names provided by the president 20 of the Prevent Child Abuse Kentucky, Inc. board of directors; 21 (1)A practicing local prosecutor to be selected by the Attorney General; 22 The executive director of the Kentucky Domestic Violence Association or the (m) 23 executive director's designee: 24 The chairperson of the State Child Fatality Review Team established in (n) 25 accordance with KRS 211.684 or the chairperson's designee; 26 (0)A practicing social work clinician to be selected by the Attorney General from
- a list of three (3) names provided by the Board of Social Work;

1 A practicing addiction counselor to be selected by the Attorney General from (\mathbf{p}) 2 a list of three (3) names provided by the Kentucky Association of Addiction 3 Professionals; 4 (q) A representative from the family resource and youth service centers to be 5 selected by the Attorney General from a list of three (3) names submitted by 6 the Cabinet for Health and Family Services; 7 A representative of a community mental health center to be selected by the (r) 8 Attorney General from a list of three (3) names provided by the Kentucky 9 Association of Regional Mental Health and Mental Retardation Programs, 10 Inc.; 11 A member of a citizen foster care review board selected by the Chief Justice (s) 12 of the Kentucky Supreme Court; and 13 (t) An at-large representative who shall serve as chairperson to be selected by the 14 Secretary of State. 15 (3) (a) By August 1, 2013, the appointing authority or the appointing authorities, as 16 the case may be, shall have appointed panel members. Initial terms of 17 members, other than those serving ex officio, shall be staggered to provide 18 continuity. Initial appointments shall be: five (5) members for terms of one (1) 19 year, five (5) members for terms of two (2) years, and five (5) members for 20 terms of three (3) years, these terms to expire, in each instance, on June 30 21 and thereafter until a successor is appointed and accepts appointment. 22 Upon the expiration of these initial staggered terms, successors shall be (b) 23 appointed by the respective appointing authorities, for terms of two (2) years, 24 and until successors are appointed and accept their appointments. Members 25 shall be eligible for reappointment. Vacancies in the membership of the panel 26 shall be filled in the same manner as the original appointments. 27 At any time, a panel member shall recuse himself or herself from the review (c)

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1 of a case if the panel member believes he or she has a personal or private 2 conflict of interest.

- 3 (d) If a voting panel member is absent from two (2) or more consecutive,
 4 regularly scheduled meetings, the member shall be considered to have
 5 resigned and shall be replaced with a new member in the same manner as the
 6 original appointment.
- 7 (e) If a voting panel member is proven to have violated subsection (13) of this
 8 section, the member shall be removed from the panel, and the member shall
 9 be replaced with a new member in the same manner as the original
 10 appointment.

11 (4)The panel shall meet at least quarterly and may meet upon the call of the 12 chairperson of the panel.

- 13 (5) Members of the panel shall receive no compensation for their duties related to the
 panel, but may be reimbursed for expenses incurred in accordance with state
 guidelines and administrative regulations.
- 16 (6) Each panel member shall be provided copies of all information set out in this
 17 subsection, including but not limited to records and information, upon request, to be
 18 gathered, unredacted, and submitted to the panel within thirty (30) days by the
 19 Cabinet for Health and Family Services from the Department for Community Based
 20 Services or any agency, organization, or entity involved with a child subject to a
 21 fatality or near fatality:
- (a) Cabinet for Health and Family Services records and documentation regarding
 the deceased or injured child and his or her caregivers, residents of the home,
 and persons supervising the child at the time of the incident that include all
 records and documentation set out in this paragraph:
- 26 1. All prior and ongoing investigations, services, or contacts;
 - 2. Any and all records of services to the family provided by agencies or

