[LB369 LB610 LB616 LB617 LB670]

The Committee on Health and Human Services met at 1:30 p.m. on Thursday, February 22, 2007, in Room 1402 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB369, LB610, LB670, LB617, and LB616. Senators present: Joel Johnson, Chairperson; Philip Erdman; Tom Hansen; Gwen Howard; and Arnie Stuthman. Senators absent: Vice Chairperson, Tim Gay; and Dave Pankonin.

SENATOR JOHNSON: Good afternoon, everyone. Let's go ahead and get started with the Health and Human Services Committee hearings. First of all, we will have people coming and going as there are senators from this committee that will be introducing bills elsewhere, as well. So don't take offense if somebody gets up and leaves. Now let's start with Gwen Howard, Senator Gwen Howard from Omaha on my left; Tom Hansen from North Platte; Arnie Stuthman from Platte Center; Erin Mack is our committee clerk; I'm Joel Johnson from Kearney; and just to my right is Jeff Santema, and we also will have Senator Pankonin from Louisville will be joining us. Unfortunately, Senator Gay's father passed away yesterday, and so he will not be with us. The proceedings are recorded, so we would ask a couple of things. One is when you come up, please pronounce your name clearly and spell it, and secondly, if you have a cell phone, please silence it, or you will be. (Laughter) Next is...there may be some of you that wish to go on record for or against something here today and yet don't want to publicly testify. There are sign-up sheets that you can register your opinion. Other than that, one last cleanup item here is, if you have something that you would like to distribute, we'd like 12 copies. If you don't have 12, our people will be glad to make copies for you. And then I guess just one last thing is, you know, there's always the potential. We left this hearing room last night at 6:00 o'clock, and we've been doing that pretty regularly. I want you to be very mindful to make your testimony short and to the point. You are being very discourteous to the people whose bill comes up at 5:30 in the afternoon. If you ramble on and on, you really aren't being very nice citizens to those people at all. So remember those that are coming later and respect their bill and their wishes, as much as your own. We like people to testify about three minutes. The first person, we usually let them talk a little bit more. We figure they are representing the group, in general; but even there, we want you to stick basically to the three minutes. Senator Erdman, let's open on LB369. [LB369]

SENATOR ERDMAN: Thank you, Mr. Chairman, members of the Health and Human Services Committee. My name is Philip Erdman. I represent the 47th Legislative District, and I am here to introduce LB369. LB369 redefines mental health practice to include diagnosing major mental illness or disorder using psychotherapy with individuals suspected of having major mental or emotional disorders, and using psychotherapy to treat the concomitance of organic illness with or without consultation with a qualified physician or psychologist. Under current law, licensed mental health practitioners are required to refer patients with a serious mental illness or disorder to a psychologist or a

psychiatrist for diagnosis and treatment. These oversight provisions often result in lengthy delays and impede the timely delivery of care to those who need them. Nebraska is the only one of 46 states that license marriage and family therapists that requires consultations for diagnosis. Twenty-five states currently permit professional counselors to independently diagnose and treat MMDs. This bill makes necessary changes to improve patient access to care by permitting qualified mental health practitioners to provide independent services to individual with a serious mental illness or disorder. I introduced the green copy of the bill to permit all three disciplines of licensed mental health practitioners--the social workers, professional counselors, and marriage and family therapists--to continue to meet and try to reach consensus regarding the proposal. Consensus has not been reached. Both the professional counselors and the marriage and family therapists are willing to follow the recommendations that came forth in the last 407 review on this topic. AM432 that I will offer you today reflects the recommendations of both the technical review panel and the board of health, as well as there are discussions that are ongoing to clarify and try to resolve Dr. Schaefer's concerns with the proposals contained in her report dated December 19, 2005. It is my understanding that both of the groups mentioned earlier, the professional counselors and the marriage and family therapists, are supportive of adopting the changes to the training requirements that pertain to graduates of nonaccredited programs, and they are here to speak to that issue during their testimony. The amendment, AM432, would also exclude social workers from these provisions. It is my understanding that the social workers were invited but did not participate in the 407 review and have a separate proposal that they would like to see adopted. Their concerns closely mirror those expressed by psychologists on May 1, 2005, during a meeting of the 407 review committee. These proposed changes to the law were not adopted in the final amended proposal. Therefore, those changes are not included in our amendment, as they are not the result of consensus which were achieved outside of the 407 process, or approved within the amended proposal from Health and Human Services in the 407 review. With that, Mr. Chairman, I would be happy to answer any questions that I may, and there are individuals on both sides of this wonderful issue who will be here to address the committee. [LB369]

SENATOR JOHNSON: Thank you, Senator Erdman. Any questions at this time of Senator Erdman? Seeing none, how many proponents do we have? Four. How many opponents? Four, five, six, seven. Okay. Neutral? Okay, we've got about 11, and that's close to an hour's worth right there, folks. All right, let's proceed with the first proponent. [LB369]

KEVIN KAMINSKI: Chairman Johnson, committee members, my name is Kevin Kaminski, K-a-m-i-n-s-k-i. I am the executive director of the Nebraska Counseling Association, a licensed professional counselor, licensed mental health practitioner, as well as I was a member of the 407 technical review committee. That is what I'm here today to discuss, as well as present to you. Throughout the last couple to four years, we

have gone through a 407 technical review process, in which case, at the first stage of the technical review, there was a consensus among that group. We voted to forward our recommendations after discussions and two votes, to the board of health. The board of health therefore reviewed our documentation, accepted our changes and alterations to the original proposal, and then sent that on to Dr. Schaefer's office. Dr. Schaefer did make some changes to those, and as Senator Erdman had made mention to, we as the professional counselors and the Nebraska Counseling Association are at this time in favor of those, after we find out what the stipulations to that...those recommendations are. Throughout that process we engaged in discussions prior to, during, and now after the 407 process and were never able to come to a complete consensus and/or have full agreement of the three professional organizations and disciplines under the LMHP, or primary disciplines. However, in the initial stages, we were able to work closely with all three disciplines and after the 407 process has been completed, those have been different, and we are now...we have still attempted to, and now have gone back to the 407 recommendations. I am also here to discuss why this would be good for the state of Nebraska. We in the state of Nebraska are surrounded, as well...by other states, as well as within our region, which would make up approximately 11 or 12 states, and we are the only state that does not allow for the independent practice of professional counselors and/or LMHPs. Our criteria for professional counselors of 3,000 postgraduate hours, as well as our educational requirements even under equivalency, meets and/or exceeds the bordering states of Nebraska who are allowed to practice independently and treat and diagnose major mental disorders. We feel as though this is restrictive, not to so much the professional, but to the client. We have the ability at this time, in the current writing of our law and our regulations, to diagnose a major mental disorder for referral. So the question then comes, if we are trained to diagnose it on first sight, we should also be able to treat it, as well as diagnose it, throughout the continuum. And that concludes my testimony. [LB369]

SENATOR JOHNSON: Senator Howard. [LB369]

SENATOR HOWARD: Thank you, Mr. Chairman. I want to have a clear picture of this. Right now, the way that you're operating is under the auspices of a psychiatrist or mental health practitioner of... [LB369]

KEVIN KAMINSKI: I'm sorry. I don't understand your question. [LB369]

SENATOR HOWARD: You don't...you are not operating independently. Don't you have a referring psychiatrist? [LB369]

KEVIN KAMINSKI: We have to have a consulting psychiatrist or psychologist or medical doctor who is trained and/or aware of mental disorders, correct. [LB369]

SENATOR HOWARD: And how is the billing handled? [LB369]

KEVIN KAMINSKI: The billing is a separate issue. That is a Medicaid issue that is based on supervision and not consultation. The consultation piece also is enforced on the areas of major mental disorders, and so the billing...we have to denote who our consulting psychologist or psychiatrist is, in most cases. They have to meet with our clients and/or review the documentation. This is impeding, at times. [LB369]

