1996 SESSION

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1	SENATE BILL NO. 579
2	Offered January 22, 1996
3	A BILL to amend and reenact §§ 2.1-757, as it is currently effective and as it may become effective,
4	2.1-758, 22.1-215, 32.1-125 and 63.1-195 of the Code of Virginia, relating to nursing facilities and
5 6	special education.
7	Patron—Woods
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<u>9</u>	Referred to the Committee on Education and Health
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11	Be it enacted by the General Assembly of Virginia:
12	1. That §§ 2.1-757, as it is currently effective and as it may become effective, 2.1-758, 22.1-215,
13	32.1-125 and 63.1-195 of the Code of Virginia are amended and reenacted as follows:
14 15	§ 2.1-757. State pool of funds.
15 16	A. Effective July 1, 1993, there is established a state pool of funds to be allocated to community policy and management teams in accordance with the appropriations act and appropriate state
17	regulations. These funds, as made available by the General Assembly, shall be expended for public or
18	private nonresidential or residential services for troubled youths and families.
19	The purposes of this system of funding are:
20	1. To place authority for making program and funding decisions at the community level;
21	2. To consolidate categorical agency funding and institute community responsibility for the provision
22	of services;
23 24	3. To provide greater flexibility in the use of funds to purchase services based on the strengths and needs of youths and families; and
24 25	4. To reduce disparity in accessing services and to reduce inadvertent fiscal incentives for serving
2 6	children according to differing required local match rates for funding streams.
27	B. The state pool shall consist of funds which serve the target populations identified in subdivisions
28	1 through 5 below in the purchase of residential and nonresidential services for children. References to
29	funding sources and current placement authority for the targeted populations of children are for the
30	purpose of accounting for the funds in the pool. It is not intended that children be categorized by
31	individual funding streams in order to access services. The target population shall be the following:
32 33	1. Children placed for purposes of special education in approved private school educational programs,
33 34	previously funded by the Department of Education through private tuition assistance; 2. Children with disabilities placed by local social services agencies or the Department of Youth and
35	Family Services in private residential facilities or across jurisdictional lines in private, special education
36	day schools, if the individualized education program indicates such school is the appropriate placement
37	while living in foster homes or child-caring facilities, previously funded by the Department of Education
38	through the Interagency Assistance Fund for Noneducational Placements of Handicapped Children;
39	3. Children for whom foster care services, as defined by § 63.1-55.8, are being provided to prevent
40	foster care placements, and children placed through parental agreements, entrusted to local social service
41	agencies by their parents or guardians or committed to the agencies by any court of competent
42 43	jurisdiction for purposes of placement in suitable family homes, child-caring institutions, residential facilities or independent living arrangements, as authorized by § 63.1-56;
44	4. Children placed by a juvenile and domestic relations district court, in accordance with the
45	provisions of § 16.1-286, in a private or locally operated public facility or nonresidential program; and
46	5. Children committed to the Department of Youth and Family Services and placed by it in a private
47	home or in a public or private facility in accordance with § 66-14-; and
48	6. Children, who are medically fragile and who are eligible for medical assistance services, placed
49 50	in a nursing facility licensed by the Department of Health.
50 51	C. The General Assembly and the governing body of each county and city shall annually appropriate
51 52	such sums of money as shall be sufficient (i) to provide special education services and foster care services for children identified in subdivisions B 1, B 2, and B 3, and B 6 of this section and (ii) to
52 53	meet relevant federal mandates for the provision of these services. The community policy and
54	management team shall anticipate to the best of its ability the number of children for whom such
55	services will be required and reserve funds from its state pool allocation to meet these needs.
56	D. When a community services board established pursuant to § 37.1-195, local school division, local
57	social service agency, court service unit, or the Department of Youth and Family Services has referred a
58	child and family to a family assessment and planning team and that team has recommended the proper
59	level of treatment and services needed by that child and family and has determined the child's eligibility

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60 for funding for services through the state pool of funds, then the community services board, the local

school division, local social services agency, court service unit or Department of Youth and Family 61 Services has met its fiscal responsibility for that child for the services funded through the pool. Each 62

63 agency shall continue to be responsible for providing services identified in individual family service

64 plans which are within the agency's scope of responsibility and which are funded separately from the 65 state pool.