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1		individuals contracted by the Cabinet for Health and Family Services;
2		and
3		3. All documentation of actions taken as a result of child fatality internal
4		reviews conducted pursuant to KRS 620.050(12)(b);
5	(b)	Licensing reports from the Cabinet for Health and Family Services, Office of
6		Inspector General, if an incident occurred in a licensed facility;
7	(c)	All available records regarding protective services provided out of state;
8	(d)	All records of services provided by the Department for Juvenile Justice
9		regarding the deceased or injured child and his or her caregivers, residents of
10		the home, and persons involved with the child at the time of the incident;
11	(e)	Autopsy reports;
12	(f)	Emergency medical service, fire department, law enforcement, coroner, and
13		other first responder reports, including but not limited to photos and
14		interviews with family members and witnesses;
15	(g)	Medical records regarding the deceased or injured child, including but not
16		limited to all records and documentation set out in this paragraph:
17		1. Primary care records, including progress notes; developmental
18		milestones; growth charts that include head circumference; all laboratory
19		and X-ray requests and results; and birth record that includes record of
20		delivery type, complications, and initial physical exam of baby;
21		2. In-home provider care notes about observations of the family, bonding,
22		others in home, and concerns;
23		3. Hospitalization and emergency department records;
24		4. Dental records;
25		5. Specialist records; and
26		6. All photographs of injuries of the child that are available;
27	(h)	Educational records of the deceased or injured child, or other children residing

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1		in the home where the incident occurred, including but not limited to the
2		records and documents set out in this paragraph:
3		1. Attendance records;
4		2. Special education services;
5		3. School-based health records; and
б		4. Documentation of any interaction and services provided to the children
7		and family.
8		The release of educational records shall be in compliance with the Family
9		Educational Rights and Privacy Act, 20 U.S.C. sec. 1232g and its
10		implementing regulations;
11	(i)	Head Start records or records from any other child care or early child care
12		provider;
13	(j)	Records of any Family, Circuit, or District Court involvement with the
14		deceased or injured child and his or her caregivers, residents of the home and
15		persons involved with the child at the time of the incident that include but are
16		not limited to the juvenile and family court records and orders set out in this
17		paragraph, pursuant to KRS Chapters 199, 403, 405, 406, and 600 to 645:
18		1. Petitions;
19		2. Court reports by the Department for Community Based Services,
20		guardian ad litem, court-appointed special advocate, and the Citizen
21		Foster Care Review Board;
22		3. All orders of the court, including temporary, dispositional, or
23		adjudicatory; and
24		4. Documentation of annual or any other review by the court;
25	(k)	Home visit records from the Department for Public Health or other services;
26	(1)	All information on prior allegations of abuse or neglect and deaths of children
27		of adults residing in the household;

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(m) All law enforcement records and documentation regarding the deceased or injured child and his or her caregivers, residents of the home, and persons involved with the child at the time of the incident; and

4 (n) Mental health records regarding the deceased or injured child and his or her
5 caregivers, residents of the home, and persons involved with the child at the
6 time of the incident.

7 (7) The panel may seek the advice of experts, such as persons specializing in the fields
8 of psychiatric and forensic medicine, nursing, psychology, social work, education,
9 law enforcement, family law, or other related fields, if the facts of a case warrant
10 additional expertise.

11 (8) The panel shall post updates after each meeting to the Web site of the Justice and
12 Public Safety Cabinet regarding case reviews, findings, and recommendations.

- 13 (9) The panel chairperson, or other requested persons, shall report a summary of the 14 panel's discussions and proposed or actual recommendations to the Interim Joint 15 Committee on Health and Welfare of the Kentucky General Assembly monthly or at 16 the request of a committee co-chair. The goal of the committee shall be to ensure 17 impartiality regarding the operations of the panel during its review process.
- 18 (10) The panel shall publish an annual report by December 1 of each year consisting of 19 case reviews, findings, and recommendations for system and process improvements 20 to help prevent child fatalities and near fatalities that are due to abuse and neglect. 21 The report shall be submitted to the Governor, the secretary of the Cabinet for 22 Health and Family Services, the Chief Justice of the Supreme Court, the Attorney 23 General, and the director of the Legislative Research Commission for distribution to 24 the [Child Welfare Oversight and Advisory Committee established in KRS 6.943 25 and the]Judiciary Committee.
- (11) Information and record copies that are confidential under state or federal law and
 are provided to the external child fatality and near fatality review panel by the

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1 Cabinet for Health and Family Services, the Department for Community Based 2 Services, or any agency, organization, or entity for review shall not become the 3 information and records of the panel and shall not lose their confidentiality by virtue 4 of the panel's access to the information and records. The original information and 5 records used to generate information and record copies provided to the panel in 6 accordance with subsection (6) of this section shall be maintained by the 7 appropriate agency in accordance with state and federal law and shall be subject to 8 the Kentucky Open Records Act, KRS 61.870 to 61.884. All open records requests 9 shall be made to the appropriate agency, not to the external child fatality and near 10 fatality review panel or any of the panel members. Information and record copies 11 provided to the panel for review shall be exempt from the Kentucky Open Records 12 Act, KRS 61.870 to 61.884. At the conclusion of the panel's examination, all copies 13 of information and records provided to the panel involving an individual case shall 14 be destroyed by the Justice and Public Safety Cabinet.