SENATOR HOWARD: All right. So...but you submit your own billing through the Medicaid program? [LB369]

KEVIN KAMINSKI: Yes. [LB369]

SENATOR HOWARD: With...in consultation? [LB369]

KEVIN KAMINSKI: That's a supervision clause in Medicaid, not a consultation clause. There are two different issues. [LB369]

SENATOR HOWARD: I understand, I understand. [LB369]

KEVIN KAMINSKI: Right. [LB369]

SENATOR HOWARD: Thank you. [LB369]

KEVIN KAMINSKI: Um-hum. [LB369]

SENATOR JOHNSON: Any other questions? Sir, I see none. Thank you very much. [LB369]

KEVIN KAMINSKI: Thank you. [LB369]

SENATOR JOHNSON: Next, please. [LB369]

LINCOLN STANLEY: Thank you. Chairman Johnson and members of the committee, my name is Lincoln Stanley, S-t-a-n-l-e-y, and I'm government affairs manager for the American Association for Marriage and Family Therapy. I'm also a family therapist by education and training some years ago. I'm here today to provide some national perspective on LB369 as it pertains to family therapists. AAMFT represents the professional interests of the profession in North America. Forty-eight states license family therapists; 47 of those states license them as independent mental health practitioners. They diagnose and treat independently. Nebraska is the only state to impose a mandatory consultation requirement in which the family therapist cannot treat until another professional has rendered the diagnosis. I cannot overstate how far out of alignment that law is with the rest of the country. That law is a dinosaur, and I hope the

committee will finish the job of putting it in a museum, if I may be humorous. No other state, not even Kansas--and I would be happy to discuss Kansas in detail--comes close to such a severe restriction. Basically, this law substitutes a rigid government mandate for clinical judgment and ethical guidelines. The AAMFT believes that there is no public health justification for this mandate. The right and responsibility to accurately diagnose mental disorders and to refer and consulted as needed is imbedded throughout national family therapy standards. These include our code of ethics, our accreditation standards, our statement of core competencies, the national exam that must be passed to obtain licensure, and the clinical standards used by regulatory bodies. Family therapists are no strangers to the major mental disorders. Mood disorders and anxiety disorders are the first and foremost common primary diagnoses of their clients, and half of their clients are on psychotropic medications. For seven years I served as a professional staff to the AAMFT ethics committee. Their role was, of course, peer review of complaints that a family therapist had violated our code of ethics. I personally read and analyzed hundreds of these cases and saw findings from all of them, over 1,200. A harmful misdiagnosis or failure to refer or consult as needed is an ethical violation. I can tell you truthfully there was not a pattern to suggest that family therapists could not diagnose the major mental disorders or could not recognize a need to refer for specialized evaluation or treatment. If there were widespread deficiencies in the training of family therapists relating to the major mental disorders, these cases are where we would see them. In conclusion, the AAMFT supports repealing Nebraska's mandatory consultation law, and with that, I would welcome any questions. [LB369]

SENATOR JOHNSON: Senator Howard. [LB369]

SENATOR HOWARD: Thank you, Mr. Chairman. What you're asking for right now is to be able to diagnosis and to treat, but not to prescribe? [LB369]

LINCOLN STANLEY: Correct. We're not asking for prescription. [LB369]

SENATOR HOWARD: But didn't you just say that 40 percent of the individuals that you see...was that the number that you quoted? [LB369]

LINCOLN STANLEY: It was roughly half are on psychotropic medication. [LB369]

SENATOR HOWARD: Closer to 50, then? [LB369]

LINCOLN STANLEY: Yeah. [LB369]

SENATOR HOWARD: So in order to obtain those prescriptions, what's the next step? [LB369]

LINCOLN STANLEY: They obviously must be working with a psychiatrist. [LB369]

SENATOR HOWARD: So that individual would then have to be seen by the psychiatrist... [LB369]

LINCOLN STANLEY: Correct. [LB369]

SENATOR HOWARD: ...to obtain the prescription, right? [LB369]

LINCOLN STANLEY: Absolutely. [LB369]

SENATOR HOWARD: Thank you. [LB369]

SENATOR JOHNSON: Any other questions? Seeing none, thank you, sir. [LB369]

LINCOLN STANLEY: You're welcome. Thank you. [LB369]

SENATOR JOHNSON: Next, please. [LB369]

ANNE BUETTNER: Okay, good afternoon, Senators. I am Anne Buettner, Anne, A-n-n-e, Buettner, B-u-e-t-t-n-e-r, and I'm speaking in favor of LB369, of course. I'm a licensed marriage and family therapist in Nebraska. I am a practicing clinician for 30 years, 29 of which are in Grand Island, is where I come from. And I have also served on the Mental Health Practice Board for ten years. I'm also an approved supervisor for marriage and family therapy, and above all, I'm also...I was a member of the original task force who helped to establish the mental health practice law 16 years ago. At that time we hardly had any data. Now we the proponent group proposes the elimination of the mandated consultation. We are not proposing the elimination of consultation, because consultation is, when necessary, is extremely desirable treating major mental disorders, psychotropic medication, many times come into play in treatment, and so certainly, consultation with...psychiatric consultation is necessary. But to mandate it is unnecessary. I mean, a dentist does not need to be mandated to refer patients to orthodontists. A family physician does not need to be mandated to refer cancer patients to oncologists. So it is redundant. Why does Nebraska, unlike all other states which have marriage and family therapy licensure, have this mandated consultation clause? So now the bottom line is that, is this a protection for the public? And well, as my colleagues have testified, from (inaudible) codified, we...certainly our standards, our training is high and rigorous, and we can assess a spectrum of disorders and diagnoses and so on. But Nebraska is the only state that carves out this category of major mental disorder. So in our opinion, if a marriage and family therapist does not know how to diagnose and treat major mental disorder, he or she might as well not practice mental health, and in the 16 years of Mental Health Practice Board history, there has been no founded complaint specifically pertaining to a major mental disorder, you know, either the failure to refer for consultation and so on. So, now 16 years ago when we set up the

mental health practice law, our vision is to create a category of practitioners, predominantly master level, who can be affordable and is accessible to the public. So that is our vision. I work in the central rural, semi-rural Nebraska, and one-fourth of the counties in Nebraska have only one mental health professional, and one fourth of the counties in Nebraska have no mental health professional. So we are talking about the mandated consultation, you know. If you want to consult, you may have to do it on the phone. It still costs...I mean, Senator Howard, you addressed a question about cost. I mean, you know, it's in excess of $90 per hour, and if the person wants to travel to consult, you're talking about hundreds of miles. So why create all these unnecessary hoops for the mental health practitioners to jump, and the consumers will bear the costs? I conclude my testimony at this time. Any questions? [LB369]

SENATOR JOHNSON: Okay, thank you. Any questions? Just...let's...we're going to go with gentlemen first here. (Laughter) Senator Hansen, please. [LB369]

SENATOR HOWARD: That's fine with me. [LB369]

SENATOR HANSEN: Thank you, Senator Johnson. [LB369]

ANNE BUETTNER: Yes. [LB369]

SENATOR HANSEN: Anne, you mentioned that most of the family practitioners are master's level; is that correct? [LB369]

ANNE BUETTNER: Yes, predominantly, um-hum. [LB369]

SENATOR HANSEN: Or higher? Or less education, or... [LB369]

ANNE BUETTNER: They have to be at least master's level. [LB369]

SENATOR HANSEN: At least master's level. Okay, thank you. [LB369]

ANNE BUETTNER: Yeah, right. Okay. Thank you. [LB369]

SENATOR JOHNSON: Senator Howard. [LB369]