66 E. In any matter properly before a court wherein the family assessment and planning team has recommended a level of treatment and services needed by the child and family, the court shall consider 67 the recommendations of the family assessment and planning team. However, the court may make such 68 other disposition as is authorized or required by law, and services ordered pursuant to such disposition 69 70 shall qualify for funding under this section. 71

§ 2.1-757. (Delayed effective date) State pool of funds.

A. Effective July 1, 1993, there is established a state pool of funds to be allocated to community 72 policy and management teams in accordance with the appropriations act and appropriate state 73 74 regulations. These funds, as made available by the General Assembly, shall be expended for public or 75 private nonresidential or residential services for troubled youths and families. 76

The purposes of this system of funding are:

1. To place authority for making program and funding decisions at the community level;

78 2. To consolidate categorical agency funding and institute community responsibility for the provision 79 of services;

80 3. To provide greater flexibility in the use of funds to purchase services based on the strengths and 81 needs of youths and families; and

4. To reduce disparity in accessing services and to reduce inadvertent fiscal incentives for serving 82 83 children according to differing required local match rates for funding streams.

84 B. The state pool shall consist of funds which serve the target populations identified in subdivisions 85 1 through 5 below in the purchase of residential and nonresidential services for children. References to 86 funding sources and current placement authority for the targeted populations of children are for the 87 purpose of accounting for the funds in the pool. It is not intended that children be categorized by individual funding streams in order to access services. The target population shall be the following: 88

89 1. Children placed for purposes of special education in approved private school educational programs, 90 previously funded by the Department of Education through private tuition assistance;

91 2. Children with disabilities placed by local social services agencies or the Department of Youth and 92 Family Services in private residential facilities or across jurisdictional lines in private, special education 93 day schools, if the individualized education program indicates such school is the appropriate placement 94 while living in foster homes or child-caring facilities, previously funded by the Department of Education through the Interagency Assistance Fund for Noneducational Placements of Handicapped Children; 95

96 3. Children for whom foster care services, as defined by § 63.1-55.8, are being provided to prevent 97 foster care placements, and children placed through parental agreements, entrusted to local social service agencies by their parents or guardians or committed to the agencies by any court of competent 98 jurisdiction for purposes of placement in suitable family homes, child-caring institutions, residential 99 100 facilities or independent living arrangements, as authorized by § 63.1-56;

4. Children placed by a family court, in accordance with the provisions of § 16.1-286, in a private or 101 102 locally operated public facility or nonresidential program; and

103 5. Children committed to the Department of Youth and Family Services and placed by it in a private 104 home or in a public or private facility in accordance with § 66-14-; and

105 6. Children, who are medically fragile and who are eligible for medical assistance services, placed 106 in a nursing facility licensed by the Department of Health.

C. The General Assembly and the governing body of each county and city shall annually appropriate 107 108 such sums of money as shall be sufficient (i) to provide special education services and foster care services for children identified in subdivisions B 1, B 2, and B 3, and B 6 of this section and (ii) to meet relevant federal mandates for the provision of these services. The community policy and 109 110 management team shall anticipate to the best of its ability the number of children for whom such 111 112 services will be required and reserve funds from its state pool allocation to meet these needs.

D. When a community services board established pursuant to § 37.1-195, local school division, local 113 114 social service agency, court service unit, or the Department of Youth and Family Services has referred a child and family to a family assessment and planning team and that team has recommended the proper 115 116 level of treatment and services needed by that child and family and has determined the child's eligibility for funding for services through the state pool of funds, then the community services board, the local 117 school division, local social services agency, court service unit or Department of Youth and Family 118 Services has met its fiscal responsibility for that child for the services funded through the pool. Each 119 120 agency shall continue to be responsible for providing services identified in individual family service plans which are within the agency's scope of responsibility and which are funded separately from the 121

122 state pool.