(12) Notwithstanding any provision of law to the contrary, the portions of the external
child fatality and near fatality review panel meetings during which an individual
child fatality or near fatality case is reviewed or discussed by panel members may
be a closed session and subject to the provisions of KRS 61.815(1) and shall only
occur following the conclusion of an open session. At the conclusion of the closed
session, the panel shall immediately convene an open session and give a summary
of what occurred during the closed session.

(13) Each member of the external child fatality and near fatality review panel, any person attending a closed panel session, and any person presenting information or records on an individual child fatality or near fatality shall not release information or records not available under the Kentucky Open Records Act, KRS 61.870 to 61.884 to the public.

27 (14) A member of the external child fatality and near fatality review panel shall not be

1 prohibited from making a good faith report to any state or federal agency of any 2 information or issue that the panel member believes should be reported or disclosed 3 in an effort to facilitate effectiveness and transparency in Kentucky's child 4 protective services. 5 (15) A member of the external child fatality and near fatality review panel shall not be 6 held liable for any civil damages or criminal penalties pursuant to KRS 620.990 as a 7 result of any action taken or omitted in the performance of the member's duties pursuant to this section and KRS 620.050, except for violations of subsection (11), 8 9 (12), or (13) of this section. 10 (16) Beginning in 2014 the Legislative Oversight and Investigations Committee of the 11 Kentucky General Assembly shall conduct an annual evaluation of the external 12 child fatality and near fatality review panel established pursuant to this section to 13 monitor the operations, procedures, and recommendations of the panel and shall 14 report its findings to the General Assembly. 15 → Section 15. KRS 620.320 is amended to read as follows: 16 The duties of the State Citizen Foster Care Review Board shall be to: 17 Establish, approve, and provide training programs for local citizen foster care (1)18 review board members: 19 (2)Review and coordinate the activities of local citizen foster care review boards; 20 (3) Establish reporting procedures to be followed by the local citizen foster care review 21 boards and publish an annual written report compiling data reported by local foster 22 care review boards which shall include statistics relating, at a minimum, to the 23 following: 24 Barriers to permanency identified in reviews; (a) 25 The number of children moved more than three (3) times within a six (6) (b) 26 month period; 27 The average length of time in care; (c)

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1		(d) Local solutions reported to meet identified barriers; and
2		(e) The total number and frequency of reviews;
3	(4)	Publish an annual written report on the effectiveness of such local citizen foster care
4		review boards; and
5	(5)	Evaluate and make annual recommendations to the Supreme Court, the Legislative
6		Research Commission, and the Governor[, and the Child Welfare Oversight and
7		Advisory Committee established in KRS 6.943] regarding:
8		(a) Laws of the Commonwealth;
9		(b) Practices, policies, and procedures within the Commonwealth affecting
10		permanence for children in out-of-home placement and the investigation of
11		allegations of abuse and neglect;
12		(c) The findings of the local citizen foster care review board community forums
13		conducted pursuant to KRS 620.270; and
14		(d) The effectiveness or lack thereof and reasons therefor of local citizen foster
15		care review of children in the custody of the cabinet in bringing about
16		permanence for the Commonwealth's children.
17		Section 16. KRS 620.345 is amended to read as follows:
18	(1)	As used in this section, unless the context otherwise requires;
19		(a) "Cabinet" means the Cabinet for Health and Family Services; and
20		(b) "Secretary" means the secretary of the Cabinet for Health and Family
21		Services.
22	(2)	The secretary shall designate a study group to make recommendations regarding the
23		feasibility and implementation of the privatization of all foster care services in the
24		Commonwealth.
25	(3)	The study group shall be composed of the following members:
26		(a) The secretary;
27		(b) The commissioner for the Department for Community Based Services;