SENATOR HOWARD: Thank you, Mr. Chairman. We've heard quite a lot in this committee about telemedicine and utilizing that, and it sounds like a wonderful idea. I'm wondering if you ever utilize any sort of telemedicine concept? [LB369]

ANNE BUETTNER: Um-hum. I have not. I personally have not utilized it, but certainly, yes. It certainly can be done, yeah. [LB369]

SENATOR HOWARD: Are other therapists that you know of utilizing that? [LB369]

ANNE BUETTNER: Yes, the VA Hospital have utilized it, yes, um-hum. [LB369]

SENATOR HOWARD: Well, good, good. I would see that as a way to save money and time and such things. [LB369]

ANNE BUETTNER: Yes, yes. When consultation is necessary, yes, um-hum. [LB369]

SENATOR HOWARD: All right. Thank you. [LB369]

ANNE BUETTNER: Okay. [LB369]

SENATOR JOHNSON: Any other questions? I see none. [LB369]

ANNE BUETTNER: I'm sorry. [LB369]

SENATOR JOHNSON: You're fine. [LB369]

ANNE BUETTNER: Okay. [LB369]

SENATOR JOHNSON: Thank you very much. Next, please. [LB369]

DAVID HOF: David D. Hof, H-o-f, and I'm from...I'm an associate professor from the University of Nebraska at Kearney. I'm here representing higher education. We're a CACREP accredited program, counselor...of accredited counseling education programs, and I'm here to answer questions that you might have, specific to our programs, if there are any. [LB369]

SENATOR JOHNSON: Senator Hansen, are you satisfied with your qualifications? [LB369]

SENATOR HANSEN: Well, give us an example of someone who comes to college not knowing what they want to do. How do you interest them in becoming a family counselor? [LB369]

DAVID HOF: I actually represent community counselors, and so I'm a little different branch, but we usually take... [LB369]

SENATOR HANSEN: Community counselor, okay. Make that distinction. Tell me difference, and then tell me how you get a student interested in that discipline. [LB369]

DAVID HOF: We get most of our students from psychology, criminal justice, family and

consumer sciences, and so we go into those programs. We educate them about the mental health services that the state provides and the opportunities that they can do in community counseling. Ours is master level program, so it's above their bachelor's level. [LB369]

SENATOR HANSEN: After four years of undergraduate? [LB369]

DAVID HOF: Correct, correct. [LB369]

SENATOR HANSEN: Minimum of four years, okay. [LB369]

SENATOR JOHNSON: Senator Howard. [LB369]

SENATOR HOWARD: Thank you, Mr. Chairman. Your program, I would...well, I'm going to ask you. Is your program accredited? [LB369]

DAVID HOF: It is. [LB369]

SENATOR HOWARD: How many other programs in the state of Nebraska are accredited? Are you familiar with that? [LB369]

DAVID HOF: I am. There are only two of us, Omaha and Kearney that are counseling accredited. [LB369]

SENATOR HOWARD: So only two...counseling accredited. Would that cover the marriage and family counseling? [LB369]

DAVID HOF: I believe there's...I'd have to defer to my colleagues. But I believe I know of only maybe one program in the state that is marriage and family accredited? [LB369]

SENATOR HOWARD: Which would that be? [LB369]

DAVID HOF: I couldn't answer. [LB369]

SENATOR HOWARD: Or you don't know. [LB369]

UNIDENTIFIED VOICE IN AUDIENCE: UNO. [LB369]

SENATOR HOWARD: Oh, all right. Thank you. (Laugh) Coaching! So it's Kearney and then you mentioned one other, in Omaha. [LB369]

DAVID HOF: Omaha, yeah. University of Nebraska at Omaha. [LB369]

SENATOR HOWARD: Oh, all right, so UNO is accredited in both those areas? [LB369]

DAVID HOF: Correct. [LB369]

SENATOR HOWARD: Good to know. Thank you. [LB369]

DAVID HOF: Yeah. [LB369]

SENATOR JOHNSON: Any other questions? Sir, I see none. Thank you very much. Any other proponents? Well, let's proceed to opponents, then, and I would encourage you all to take a lesson in how to present things. They did a great job. [LB369]

TERRY WERNER: And I will be very succinct and try to do a great job, as well. [LB369]

SENATOR JOHNSON: That's why we got pros here first. (Laughter) Go ahead. [LB369]

TERRY WERNER: (Exhibit 1) I have this. [LB369]

SENATOR JOHNSON: Have some stuff to pass around, do you, Terry? [LB369]

TERRY WERNER: My name is Terry Werner, W-e-r-n-e-r. I am the executive director and registered lobbyist for the Nebraska Chapter of the National Association of Social Workers, and I'm here in opposition to LB369. I do want to thank Senator Erdman for bringing this important issue of expanding the scope of practice for qualified licensed mental health practitioners to diagnose and treat major mental illnesses. This bill would remove some of the barriers to service, particularly in the rural areas where the lack of qualified supervision can be an impediment. The Nebraska Chapter, National Association of Social Workers, support the expanded scope of practice, not just for social workers, but for all the professions that have credentialed training and experience to serve this population. We believe that this streamlining of services can be good for all Nebraskans; however, we do have some concerns for the safety and well-being of those served, if the bill passes without some very basic precautions. These precautions, these concerns are addressed in the proposed amendments that I've passed out and that I have included with my written testimony. The amendments call for advance level of practice. They also include ensuring that those granted independent practice status are graduates from an accredited school. This is an area that all of the professions have agreed to in prior meetings, except for marriage and family therapists, which by the way, represents less than 4 percent of all the LMHPs in the state. Additionally, it is important that LMHPs demonstrate direct experience in working with major mental illnesses. Finally, there should be care taken in grandfathering current LMHPs into independent practice. Without addressing these basic concerns, social workers believe that the health and well-being of those served is in jeopardy. The broad variety of training and experience among LMHPs necessitates amendments to this bill. Our hope is that these

amendments could move forward as committee amendments. Social workers are willing to work as long and as hard as need be to make the bill good for all Nebraskans. It would be costly in terms of effectiveness of treatment and dollars to the state if the bill passes as drafted. There are many LMHPs in all professions that support this position. Out of respect for your time I will let the people experienced in psychotherapy elaborate on these points. Senators, please support this bill, but only with the proper safeguards. Thank you very much for your consideration. [LB369]

SENATOR JOHNSON: Senator Howard. [LB369]

SENATOR HOWARD: Thank you, Mr. Chairman. I congratulate you. You stayed in the proper amount of time when you testified. (Laughter) [LB369]

SENATOR JOHNSON: Yes, he did, didn't he? Did a nice job. [LB369]

TERRY WERNER: I saved some time for my colleagues. [LB369]

SENATOR JOHNSON: Yeah, you did well. [LB369]

SENATOR HOWARD: You saved us some time; always appreciated. I understand that you've spent quite a lot of time, you've made many meetings, you've put a lot of effort into trying to reach some agreements on this. Are you thinking that more time could assist you in looking at these issues? [LB369]

TERRY WERNER: Well, yes. We have spent a significant amount of time. From last session, throughout the summer, all four professions got together and tried to work out consensus on these issues. Towards the fall some of the groups felt the need to pull out of the...what we called the consensus-building group. I think there are some basic things that perhaps are lines in the sand that three of the professions, such as accreditation, have agreed to. And again, if we can get by some very basic issues, I think this would be good for all of Nebraska, and I think we're very close to those issues. [LB369]

SENATOR HOWARD: It sounds like one more time would be beneficial. [LB369]

TERRY WERNER: I think it would be beneficial. Hopefully, we can work it out, but we would just have to see. [LB369]

SENATOR HOWARD: Thank you. [LB369]

TERRY WERNER: There are some things that I think others will speak to, that (inaudible). [LB369]