123 E. In any matter properly before a court wherein the family assessment and planning team has 124 recommended a level of treatment and services needed by the child and family, the court shall consider 125 the recommendations of the family assessment and planning team. However, the court may make such 126 other disposition as is authorized or required by law, and services ordered pursuant to such disposition 127 shall qualify for funding under this section.

128 § 2.1-758. Eligibility for state pool of funds.

129 A. In order to be eligible for funding for services through the state pool of funds, a youth, or family 130 with a child, shall meet one or more of the criteria specified in subdivisions 1 through 4 below and shall 131 be determined by policies of the community policy and management team to have access to these funds. 132

1. The child or youth has emotional or behavior problems which:

133 a. Have persisted over a significant period of time or, though only in evidence for a short period of 134 time, are of such a critical nature that intervention is warranted;

135 b. Are significantly disabling and are present in several community settings, such as at home, in 136 school or with peers; and

c. Require services or resources that are unavailable or inaccessible, or that are beyond the normal 137 138 agency services or routine collaborative processes across agencies, or require coordinated interventions 139 by at least two agencies.

140 2. The child or youth has emotional or behavior problems, or both, and currently is in, or is at 141 imminent risk of entering, purchased residential care. In addition, the child or youth requires services or 142 resources that are beyond normal agency services or routine collaborative processes across agencies, and 143 requires coordinated services by at least two agencies.

144 3. The child or youth requires placement for purposes of special education in approved private school 145 educational programs.

146 4. The child or youth has been placed in foster care through a parental agreement between a local 147 social services agency or public agency designated by the community policy and management team and 148 his parents or guardians, entrusted to a local social services agency by his parents or guardian or has 149 been committed to the agency by a court of competent jurisdiction for the purposes of placement as 150 authorized by § 63.1-56.

151 5. The child or youth is so medically fragile as to require nursing facility care, is eligible for 152 medical assistance services, and has been placed in a nursing facility licensed by the Department of 153 Health.

154 B. For purposes of determining eligibility for the state pool of funds, "child" or "youth" means (i) a 155 person less than eighteen years of age and (ii) any individual through twenty-one years of age who is 156 otherwise eligible for mandated services of the participating state agencies including special education 157 and foster care services.

158 § 22.1-215. School divisions to provide special education; plan to be submitted to Board.

159 Each school division shall provide free and appropriate education, including special education, for the 160 children with disabilities residing within its jurisdiction in accordance with regulations of the Board of 161 Education.

162 For the purposes of this section, "children with disabilities, residing within its jurisdiction" shall 163 include: (i) those individuals of school age identified as appropriate to be placed in public school 164 programs, who are residing in a state institution operated by the Department of Mental Health, Mental Retardation and Substance Abuse Services located within the school division, or (ii) those individuals of 165 166 school age who are Virginia residents and are placed and living in a foster care home or child-caring institution or group home located within the school division and licensed under the provisions of 167 168 Chapter 10 (§ 63.1-195 et seq.) of Title 63.1 as result of being in the custody of a local department of 169 social services or welfare or being privately placed, not solely for school purposes, or (iii) those 170 individuals of school age who are Virginia residents, are eligible for medical assistance services, and 171 are residents of a facility licensed as a nursing home by the Department of Health.

172 The Board of Education shall promulgate regulations to identify those children placed within facilities operated by the Department of Mental Health, Mental Retardation and Substance Abuse 173 174 Services who are eligible to be appropriately placed in public school programs.

The cost of the education provided to children residing in the state institutions, who are appropriate 175 176 to place within the public schools, shall remain the responsibility of the Department of Mental Health, 177 Mental Retardation and Substance Abuse Services. The cost of the education provided to children who 178 are not residents of the Commonwealth and are placed and living in a foster care home or child-caring 179 institution or group home located within the school division and licensed under the provisions of Chapter 10 (§ 63.1-195 et seq.) of Title 63.1 shall be billed to the sending agency or person by the 180 school division as provided in subsection C of § 22.1-5. No school division shall refuse to educate any 181 182 such child or charge tuition to any such child.