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1		(c)	The director of the Administrative Office of the Courts, or designee;
2		(d)	The executive director of the Governor's Office of Early Childhood, or
3			designee;
4		(e)	One (1) adult who was a former foster child in the Commonwealth;
5		(f)	One (1) adult who is a current or former foster parent in the Commonwealth;
6		(g)	Two (2) employees of a licensed child-placing agency;
7		(h)	Two (2) employees of a licensed child-caring facility; and
8		(i)	Any personnel within the Department for Community Based Services that the
9			secretary deems necessary.
10	(4)	In its	s deliberations, the study group shall include but not be limited to analysis of
11		impr	oved timeliness and likelihood of permanency such as reunification, adoption,
12		or g	uardianship; fewer moves for children in foster care; reduced instances of
13		reent	ry into care; and financial implications.
14	(5)	The	study group shall report its recommendations by July 1, 2019, to the Governor
15		<u>and</u> [,] the Interim Joint Committees on Appropriations and Revenue and Health and
16		Welf	are and Family Services[, and the Child Welfare Oversight and Advisory
17		Com	mittee established in KRS 6.943]. The study group shall cease to operate after
18		the d	elivery of the recommendations required by this subsection.
19		→Se	ection 17. KRS 309.0834 is amended to read as follows:
20	(1)	An a	applicant for certification as a certified clinical supervisor shall pay the board
21		the in	nitial fee for certification, and shall:
22		(a)	Hold and maintain an alcohol and drug counselor license, clinical alcohol and
23			drug counselor license, or alcohol and drug counselor certification at the
24			International Certification and Reciprocity Consortium reciprocal level;
25		(b)	Meet all education, continuing education, work experience, and supervision
26			requirements of the International Certification and Reciprocity Consortium for
27			the Clinical Supervisor;

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1		(c) Have passed a written examination that has been approved by the International
2		Certification and Reciprocity Consortium; and
3		(d) Have signed an agreement to abide by the standards of practice and code of
4		ethics approved by the board.
5	(2)	The board shall promulgate administrative regulations in accordance with KRS
6		Chapter 13A to establish a limited period of time of not less than ninety (90) days
7		or more than one (1) year from the effective date of this Act during which the
8		board may grant certification as a clinical supervisor to an applicant who does
9		not meet all the requirements of subsection (1) of this section if the applicant:
10		(a) Is licensed in Kentucky as a clinical alcohol and drug counselor or certified
11		in Kentucky as an alcohol and drug counselor as of March 24, 2021; and
12		(b) Has board approval to provide clinical supervision as of March 24,
13		2021[The board shall promulgate administrative regulations establishing a
14		time limit of not less than ninety (90) days or more than one (1) year by which
15		a person who was approved by the board as a supervisor prior to March 24,
16		2021, is required to meet the requirements for a certified clinical supervisor in
17		subsection (1) of this section].
18	(3)	An applicant who has been granted certification by the board in accordance with
19		subsection (2) of this section shall be immediately authorized to provide clinical
20		supervision to alcohol and drug counselors in accordance with subsection (5) of
21		this section and any administrative regulations promulgated by the board
22		establishing requirements for clinical supervision.
23	<u>(4)</u>	After the expiration of the time period established by the board under subsection
24		(2) of this section, an applicant for certification as a clinical supervisor shall meet
25		the requirements in subsection (1) of this section in accordance with any
26		administrative regulations promulgated by the board establishing requirements
27		for certification.

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(5) A certified clinical supervisor may supervise registered alcohol and drug peer
 support specialists, licensed alcohol and drug counselors, licensed clinical alcohol
 and drug counselors, certified alcohol and drug counselors, and persons who are
 seeking registration or certification.

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Section 18. KRS 222.231 is amended to read as follows:

- (1) The cabinet shall issue for a term of one (1) year, and may renew for like terms, a
 license, subject to revocation by it for cause, to any persons, other than a substance
 use disorder program that has been issued a license by the cabinet entitled
 "Chemical Dependency Treatment Services" pursuant to KRS 216B.042 or a
 department, agency, or institution of the federal government, deemed by it to be
 responsible and suitable to establish and maintain a program and to meet applicable
 licensure standards and requirements.
- 13 (2) The cabinet shall promulgate administrative regulations pursuant to KRS Chapter
 14 13A establishing requirements and standards for licensing agencies and approving
 15 programs. The requirements and standards shall include:

16 (a) The health and safety standards to be met by a facility housing a program;

- 17 (b) Patient care standards and minimum operating, training, and maintenance of18 patient records standards;
- (c) Licensing fees, application, renewal and revocation procedures, and the
 procedures for evaluation of the substance use disorder programs; and
- (d) Classification of substance use disorder programs according to type, range of
 services, and level of care provided.
- (3) The cabinet may establish different requirements and standards for different kinds
 of programs, and may impose stricter requirements and standards in contracts with
 agencies made pursuant to KRS 222.221.
- 26 (4) Each agency shall be individually licensed or approved.
- 27 (5) Each agency shall file with the cabinet from time to time, the data, statistics,

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schedules, or information the cabinet may reasonably require for the purposes of this section.