SENATOR HOWARD: I appreciate you giving us your time today. Thank you. [LB369]

TERRY WERNER: Thank you, Senator. Any other questions? [LB369]

SENATOR JOHNSON: Any other questions of Terry? Seeing none, thank you very much. [LB369]

TERRY WERNER: Thank you. [LB369]

SENATOR JOHNSON: Next, please. [LB369]

JULIE LUZARRAGA: (Exhibit 2) Thank you very much. My name is Julie Luzarraga, L-u-z-a-r-r-a-g-a, and I have worked as a clinical social worker in Massachusetts, Connecticut, and for the last five years, here in Omaha, Nebraska. And I am here as a proponent of LB369, but I also really appreciate the time to speak on this important issue, because I am here because I'm supportive of broadening the scope of practice for licensed mental health professionals. I believe this would create more resources for those who need mental health services, reduce some financial burden for some agencies, and it would be more comparable to many other states' scope of practice for mental health professionals. However, I have grave concerns about LB369 as it stands alone. I believe that it is too board and does not take the public safety into consideration. While it is important to increase access to mental health professionals, it does no one any good if the professionals practicing are not adequately trained and held to the highest standards possible. As a social worker and a constituent, I feel it is more important that we do no harm, versus proceeding with a bill that may increase access but also increase an acceptance of less than best standards of care. I believe the amendments proposed that Terry just referenced do address these concerns, and I also think that the area of disagreement lies in the wide array of graduate training I've seen out there, which includes 18 months of a nonaccredited program, along with all of my colleagues' training. Specifically, I feel it is important to consider requiring the professionals who would be able to practice independently graduate from an accredited program and have completed necessary postgraduate supervision hours. Taking into consideration where our state is currently, it would also be important to look at carefully any grandfathering regulations. While it would be important to facilitate broadening the scope of practice for those clinicians who meet certain qualifications, I do not feel that everyone currently practicing would be adequately trained or experienced to diagnose major mental disorders. I have talked with several therapists who they themselves have stated they do not feel that they're limited graduate training, which has allowed them the status of LMHP, would be sufficient for this type of expanded practice. The accreditation process ensures that programs are held accountable for their goals, curriculum, field placement programs, and faculty. All of these areas have a profound impact on a student's professional development. One cannot simply read a chapter on schizophrenia and know how to diagnose and to treat it. [LB369]

SENATOR JOHNSON: Ma'am, we have kind of a rule around here that we only allow people to read one page, and that's kind of how I came with that three minutes area. [LB369]

JULIE LUZARRAGA: Oh, I'm sorry. I was not aware of that rule. [LB369]

SENATOR JOHNSON: And so, you know, could you summarize rather than read? [LB369]

JULIE LUZARRAGA: Absolutely. I apologize. [LB369]

SENATOR JOHNSON: And take your time summarizing it. That will be fine, but... [LB369]

JULIE LUZARRAGA: Oh, okay. [LB369]

SENATOR JOHNSON: ...we'd like to move things along, if you would. [LB369]

JULIE LUZARRAGA: Okay. Well, I apologize profusely. I was not aware of that. [LB369]

SENATOR JOHNSON: No, you're fine. Yeah, you're fine. [LB369]

JULIE LUZARRAGA: (Laugh) I guess...well, now I won't have my notes, but that's okay. (Laugh) [LB369]

SENATOR JOHNSON: Well,... [LB369]

JULIE LUZARRAGA: In summary, there are approximately 18 percent of LMHPs who currently are not in the MFT/CPC or social work discipline, and while it's not clear why they have that added certification, there does not seem to be an apparent logical reason why. And so I think it's safe to assume that at least some of them may not have the adequate training and experience to move to this level of care, and I think that that's something very important for the public safety. And primarily, I would as a constituent not want to see my neighbor send their child to a therapist and have the same experience as a story another therapist told me recently, which was that she saw an eight-year-old little girl who had been to see another therapist, LMHP, and was diagnosed schizophrenic. And she actually was just suffering from anxiety and had a short course of treatment, and...though it devastated her family. I think that speaks to the experience and the training that's needed. [LB369]

SENATOR JOHNSON: You did very well. Any questions? Senator Stuthman. [LB369]

SENATOR STUTHMAN: Thank you, Senator Johnson. Julie, in the first part of your testimony you stated in there that you had concerns about LB369--it was too broad and public safety. Can you tell me what the public safety was, and you maybe did in that one experience that you had, but what else would be considered under public safety? [LB369]

JULIE LUZARRAGA: Well, in addition to misdiagnosis, if you don't have a correct diagnosis, you're not getting adequate treatment, and I think that can go either way, to underdiagnose when you have someone who is suffering from a major mental illness, and that's not picked up. And then vice versa, if someone is misdiagnosed with a major mental illness and that's not the case, that can be quite traumatic. Does that answer your question? [LB369]

SENATOR STUTHMAN: But a misdiagnosis could be done by any level, right? [LB369]

JULIE LUZARRAGA: Certainly, but I think it's probably less likely if you've actually worked with those folks and had the training, and it's been something that's been a philosophy of your program that, you know, accreditation processes ask for and require. [LB369]

SENATOR STUTHMAN: Okay, thank you. [LB369]

JULIE LUZARRAGA: Does that answer your question. [LB369]

SENATOR STUTHMAN: Yes, yes. Thank you. [LB369]

SENATOR JOHNSON: Any other questions? Seeing none, thank you. And you actually did quite well. [LB369]

JULIE LUZARRAGA: Thank you. Oh, thank you. [LB369]

SENATOR JOHNSON: Next, please. [LB369]

LOUISE JACOBS: (Exhibit 3) My name is Louise Jacobs, and I'm a licensed clinical social worker. I appreciate the opportunity to share some concerns about scope of practice. As a licensed clinical social worker... [LB369]

SENATOR JOHNSON: Need to have you spell your name. [LB369]

LOUISE JACOBS: Louise, L-o-u-i-s-e, and Jacobs is J-a-c-o-b-s. [LB369]

SENATOR JOHNSON: Thanks. [LB369]

LOUISE JACOBS: As a licensed clinical social worker, I am duly credentialed as a certified master social worker and a licensed mental health professional. As a mental health professional, I meet daily with both children and adults who have significant mental health needs. I love the work that I do. Daily I witness the vulnerability and the strength of both children and adults with mental health needs. The level of vulnerability of those entrusting their care to us as mental health providers is often profound. In recognition of consumers who are sometimes extremely fragile, I urge that consideration be given to the absolute need for highly qualified, responsible, competent and ethical practitioners who are themselves emotionally healthy. In my experience the current Medicaid requirement for mental status exams and the state requirements for supervision at whatever level have not answered the concerns that practitioners meet these criteria. Mental status exams are reimbursed at almost $100 per exam. I believe the actual amount is $92. So if you think about that, most agencies have a requirement for 25 clients to be seen on a weekly basis. That would approximate $2,500 per clinician, and then you multiply that by the number of clinicians across the state; it is extremely costly. That mental status exam has to be repeated if your supervising practitioner changes, as mine did unexpectedly this summer, and as happens with some regularity in rural areas. So all of those costs, then, are repeated. I think it's important to recognize that we need to start long before, this part of the process for supervision. The costs and the hardship for clients in traveling for mental status exams and taking off work, losing income, children being out of school to do those kinds of exams, and the supervision, just becomes exponential. I think if we think about the proposed federal budget cuts, we need to be thinking about that if we're going to preserve assistance to Medicaid clients in our state. When we talk about scope of practice, I think it's important to recognize that licensed clinical social workers function independently in almost every state in the nation, Nebraska being one of few exceptions. Social workers are solely recognized under Medicare Part B as independent master's level providers who diagnose and treat major mental illnesses. Commercial insurers do not require that mental status exams be done for our clients, nor do they require that fully credentialed, licensed clinical social workers practice under supervision. I am grateful as a clinician that I had opportunities to work in settings where the treatment of major mental illnesses were a focus. Because I recognize the vulnerability of those in our midst with mental health needs, I'm very cautious when a referral to another clinician is warranted. I am disheartened when I hear repeatedly that despite multiple hospitalizations or placements, and despite multiple attempts at therapy, complete with the required mental status exams and supervision, underlying issues have not been addressed and suffering has continued. I have witnessed firsthand the damage done when clients internalize these unfortunate therapy experiences as a failure on their part, rather than the failure of the practitioner, the result being increased anxiety, depression, or decompensation in other forms, and therefore increased costs in the mental health system. I support the proposed legislation to change the scope of practice in Nebraska, along with the safeguards related to graduation from an accredited program, caution in grandfathering licensed mental

health practitioners into independent practice, and in ensuring that all service providers have the necessary experience in the diagnosis and treatment of major mental illnesses. Thank you for your time. [LB369]