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183 Beginning July 1, 1996, the Department of Education shall be entitled to deduct annually from the 184 locality's share for the education of handicapped pupils a sum equal to the actual local expenditure per 185 pupil in support of those students placed by the relevant local school division in a facility licensed by 186 the Department of Health as a nursing home or certified nursing facility which is also either licensed by 187 the Department of Education as a school for students with disabilities pursuant to Chapter 16 188 (§ 22.1-319 et seq.) of Title 22.1 or licensed by the Department of Social Services as a child-caring institution pursuant to Chapter 10 (§ 63.1-195 et seq.) of Title 63.1. If the cost of providing the 189 190 education to such child is more than the sum equal to the actual local expenditure per pupil, the difference between the sending school division's actual local expenditure per pupil and the cost of the 191 192 child's education to the school division providing the services.

193 The cost of the education provided to children who are residents of the Commonwealth and who are 194 placed by an agency or person other than a school division, and who is living in a nursing facility 195 which is licensed as described above shall be billed to the sending agency or person by the school division providing the education. The school division providing the education shall be, for purposes of 196 federal law and funding, responsible for developing any individualized education program which may be 197 198 required for such child.

199 Each school division shall submit annually to the Board of Education by such date as the Board shall 200 specify a plan acceptable to the Board for such education for the year following and a report indicating 201 the extent to which the plan required by law for the preceding year has been implemented.

202 § 32.1-125. Establishment or operation of hospitals and nursing facilities prohibited without license or 203 certification; licenses not transferable.

204 A. No person shall own, establish, conduct, maintain, manage or operate in this Commonwealth any hospital or nursing home facility unless such hospital or nursing home facility is licensed or certified as 205 206 provided in this article. In addition to the requirements of this article, nursing facilities with pediatric 207 units shall be licensed as schools for students with disabilities pursuant to Chapter 16 (§ 22.1-319 et 208 seq.) of Title 22.1 or as a child-caring institutions pursuant to Chapter 10 (§ 63.1-195 et seq.) of Title 209 63.1. 210

B. No license issued hereunder shall be assignable or transferable.

§ 63.1-195. Definitions.

As used in this chapter:

213 "Adoptive home" means any family home selected and approved by a parent, local board of public 214 welfare or social services or a licensed child-placing agency for the placement of a child with the intent 215 of adoption.

216 "Adoptive placement" means arranging for the care of a child who is in the custody of a 217 child-placing agency in an approved home for the purpose of adoption. 218

Child" means any natural person under eighteen years of age.

219 "Child-caring institution" means any institution maintained for the purpose of receiving children for 220 full-time care, maintenance, protection and guidance separated from their parents or guardians, including 221 a pediatric unit in a nursing facility, except:

222 1. A bona fide educational institution whose pupils, in the ordinary course of events, return annually 223 to the homes of their parents or guardians for not less than two months of summer vacation; 224

2. An establishment required to be licensed as a summer camp by Title 35.1; and

3. A bona fide hospital legally maintained as such.

"Child day center" means a child day program offered to (i) two or more children under the age of thirteen in a facility that is not the residence of the provider or of any of the children in care or (ii) 226 227 228 thirteen or more children at any location.

"Child day center system" means any person who is voluntarily licensed as such who operates, 229 230 manages, or accredits as members of its system, fifty or more child day center sites in the 231 Commonwealth.

232 "Child day program" means a regularly operating service arrangement for children where, during the 233 absence of a parent or guardian, a person or organization has agreed to assume responsibility for the 234 supervision, protection, and well-being of a child under the age of thirteen for less than a 235 twenty-four-hour period.

236 "Child-placing agency" means any person who places children in foster homes, adoptive homes or 237 independent living arrangements pursuant to § 63.1-205 or a local board of public welfare or social 238 services that places children in foster homes or adoptive homes pursuant to §§ 63.1-56, 63.1-204 and 239 63.1-220.2.

"Child-welfare agency" means a child day center, child day center system, child-placing agency, 240 241 child-caring institution, family day home, family day system, or independent foster home.