- 3 (6) The cabinet shall have authority to deny, revoke, or modify a license in any (a) 4 case in which it finds that there has been a substantial failure to comply with 5 the provisions of this chapter or the administrative regulations promulgated 6 thereunder. The denial, revocation, or modification shall be effected by 7 providing to the applicant or licensee, by certified mail or other method of 8 delivery, which may include electronic service, a notice setting forth the 9 particular reasons for the action. The denial, revocation, or modification shall 10 become final and conclusive thirty (30) days after notice is given, unless the 11 applicant or licensee, within this thirty (30) day period, files a request in 12 writing for a hearing before the cabinet.
- (b) If the cabinet has probable cause to believe that there is an immediate threat to
 public health, safety, or welfare, the cabinet may issue an emergency order to
 suspend the license. The emergency order to suspend the license shall be
 provided to the licensee, by certified mail or other method delivery, which
 may include electronic service, a notice setting forth the particular reasons for
 the action.
- 19 (7)Any person required to comply with an emergency order issued under subsection (6) 20 of this section may request an emergency hearing within five (5) calendar days of 21 receipt of the notice to determine the propriety of the order. The cabinet shall 22 conduct an emergency hearing within ten (10) working days of the request for a 23 hearing. Within five (5) working days of completion of the hearing, the cabinet's 24 hearing officer shall render a written decision affirming, modifying, or revoking the 25 emergency order. The emergency order shall be affirmed if there is substantial 26 evidence of a violation of law that constitutes an immediate danger to public health, 27 safety, or welfare. The decision rendered by the hearing officer shall be a final order