SENATOR JOHNSON: Any questions? Senator Stuthman. [LB369]

SENATOR STUTHMAN: Thank you, Senator Johnson. Louise, how young a people do you diagnose or do you treat, as far as children are concerned? [LB369]

LOUISE JACOBS: The youngest one that I have had on my caseload was 18 months old. [LB369]

SENATOR STUTHMAN: Eighteen months old? [LB369]

LOUISE JACOBS: Um-hum. [LB369]

SENATOR STUTHMAN: And there's a mental condition? [LB369]

LOUISE JACOBS: Yes. Children actually can be more vulnerable to mental health conditions, because they don't have cognitive skills, they don't have language skills, they don't have an ability to access resources. They can actually be more vulnerable. And let me clarify: I would be delighted if we did not have to make a diagnosis for them, because I think there are concerns about that, then, as a preexisting condition, but insurers require that. [LB369]

SENATOR STUTHMAN: Is that because of the mental condition, or is it because of the environment that they're also in? [LB369]

LOUISE JACOBS: I think both of those are contributors. We have children who have problems interutero methamphetamine exposure, for example, that can really create mental health concerns. The environment definitely can contribute, and it can also be a tremendous part of the healing if things are addressed and structured appropriately. [LB369]

SENATOR STUTHMAN: Okay, thank you. [LB369]

LOUISE JACOBS: Um-hum. [LB369]

SENATOR JOHNSON: I see no other hands. Thank you very much. Next opponent. [LB369]

JANET COLEMAN: (Exhibit 4) Good afternoon, Senator Johnson,... [LB369]

SENATOR JOHNSON: You bet. Welcome. [LB369]

JANET COLEMAN: ...other committee members. My name is Janet, J-a-n-e-t, Coleman, C-o-l-e-m-a-n, and I'm here to speak in opposition to the bill as it has been introduced to you, but I would be in support of the bill if it included the amendments that have been suggested by Terry. I am not a mental health professional, unless public school teachers get that criterion. (Laughter) Sometimes we do, I guess. I am a retired teacher. I have a long and abiding interest in the mental health practice law. I chaired the task force that developed the original bill, and then I served on that mental health practice board for ten years, five as chair of the board, as it developed its criteria for existence. I have a...I am devoted to that bill. I have often said that it is my...that bill and the work that I did on it was my contribution to what the state of Nebraska has done for me. I...during the bill's presentation last year and last legislative session, it...I believe that the senator who had introduced it said to the three professional groups, get your act together and work together and work out something that will be acceptable. I suggested, seeing that this was probably not going to happen, I suggested that I would be willing to chair a committee that would work on consensus. I have sometimes said no good deed goes unpunished, also, with respect to that committee. The committee was made up of representatives from mental health professionals, including a psychologist, and with representatives from the various academic programs in the state of Nebraska. We met throughout the summer and throughout the fall, actually, also. We had numerous meetings. This bill...this committee had no official sanction; it was simply a committee that I pulled together, and I set the rules for the committee. And we worked very successfully and we worked through many different resolutions of the problem. In November we reached a consensus, and Terry, I think, is passing out the results of that consensus. At that time the consensus was reached, we had a meeting to which we invited the professional counselors, the marriage and family therapists, and the social workers. The professional counselors and the marriage and family therapists refused to come to the meeting, and the social workers came to the meeting and they accepted those results. And you will see those...the...what I've presented to you as the proposal that came out of our consensus committee. Those results are basically included in the amendments that have been introduced, and I was delighted to see that those...the social workers had basically accepted all of the suggestions that we made, which had to do with being sure that everyone was properly trained in the treatment of...diagnosis and treatment of major mental disorders, that people were graduated from accredited programs, that there were some specifications about grandparenting into...from those who had been practicing for a number of years, and there are also indications that it would be expected that everyone follow the ethical guidelines, and that there would be the right of the board to make rules and regulations. None of us are against independent practice. We believe in independent practice, but it needs to be done by those who are trained and capable of doing it. Not all mental health practitioners are...have those qualifications. And that, I think, concludes my testimony. [LB369]

SENATOR JOHNSON: Well, thank you very much. Do we have any questions? Yes, Senator Hansen. [LB369]

SENATOR HANSEN: Thank you, Senator Johnson. Well, do I call you Chairman Coleman? (Laughter) [LB369]

JANET COLEMAN: Oh, (laugh) I'm just... [LB369]

SENATOR HANSEN: I just want to mention that it's great that you took this on, and it looks like a worthy goal. [LB369]

JANET COLEMAN: Thank you. [LB369]

SENATOR HANSEN: And I think that it sounds like there might be a need for continuation in this. [LB369]

JANET COLEMAN: Right. I agree. [LB369]

SENATOR HANSEN: More in the line of thinking...I think your line of thinking is right on track, so thank you for coming. [LB369]

JANET COLEMAN: Thank you. [LB369]

SENATOR JOHNSON: I would echo that, as well. [LB369]

JANET COLEMAN: I also...could I make one more statement? It's very brief. [LB369]

SENATOR JOHNSON: Yes, I think we'll let you. Go ahead. (Laughter) [LB369]

JANET COLEMAN: Okay. I am also a public member of the board of health, and I want to state that the board of health came out in strong opposition to this bill as it was introduced. So that...I wanted that to be on the record, that the board of health has opposed the initial structure of this bill. [LB369]

SENATOR JOHNSON: Okay. Thank you very much. [LB369]

JANET COLEMAN: Um-hum, thank you. [LB369]

SENATOR JOHNSON: (Exhibits 5, 6, and 7) I might say that there is a letter here...there's actually several, but ones that...there is one from...opposed, from the Nebraska Board of Psychologists. There's a letter of support from an Ellie Fields, and from Dr. Joann Schaefer of HHS. It's a neutral position, or no position. Welcome, sir. [LB369]

JIM MADISON: Good afternoon. My name is Dr. Jim Madison. I am a clinical psychologist and in the interest of full disclosure, I am also a member of the board of the Nebraska Psychological Association. However, I am not talking this afternoon on behalf of the board of NPA, but rather myself. Like... [LB369]

SENATOR JOHNSON: Got to have your spell your name. They might not know the president. (Laugh) [LB369]