"Family day home" means a child day program offered in the residence of the provider or the home 242 243 of any of the children in care for one through twelve children under the age of thirteen, exclusive of the provider's own children and any children who reside in the home, when at least one child receives care 244

for compensation. From July 1, 1993, until July 1, 1996, family day homes serving nine through twelve 245 246 children, exclusive of the provider's own children and any children who reside in the home, shall be 247 licensed. Effective July 1, 1996, family day homes serving six through twelve children, exclusive of the 248 provider's own children and any children who reside in the home, shall be licensed. However, no family 249 day home shall care for more than four children under the age of two, including the provider's own 250 children and any children who reside in the home, unless the family day home is licensed or voluntarily 251 registered. However, a family day home where the children in care are all grandchildren of the provider 252 shall not be required to be licensed.

"Family day system" means any person who approves family day homes as members of its system;
who refers children to available family day homes in that system; and who, through contractual
arrangement, may provide central administrative functions including, but not limited to, training of
operators of member homes; technical assistance and consultation to operators of member homes;
inspection, supervision, monitoring, and evaluation of member homes; and referral of children to
available health and social services.

259 "Foster care services" means the provision of a full range of casework, treatment and community 260 services for a planned period of time to a child who is abused or neglected as defined in § 63.1-248.2 or 261 in need of services as defined in § 16.1-228 and his family when the child (i) has been identified as 262 needing services to prevent or eliminate the need for foster care placement, (ii) has been placed through 263 an agreement between the local board of social services or the public agency designated by the 264 community policy and management team and the parents or guardians, (iii) has been committed or 265 entrusted to a local board of social services or child welfare agency, or (iv) has been placed under the 266 supervisory responsibility of a local board pursuant to § 16.1-293.

267 "Foster care placement" means placement of a child through (i) an agreement between the parents or
268 guardians and the local board or the public agency designated by the community policy and
269 management team where legal custody remains with the parents or guardians, or (ii) an entrustment or
270 commitment of the child to the local board or child welfare agency.

271 "Foster home" means the place of residence of any natural person in which any child, other than a272 child by birth or adoption of such person, resides as a member of the household.

"Group home" means a child-caring institution which is operated by any person at any place otherthan in an individual's family home or residence and which does not care for more than twelve children.

"Independent foster home" means a private family home in which any child, other than a child by
birth or adoption of such person, resides as a member of the household and has been placed therein
independently of a child-placing agency except (i) a home in which are received only children related by
birth or adoption of the person who maintains such home and children of personal friends of such
person and (ii) a home in which is received a child or children committed under the provisions of
subdivision 4 of § 16.1-278.2, subdivision 6 of § 16.1-278.4, or subdivision 13 of § 16.1-278.8.

"Independent living placement" means placement of a child at least sixteen years of age who is in the custody of a local board or licensed child-placing agency or has been placed by a local board in a living arrangement in which he does not have daily substitute parental supervision.

"Intercountry placement" means the arrangement for the care of a child in an adoptive home or foster
care placement into or out of the Commonwealth by a licensed child-placing agency, court, or other
entity authorized to make such placements in accordance with the laws of the foreign country under
which it operates.

"Interstate placement" includes the arrangement for the care of a child in an adoptive home, foster
care placement or in the home of the child's parent or with a relative or nonagency guardian, into or out
of the Commonwealth, by a child-placing agency or court when the full legal right of the child's parent
or nonagency guardian to plan for the child has been voluntarily terminated or limited or severed by the
action of any court.

"Permanent foster care placement" means the place of residence in which a child resides and in which he has been placed pursuant to the provisions of §§ 63.1-56 and 63.1-206.1 with the expectation and agreement between the placing agency and the place of permanent foster care that the child shall remain in the placement until he reaches the age of majority unless modified by court order or unless removed pursuant to § 16.1-251 or § 63.1-248.9. A permanent foster care placement may be a place of residence of any natural person or persons deemed appropriate to meet a child's needs on a long-term basis.

"Person" means any natural person, or any association, partnership or corporation or other legalentity.

302 "Registered family day home" means any family day home which has met the standards for
 303 voluntary registration for such homes pursuant to regulations promulgated by the State Board of Social
 304 Services and which has obtained a certificate of registration from the Commissioner.

305 2. That the provisions of this act shall become effective on July 1, 1997.