2the Franklin Circuit Court.3(8)If the cabinet issues an emergency order, the cabinet shall take action to revoke the4facility's license if:5(a)The facility fails to submit a written request for an emergency hearing within6five (5) calendar days of receipt of the notice; or7(b)The decision rendered under subsection (7) of this section affirms that there is8substantial evidence of an immediate danger to public health, safety, or9welfare.10(9)(a)11by the secretary and conducted in accordance with KRS Chapter 13B, may12refuse to grant, suspend, revoke, limit, or restrict the applicability of or refuse13to renew any agency license or approval of programs for any failure to meet14the requirements of its administrative regulations or standards concerning a15licensed agency and its program.16(b)Within five (5) working days of completion of a hearing on an emergency19suspension or within thirty (30) calendar days from the conclusion of a19hearing on the denial, revocation or modification of a license, the findings and19recommendations of the hearing officer shall be transmitted to the cabinet,20with a synopsis of the evidence contained in the record and a statement of the21basis of the hearing officer's findings.22(c)A petition for judicial review shall be made to the Franklin Circuit Court in23accordance with KRS Chapter 13B.24(10)No person, excepti	1		of th	ne cabinet on the matter, and any party aggrieved by the decision may appeal to				
 facility's license if: (a) The facility fails to submit a written request for an emergency hearing within five (5) calendar days of receipt of the notice; or (b) The decision rendered under subsection (7) of this section affirms that there is substantial evidence of an immediate danger to public health, safety, or welfare. (9) (a) The cabinet, after holding a hearing conducted by a hearing officer appointed by the secretary and conducted in accordance with KRS Chapter 13B, may refuse to grant, suspend, revoke, limit, or restrict the applicability of or refuse to renew any agency license or approval of programs for any failure to meet the requirements of its administrative regulations or standards concerning a licensed agency and its program. (b) Within five (5) working days of completion of a hearing on an emergency suspension or within thirty (30) calendar days from the conclusion of a hearing on the denial, revocation or modification of a license, the findings and recommendations of the hearing officer shall be transmitted to the cabinet, with a synopsis of the evidence contained in the record and a statement of the basis of the hearing officer's findings. (c) A petition for judicial review shall be made to the Franklin Circuit Court in accordance with KRS Chapter 13B. (10) No person, excepting a substance use disorder program that has been issued a license by the cabinet entitled "Chemical Dependency Treatment Services" pursuant to KRS 216B.042 or a department, agency, or institution of the federal government, 	2		the I	the Franklin Circuit Court.				
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 (b) Within five (5) working days of completion of a hearing on an emergency suspension or within thirty (30) calendar days from the conclusion of a hearing on the denial, revocation or modification of a license, the findings and recommendations of the hearing officer shall be transmitted to the cabinet, with a synopsis of the evidence contained in the record and a statement of the basis of the hearing officer's findings. (c) A petition for judicial review shall be made to the Franklin Circuit Court in accordance with KRS Chapter 13B. (10) No person, excepting a substance use disorder program that has been issued a license by the cabinet entitled "Chemical Dependency Treatment Services" pursuant to KRS 216B.042 or a department, agency, or institution of the federal government, 	14			the requirements of its administrative regulations or standards concerning a				
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 hearing on the denial, revocation or modification of a license, the findings and recommendations of the hearing officer shall be transmitted to the cabinet, with a synopsis of the evidence contained in the record and a statement of the basis of the hearing officer's findings. (c) A petition for judicial review shall be made to the Franklin Circuit Court in accordance with KRS Chapter 13B. (10) No person, excepting a substance use disorder program that has been issued a license by the cabinet entitled "Chemical Dependency Treatment Services" pursuant to KRS 216B.042 or a department, agency, or institution of the federal government, 	16		(b)	Within five (5) working days of completion of a hearing on an emergency				
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 basis of the hearing officer's findings. (c) A petition for judicial review shall be made to the Franklin Circuit Court in accordance with KRS Chapter 13B. (10) No person, excepting a substance use disorder program that has been issued a license by the cabinet entitled "Chemical Dependency Treatment Services" pursuant to KRS 216B.042 or a department, agency, or institution of the federal government, 	19			recommendations of the hearing officer shall be transmitted to the cabinet,				
 (c) A petition for judicial review shall be made to the Franklin Circuit Court in accordance with KRS Chapter 13B. (10) No person, excepting a substance use disorder program that has been issued a license by the cabinet entitled "Chemical Dependency Treatment Services" pursuant to KRS 216B.042 or a department, agency, or institution of the federal government, 	20			with a synopsis of the evidence contained in the record and a statement of the				
 accordance with KRS Chapter 13B. (10) No person, excepting a substance use disorder program that has been issued a license by the cabinet entitled "Chemical Dependency Treatment Services" pursuant to KRS 216B.042 or a department, agency, or institution of the federal government, 	21			basis of the hearing officer's findings.				
 (10) No person, excepting a substance use disorder program that has been issued a license by the cabinet entitled "Chemical Dependency Treatment Services" pursuant to KRS 216B.042 or a department, agency, or institution of the federal government, 	22		(c)	A petition for judicial review shall be made to the Franklin Circuit Court in				
 license by the cabinet entitled "Chemical Dependency Treatment Services" pursuant to KRS 216B.042 or a department, agency, or institution of the federal government, 	23			accordance with KRS Chapter 13B.				
to KRS 216B.042 or a department, agency, or institution of the federal government,	24	(10)	No	person, excepting a substance use disorder program that has been issued a				
	25		licer	nse by the cabinet entitled "Chemical Dependency Treatment Services" pursuant				
shall operate a program without a license pursuant to this section.	26		to K	RS 216B.042 or a department, agency, or institution of the federal government,				
	27		shal	l operate a program without a license pursuant to this section.				

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1 (11) Each program operated by a licensed agency shall be subject to visitation and 2 inspection by the cabinet and the cabinet shall inspect each agency prior to granting 3 a license. The cabinet shall inspect each nonaccredited agency at least annually 4 thereafter. If an agency is fully accredited by the Joint Commission, Commission on 5 Accreditation of Rehabilitation Facilities, Council on Accreditation, or other 6 nationally recognized accrediting organization with comparable standards, the 7 cabinet shall inspect the agency at least every two (2) years. The cabinet may 8 examine the books and accounts of any program if it deems the examination 9 necessary for the purposes of this section.