JIM MADISON: M-a-d-i-s-o-n, (laugh) like the president. The...like Janet, I have a long history with this law. I served on the task force that recommended the development of the law. I served on the task force that developed the law, and I worked for its initial enactment. I have also served for many years in settings where I've had the opportunity to work with, and when I was in training as a student as well, with people from many different disciplines and have a good understanding of the kind of background and expertise that many of my colleagues in other disciplines have. And I firmly believe that it is a good thing that we set up a change in the original law, so that the most highly trained mental health practitioners can, indeed, practice with more autonomy. However, I also have some significant concerns and they echo the concerns that you've heard about so far. One is that we need to keep in mind that our current LMHP law does not apply just to social workers, counselors, marriage and family therapists, or even master's level psychologists. There is at least a fourth of the people with licensure in this area who come from unidentified disciplines, and I believe that it would be inappropriate to allow such a heterogeneous group access to a higher level of practice. A second issue that I think needs to be addressed, and it sounds like the social work amendments are going to address many of these concerns...the second issue is that we need to be sure that people who do come through those major disciplines--marriage and family therapists, social workers, and counselors--come from programs that really do meet current rigorous standards of training. And finally, we also need to assure that people do have real training and experience in treating people with major mental disorders. By definition under Nebraska statute, we are talking about people with high degrees of mortality and morbidity, individuals who could have an outcome in terms of death or substantial disability in this category, and we need to make sure that the people who are working with them have actual experience doing that. And within our current law, one of the major forces behind that is the requirement for supervised practice after obtaining the degree. In most master's programs, the practical experience is relatively limited, so we have experience that's required afterwards. Many states have multiple levels of licensure, and to simply say, well, certain disciplines are licensed across all or most states misses the point that there are fine details in those laws that need to be attended to, when we're talking about the highest level of practice, when we're talking about a level of autonomy. For example, in Iowa and Kansas and in South Dakota, 4,000 hours is required for the highest level of practice, and personally, I think it's extremely reasonable that we require more of the people who are going to have an expanded

scope of practice than we do for the basic scope of practice now, which is 3,000 hours. [LB369]

SENATOR JOHNSON: Senator Howard. [LB369]

SENATOR HOWARD: Thank you, Chairman Johnson. You bring up an excellent point. You and I both are familiar with the term social workers, counselors, being used kind of freely. People will give themselves that label sometimes. I think you have pointed out how important it is for people to actually be credentialed and to have graduated from accredited schools that offer these specialties. I think we've tended to water down the professions in the more recent years, and I think it's very important that we respect the work that people do to achieve those degrees. So thank you very much. [LB369]

JIM MADISON: Thank you. [LB369]

SENATOR JOHNSON: Any other questions? Thank you, sir. Any others? Yes, sir. [LB369]

WILLIAM SPAULDING: Good afternoon. I'm Dr. William Spaulding, S-p-a-u-l-d-i-n-g. I'm the director for state government affairs of the Nebraska Psychological Association. I'm a professor of psychology at UNL. My entire career has been devoted to training doctoral level clinical psychologists. For most of my career I've conducted research on the treatment of schizophrenia. I've been a federally funded principal investigator with projects funded by the National Institute of Mental Health since the 1980s, so I have a good deal of experience in what it takes to treat severe mental illness and major mental illnesses, as we're talking about today. I could not add anything to what Dr. Madison has said. I am here to tell you that the Nebraska Psychological Association, for whom I speak, is in opposition to the bill before you. We are strongly supportive of the amendments that you've heard discussed today. I would just like to add anecdotally, regarding the last point, if you go to the web site of Capella University, which is one of the largest online correspondence school universities, you will find a number of master's level mental health related degree programs listed on their web site. Some of these are specifically identified as being intended for licensable, credentialed mental health professionals. Some of them have a disclaimer that says, this program is not intended for licensed mental health professions. Under our current statutes, it would be possible to obtain one of those master's degrees for whom a disclaimer was listed, and yet use it in order to get credentialed as an LMHP. I think it's very important that we include appropriate credentialing and accreditation of training programs, especially as we consider identifying an advanced level of practice in this field. Thank you. [LB369]

SENATOR JOHNSON: Thank you, sir. Any other questions? Yes, Senator Stuthman. [LB369]

SENATOR STUTHMAN: Thank you, Senator Johnson. Dr. Spaulding, are you a mental health doctor, practitioner? [LB369]

WILLIAM SPAULDING: I'm a clinical psychologist. [LB369]

SENATOR STUTHMAN: You're the clinical psychologist. [LB369]

WILLIAM SPAULDING: Right. I have a Ph.D in clinical psychology. [LB369]

SENATOR STUTHMAN: Okay, thank you. [LB369]

SENATOR JOHNSON: Any other questions? Sir, I see none. Thank you very much. Next, please. [LB369]

DAVID BUNTAIN: Senator Johnson, members of the committee, my name is David Buntain, B-u-n-t-a-i-n. I'm an attorney and the registered lobbyist for the Nebraska Medical Association. We are opposed to LB369 for the reasons stated by the previous witnesses. I would concur with what Dr. Madison and Dr. Spaulding have said, and also Ms. Coleman, and we would...have been trying to work, as well, on our...I've not seen the current amendments, but it sounds as though we've come pretty close to reaching a consensus as to what needs to be done. So I won't prolong your hearing any longer, but I wanted to let you know that we are among the opponents to this at the present time. [LB369]

SENATOR JOHNSON: So basically, with the amendments it's conceivable that you could be neutral or... [LB369]

DAVID BUNTAIN: As explained, yes. Our concerns always had to do with the amount of training, the issue of grandfathering, accreditation. This is an area where it's very important that the state...if the state is credentialing people, that the people are protected, the public is protected as far as what that credential means. [LB369]

SENATOR JOHNSON: Okay. Thank you. Senator Howard. [LB369]

SENATOR HOWARD: Thank you, Mr. Chairman. I just want to make sure I understand which amendments you're referring to. [LB369]

DAVID BUNTAIN: I have not seen the amendments that were given to you by the social workers, which I understand are the amendments that were worked out through the consensus, and I'm just going off of the description of them that has been given to me. I've not physically seen the amendment. [LB369]

SENATOR HOWARD: Okay, and we do have that document. I just wanted to make

sure that there wasn't an additional amendment. [LB369]

DAVID BUNTAIN: Right. [LB369]

SENATOR JOHNSON: Yeah. That's kind of why I asked the question the way I did,... [LB369]

DAVID BUNTAIN: Right. [LB369]

SENATOR JOHNSON: ...because I thought that you hadn't actually seen them, and so on. So okay. Any other questions? Mr. Buntain, thank you. [LB369]

DAVID BUNTAIN: Thank you. [LB369]

SENATOR JOHNSON: Any other opponents? Any neutral? I see none. Senator Erdman, I think we should congratulate this group. A large number of people testified and did quite a good job, I thought. [LB369]

SENATOR ERDMAN: Agreed, Mr. Chairman, and a few observations in closing. We have gone through this process--and I say we, the groups that are involved generally in this bill--have been through a number of processes, both those that are formal and informal. I have looked at the comments from Ms. Coleman. They seem to mirror very closely the recommendations that were issued to the technical review of the 407, of the credentialing process on May 1, 2005. Those were not adopted under the technical review that was approved both by the technical review panel, both by the board of health, and then with some additional changes that we are incorporating in AM432, they were also not included in Dr. Schaefer's recommendation. So I go through this process and as a new member to this bill, but not a new member to the issues relating to mental health and the work that we have done on this committee to address services statewide, I question why we have a 407 process, if we have an informal group that wants to go around that process and is somewhat a pseudo 407 process. Candidly, I think a formal process that addresses the issues, that invites the participants to the discussion, is the place to start from. Most of the issues that you've heard today have been presented to that process once before, and I won't say they were summarily dismissed, but they weren't approved in the form that they have been distributed to you today. So there is disagreement, and the disagreement is, where do we start from? The comment is...oh, and might I remind the committee, the bill was not introduced in the 407 recommendation as an opportunity to further allow groups to negotiate a consensus. Of course, the board of health is going to come in, in opposition to the green copy, because that's not the version that was approved by the board of health. The amendments are. The amendments that I offered, AM432. So that should be clear in the record. We could probably take more time, and more time will be allotted if the goal is to accomplish a similar result. If the goal is to continue to splinter the groups into one way

(sic) getting their way over the other, I don't know what more time gets us. This has been a three-year process. We've gone through a 407 process; now we're back before the committee, after a lengthy opportunity. We had an opportunity to have an early hearing on this bill, and we turned that opportunity down to allow the groups to be able to have another opportunity to sit at the table, now that there's legislation before the Legislature, and figure out what the solution might be. We're still not there. There is still opportunities to work together, but it's not winner take all. That's not the mentality of the groups that I'm working with directly, and that's hopefully not the mentality of the folks that came in, in opposition to the bill today, in favor of their proposal, that again, was not adopted under the 407 process. If you're going to ask whether or not the people who are in favor of LB369 are getting their way, the answer is no, because their proposal that they submitted to the 407 was not approved in the form that it was submitted. There are additional requirements that were added, both from the technical review standpoint, approved by the board of health, and then finally, in addition to that, the comments and the recommendations of Dr. Schaefer that you have in your possession. It shouldn't come as a surprise, then, that the psychologists and psychiatrists would come in, in support of the social workers' amendment, as it was their recommendation, largely, before the 407 committee. So here we go again. We go back to this process and we say, we've discussed this with professionals, and we had a good discussion this morning with the committee of, who do we trust--the professionals or the folks who get elected to office? We have this process for a reason. These were vetted, and they were not approved, and there is opportunity for discussion. There is opportunity for consensus, but it has to be the same goal, and it again appears that we're back to where we were March 1, 2005. So I'm sympathetic to the concerns and the comments, and we will share the amendments, if they haven't already been, with the social workers and others, but there have been many opportunities to have this discussion. Finally, let me close with this, and this is in response to the Nebraska Medical Association's testimony, and this, Mr. Chairman, if you'll permit me, will be a brief comment from the summary of the committee recommendation from the technical report on the 407: The committee members recommended that the agency and all other interested parties to the proposal network with the Nebraska Medicaid officials regarding the need for modifications to the Medicaid rules and regulations pertinent to licensed mental health practitioners, so that these practitioners are no longer required to consult with the specific psychologists or psychiatrists before they can treat their patients. The committee members hoped that this would lessen the restrictiveness of the current regulatory process for licensed mental health practitioners, and that this would, in turn, improve access to care. It's not about turf battles; it's about access to care. Finally, the committee members also recommended that the agency, the Nebraska Medical Association, and the Nebraska Psychological Association admonish Nebraska psychiatrists and psychologists to give timely responses to those licensed mental health practitioners who contact them regarding patients whose preliminary diagnoses indicate that a consultation with either a psychologist or psychiatrist is needed. This is a part of the solution, but as has been pointed out to you today, expanding the scope doesn't

solve the problem. There needs to be consultation, and in addition to any effort made to expand the scope to reflect basic practices that are accepted in every other state in the Union that license these individuals, you still have to have the cooperation of the psychiatrists and the psychologists. And it would be my humble opinion as a layperson and as a nonmedical individual, that to have a committee of the board of health, that was approved by the board of health in the technical review make this type of admonishment towards the medical community, to addressing the mental health needs of our state, it's a pretty strong statement. So let's not lose sight of the fact that there are more than just one issue here. There's more than one opinion of how to solve it. But if the goal is to have an unbiased opinion of how to solve the problem, I think we start back from my committee amendment, or from my amendment I'm offering the committee, which is what Dr. Schaefer recommends and what the amended version of the proposal that was approved by the technical review and the board of health was adopted. I would be happy to try to answer any questions, and Mr. Chairman, as we have in the introduction of this bill and will continue to do, be happy to continue to try to work with these groups to find consensus, recognizing that there are strongly held opinions on both sides. [LB369]

SENATOR JOHNSON: Any questions of Senator Erdman? Thank you very much. (See also Exhibit 8) [LB369]

SENATOR ERDMAN: Thank you. [LB369]

SENATOR JOHNSON: And we said that would take about an hour, and it took 60 minutes. Thank you. Let's take a minute while we clear the room, and then next...that ends LB369, and we'll proceed to LB610, with Senator McDonald. Why don't you wait just a second, Senator McDonald? It will be a lot less...let's proceed with Senator McDonald on LB610. [LB369 LB610]

SENATOR McDONALD: (Exhibit 1) Good afternoon, Chairman Johnson and members of the Health and Human Services Committee. For the record, my name is Vickie McDonald, representing the 41st Legislative District. I'm here to introduce LB610 on behalf of the Legislative Performance Audit Committee. LB610 was introduced by the Legislative Performance Audit Committee as a follow-up to its August, 2006, report, the Lincoln Regional Center's Sex Offenders Services Program. In this report the committee found that the program's transfer and discharge procedures for sex offenders in treatment lacked adequate safeguards, which may jeopardize public safety. In fact, the committee found that in one case, the risk to public safety had been unnecessarily increased when the program contradicted its own standard practice by releasing a sex offender who had not completed treatment. That individual subsequently committed another assault. Although the program had written policies regarding the transfer and discharge of sex offenders, the committee found that those policies needed clarification and that the documentation of transfer and discharge decisions needed to be

formalized. The committee recommended this legislation to be introduced to require the program to "develop, maintain, and adhere to written policies or administrative regulations governing the transfer and discharge of sex offenders treatment in the program." LB610 addresses the recommendation by requiring the Department of Health and Human Services Committee to develop written policies or administrative regulations regarding the transfer and discharge of sex offenders treated in the program. The bill would require the policies or regulations to contain, or at a minimum: 1) specific treatment requirements sex offenders must meet before LRC would consider transferring or discharging them from the program; and 2) a list of personnel who are required to review the treatment process of each offender prior to discharge or transfer, and document their opinions about whether the offender should be transferred or discharged. Additionally, LB610 requires specific types of documentation to be kept in each offender's medical records, including documentation of the reasoning behind transfer and discharge decisions. I would like to note that the Sex Offender Services staff at the Lincoln Regional Center were cooperative with the performance audit process and have taken steps to implement all of the committee's recommendations, including the documentations required in LB610. Nevertheless, the committee feels that these documentation requirements for the transfer and discharge of sex offenders are so important from a public safety perspective that they should be codified in statute to ensure that they will always be complied with. Thank you, and I'll be happy to answer any questions you may have. [LB610]

SENATOR JOHNSON: Senator Howard. [LB610]

SENATOR HOWARD: Thank you, Mr. Chairman. Senator McDonald, I'm sure you remember last year when we have LB1199, the sexual offender, the predator issue? [LB610]

SENATOR McDONALD: Yes. [LB610]

SENATOR HOWARD: It sounds like this is a good next step to address that, to ensure that the treatment goals have been met for these individuals before they're discharged into the community. [LB610]

SENATOR McDONALD: And I think that's what the Performance Audit Committee found out, that many times that they were released without adequate documents. [LB610]

SENATOR HOWARD: Well, I'm especially astonished that they would release a person who had not yet even completed treatment. I think this is certainly needed. Thank you for bringing this in. [LB610]

SENATOR McDONALD: Well, I think that they are applying those recommendations

now, but we want to make sure that in the future they are continuing to follow that process. [LB610]

SENATOR HOWARD: Thank you. [LB610]

SENATOR JOHNSON: Any other questions? Senator McDonald, I see none. Will you be able to stick around for closure, or... [LB610]

SENATOR McDONALD: I might. I'll wait and see. [LB610]

SENATOR JOHNSON: All right. We'll see how many people we have. [LB610]

SENATOR McDONALD: All right, thanks. [LB610]

SENATOR JOHNSON: How many proponents? Don't go too far. Opponents? Neutral? I think we call this a slam dunk! (Laughter) [LB610]

SENATOR McDONALD: I could read this over again. (Laughter) [LB610]