- 10 (12) The director may require agencies that contract with the Commonwealth pursuant to
 11 KRS 222.221 to admit as an inpatient or outpatient any person to be afforded
 12 treatment pursuant to this chapter, subject to service and bed availability and
 13 medical necessity.
- 14 (13) The cabinet shall promulgate administrative regulations pursuant to KRS Chapter
 15 13A governing the extent to which programs may be required to treat any person on
 16 an inpatient or outpatient basis pursuant to this chapter, except that no licensed
 17 hospital with an emergency service shall refuse any person suffering from acute
 18 alcohol or other drug intoxication or severe withdrawal syndrome from emergency
 19 medical care.
- (14) All narcotic treatment programs shall be licensed under this section prior to 20 21 operation. Licensed narcotic treatment programs shall have the authority to use 22 buprenorphine products that are approved by the United States Food and Drug 23 Administration for the treatment of substance use disorder. The cabinet shall 24 promulgate administrative regulations pursuant to KRS Chapter 13A to establish 25 additional standards of operation for narcotic treatment programs. The 26 administrative regulations shall include minimum requirements in the following 27 areas:

1	(a)	Compliance with relevant local ordinances and zoning requirements;
2	(b)	Submission of a plan of operation;
3	(c)	Criminal records checks for employees of the narcotic treatment program;
4	(d)	Conditions under which clients are permitted to take home doses of
5		medications;
6	(e)	Drug screening requirements;
7	(f)	Quality assurance procedures;
8	(g)	Program director requirements;
9	(h)	Qualifications for the medical director for a narcotic treatment program, who
10		at a minimum shall:
11		1. Be a board-eligible psychiatrist licensed to practice in Kentucky and
12		have three (3) years' documented experience in the provision of services
13		to individuals with a substance use disorder; or
14		2. Be a physician licensed to practice in Kentucky and be board certified as
15		an addiction medicine specialist;
16	(i)	Security and control of narcotics and medications;
17	(j)	Program admissions standards;
18	(k)	Treatment protocols;
19	(1)	Treatment compliance requirements for program clients;
20	(m)	Rights of clients; [and]
21	(n)	Monitoring of narcotic treatment programs by the cabinet: and
22	<u>(0)</u>	Process and procedures for how a narcotic treatment program uses
23		buprenorphine products for the treatment of substance use disorder.
24	→S	ECTION 19. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO
25	READ AS	S FOLLOWS:
26	<u>(1) (a)</u>	By December 31, 2022, the secretary of the Finance and Administration
27		Cabinet shall, upon the recommendation of the secretary of the Personnel

1	Cabinet and in accordance with KRS Chapter 45A, select and enter into a
2	contract, the effective date of which shall not be later than January 1, 2023,
3	with a single independent entity for the purpose of monitoring all pharmacy
4	benefit claims for every individual enrolled in the Public Employee Health
5	Insurance Program.
6	(b) A contract entered into pursuant to this subsection shall:
7	1. Not be for a term longer than two (2) years but may be renewed for
8	like or lesser periods; and
9	2. Limit compensation paid to the contracted entity to not more than
10	thirty percent (30%) of the total savings generated by the contracted
11	entity as determined by the Personnel Cabinet.
12	(2) To be eligible to receive a contract pursuant to subsection (1) of this section, an
13	entity shall:
14	(a) Be capable of performing the analysis of pharmacy benefit claims to
15	validate accuracy and identify errors in near real time;
16	(b) Not be an entity that performs annual retroactive audits of pharmacy
17	benefit claims for the Public Employee Health Insurance Program; and
18	(c) Not be affiliated by common parent company or holding company, share
19	any common members of the board of directors, or share managers in
20	<u>common with:</u>
21	1. An insurer contracted pursuant to KRS 18A.225;
22	2. A third-party administrator contracted pursuant to KRS 18A.2254; or
23	3. A pharmacy benefit manager contracted by:
24	a. The Personnel Cabinet;
25	b. An insurer contracted pursuant to KRS 18A.225; or
26	c. A third-party administrator contracted pursuant to KRS
27	<u>18A.2254.</u>

1	(3)	The entity	contracted	pursuant to	subsection	$(1) \epsilon$	of this section shall:

2	<u>(a)</u>	Be granted full access to:
3		1. Any contract awarded to a pharmacy benefit manager for the purpose
4		of administering pharmacy benefits in the Public Employee Health
5		Insurance Program and all pertinent reference documents within that
6		contract, including but not limited to any price lists or specialty drug
7		price lists which shall be provided to the monitoring entity contracted
8		pursuant to this section by the Personnel Cabinet and which shall be
9		updated by the Personnel Cabinet within five (5) days of the effective
10		date of any pricing changes;
11		2. Any other contract that defines a pharmacy benefit manager's
12		obligations and responsibilities as it relates to processing Public
13		<u>Employee Health Insurance Program pharmacy benefit claims,</u>
14		including any contract between the pharmacy benefit manager and an
15		insurer contracted pursuant to KRS 18A.225 or a third-party
16		administrator contracted pursuant to KRS 18A.2254; and
17		3. Invoices and unaltered claims files associated with the Public
18		Employee Health Insurance Program pharmacy benefits;
19	<u>(b)</u>	Analyze one hundred percent (100%) of invoices or claims submitted for
20		payment by the Public Employee Health Insurance Program. The entity
21		shall not utilize statistical sampling methods in lieu of analyzing all invoices
22		and claims;
23	<u>(c)</u>	Identify and correct errors in pharmacy benefit claims in order to avoid or
24		reduce erroneous overpayments by an insurer contracted pursuant to KRS
25		18A.225, a third-party administrator contracted pursuant to KRS 18A.2254,
26		or a pharmacy benefit manager contracted to administer pharmacy benefits
27		in the Public Employee Health Insurance Program;

1	(d) Identify underpayments made by an insurer contracted pursuant to KRS
2	18A.225, a third-party administrator contracted pursuant to KRS 18A.2254,
3	or a pharmacy benefit manager contracted to administer pharmacy benefits
4	in the Public Employee Health Insurance Program;
5	(e) Identify inappropriate or erroneous fees imposed by an insurer contracted
6	pursuant to KRS 18A.225, a third-party administrator contracted pursuant
7	to KRS 18A.2254, or a pharmacy benefit manager contracted to administer
8	pharmacy benefits in the Public Employee Health Insurance Program; and
9	(f) Beginning on April 30, 2023, and quarterly thereafter, submit a report to
10	the Legislative Research Commission. The report shall include a summary
11	of the analysis and errors identified pursuant to paragraphs (c), (d), and (e)
12	of this subsection during the previous quarter.
13	(4) The entity contracted pursuant to subsection (1) of this section shall not perform
14	drug utilization reviews.
15	(5) The analysis of claims and the identification of potential errors required by
16	subsection (3)(b), (c), and (d) of this section shall:
17	(a) Occur prior to the due date of each claim or invoice submitted by an insurer
18	contracted pursuant to KRS 18A.225, a third-party administrator contracted
19	pursuant to KRS 18A.2254, or a pharmacy benefit manager contracted to
20	administer pharmacy benefits in the Public Employee Health Insurance
21	Program or within five (5) days of receipt of the claim or invoice, whichever
22	is later; and
23	(b) Consider at least the following:
24	1. Compliance with all relevant administrative regulations promulgated
25	by the Personnel Cabinet;
26	2. Compliance with all state and federal laws relating to or applicable to
27	the Public Employee Health Insurance Program;

1	3. Compliance with any contract between a pharmacy benefit manager
2	and the Personnel Cabinet, an insurer contracted pursuant to KRS
3	18A.225, or a third-party administrator contracted pursuant to KRS
4	<u>18A.2254; and</u>
5	4. The market competitiveness of pharmacy benefit payments, including
6	the adequacy of payments to pharmacies.
7	(6) The Personnel Cabinet may promulgate administrative regulations necessary to
8	carry out this section.
9	\blacksquare Section 20. The following KRS sections are repealed:
10	6.940 Medicaid Oversight and Advisory Committee Membership Meetings Vote
11	required to act.
12	6.943 Child Welfare Oversight and Advisory Committee Membership Co-chairs
13	Quorum Employment of personnel Staff and operating costs.
14	→Section 21. Sections 4 through 16 and 20 of this Act take effect January 1,
15	2023.
16	Section 22. Whereas there is a shortage of counselors who are qualified and
17	available to treat individuals during the current substance use disorder crisis and it is of
18	the utmost importance that all qualified counselors be able to provide treatment and that
19	all available treatments be used, an emergency is declared to exist and Section 17 of this
20	Act takes effect upon approval by the Governor or upon its otherwise becoming a law.