SENATOR JOHNSON: Thank you very much. [LB610]

SENATOR McDONALD: Thank you. [LB610]

SENATOR JOHNSON: There is one letter here in support, by the way, from Christine Peterson, chief administrative officer of HHS. (Exhibit 2) [LB610]

SENATOR STUTHMAN: And that's the way want it. [LB610]

SENATOR HOWARD: Exactly. [LB610]

SENATOR JOHNSON: Now that concludes testimony on LB610. Next is Senator Hudkins with LB670, and she should be here in a moment. (Microphone malfunction)...LB670. Senator Hudkins, welcome. [LB610 LB670]

SENATOR HUDKINS: Thank you. Good afternoon, Senator Johnson, and members of the Health and Human Services Committee. My name is Carol Hudkins, C-a-r-o-l, H-u-d-k-i-n-s, and I represent the 21st Legislative District. I'm here today to ask for your support of LB670. In 1999 both the Nebraska Department of Health and Human Services, or as we call them, HHS, and the Nebraska Department of Correctional Services, DCS, became increasingly concerned with the number of post-incarcerated Mental Health Board commitments for sex offender treatment. In January of 2000, HHS and DCS began meeting to generate solutions to the increased demand for a limited number of treatment beds. During these meetings, the agencies concluded they were

trying to meet immediate needs without solving the long-term, systemic problem. In July of 2000, HHS and DCS generated a plan to request a charge from then Governor Mike Johanns. The purpose of the charge was to access community resources and agency resources to examine the current fragmented system and to develop a comprehensive policy for the management of sex offenders in Nebraska. In November of 2000, Governor Johanns appointed the Governor's Working Group on the Management of Sex Offenders, and then later in August of 2001, the Governor's working group issued its final report. The working group's number one recommendation was to develop a Governor's council on the management and treatment of sex offenders for the purpose of designing and implementing multi-agency collaboration, explicit policies, and consistent practices. In 2006 the Nebraska Legislature enacted LB1199, which made significant statutory changes regarding the management and treatment of sex offenders. Sections 107 and 108 of LB1199 required the Director of Regulations and Licensure to establish a working group to study sex offender treatment and management services, and recommend improvements. Pursuant to LB1199, the work group was asked to study sex offender treatment and management on the state level, to determine future actions necessary based upon the recommendation of the Governor's Working Group on the Management and Treatment of Sex Offenders report, issued in August of 2001. They were to consider the following: credentialing of professionals who provide sex offender assessment or treatment, including psychologists, psychiatrists, licensed mental health professionals, licensed clinical social workers, and medical personnel; creating mandated treatment standards for sex offenders' specific treatment as a component of a comprehensive approach to sex offender management; and finally, provide increased training opportunities for all professionals involved in the treatment and management of sex offenders. On December 1, 2006, Dr. Joann Schaefer, who is chief medical officer and director of the Nebraska Health and Human Services, Department of Regulation and Licensure, submitted the group's report to Governor David Heineman. The group agreed that two areas should be addressed in this particular area: number one, creation of a working group for sex offender treatment and management services, and number two, enactment of legislation in 2009 to license sex offender treatment providers, beginning in 2012. This working group recognized that government agencies, public/private partnerships, and private providers and organizations can transform the system, but also recognized the need to create a perpetual working group for the purposes of coordinating policies and enhancing communication among all parties involved in the management and treatment of sex offenders, with the goal of shaping a true system. The sex offender treatment providers coalition of Lancaster County was formed very soon after the enactment of LB1199, in response to Lincoln/Lancaster human services planning activities that prioritized the need to create the group. In addition to a number of coalition members being involved in shaping the report of 2001, the coalition actively participated in the meetings. The coalition continues to meet regularly to discuss the implementation of LB1199 in Lancaster County, and how to generally improve the community's response to sexual offenders. This coalition includes representatives from 12 areas, including the Lancaster

County Community Mental Health Center, Lancaster County Alternatives to Incarceration program, Lancaster County Adult Probation--and I won't list all of these--Nebraska Regional Center, Nebraska Domestic Violence Sexual Assault Coalition, and Nebraska Probation Administration. Since its inception, the sex offender treatment providers coalition has completed a system walk-through to assess needs and to prioritize its activities. Priorities that the group identified were: more and better training; improved coordination and information sharing, including establishing a group response protocol, the standards of care, and ensuring that adequate, qualified providers are available; improved funding; policy development; and improved services for victims and family members. Toward that end, the group submitted a U.S. Department of Justice grant, seeking appropriate funds for a sex offender management program. In response to the recommendations found in both the August and December reports, and the potential future implications of LB1199, the coalition wanted to ensure that the Legislature evaluated the necessity for implementing an ongoing state work group to monitor and coordinate sex offender treatment and management services, in addition to responding to credentialing, treatment standards, training issues, and systemic issues. The purpose of this bill, then, is to provide public safety and to ensure the treatment and management of sex offenders through the creation of a Council on the Management and Treatment of Sex Offenders that would 1) provide oversight and coordination of existing agencies currently managing and treating sex offenders, and 2) develop needs assessment, training standards, and guidelines for a comprehensive management system for sex offenders. Thank you for your attention. I know this is rather long and involved. I would attempt to answer any questions that you may have, but know that there are people behind me who are definitely more knowledgeable in this topic than I am, and so therefore, I would thank you for your time. [LB670]

SENATOR JOHNSON: Senator Hansen. [LB670]

SENATOR HANSEN: Thank you, Senator Johnson. Senator Hudkins, you mentioned LB1199. When was that passed? What year? [LB670]

SENATOR HUDKINS: Two thousand six. [LB670]

SENATOR HANSEN: Last year, then? [LB670]

SENATOR HUDKINS: Yep. [LB670]

SENATOR HANSEN: And then, in part of your testimony, you said the registration of sex offender counselors, and I assume that's licensure, too, would start in 2012. Why the long...why six years to complete? [LB670]

SENATOR HUDKINS: Yeah. Well, the... [LB670]

SENATOR HANSEN: It looks like this is something that ought to be done in a more hurried-up fashion. [LB670]

SENATOR HUDKINS: Actually, it would be, Senator Hansen. The program would start in 2009, if I can refer to that. The enactment of legislation in 2009 to license the sex offender treatment providers, and then they would all begin in 2012. So it gives some time to get all of the required education and whatever else needs to be done, the way I understand it. [LB670]

SENATOR HANSEN: And then in your list on page three, you have to consider the following factors, and you have--I don't know--eight things there. I might not have mentioned this, but anyway, on number four, it's offender needs. Why isn't that at the bottom? [LB670]

SENATOR HUDKINS: I don't know that these are in any particular order. If you think that needs to be put in a different order,... [LB670]

SENATOR HANSEN: I don't think that's very high on the priority list. [LB670]

SENATOR HUDKINS: Wherever you...I don't know that this is a priority. But if you want it to be a priority, that's up to your committee to decide. [LB670]

SENATOR HANSEN: Okay, thank you. [LB670]

SENATOR HUDKINS: Thank you. [LB670]

SENATOR JOHNSON: Any other questions? Senator, I see none. [LB670]

SENATOR HUDKINS: Thank you. [LB670]

SENATOR JOHNSON: How many proponents do we have? Two. Opponents? One. Let's proceed, please. [LB670]

DEAN SETTLE: (Exhibit 1) Good afternoon. My name is Dean Settle, D-e-a-n, S-e-t-t-l-e. I'm the executive director of the Community Mental Health Center here in Lancaster County, and I cochaired our community's coalition response to LB1199 here in Lincoln, and you're correct, Senator, that the bill was passed last session, LB1199. At the Community Mental Health Center we offer a community-based, outpatient sex offender treatment program, and this is specifically for post-adjudicated perpetrators, and we have offered that for over eight years at the Community Mental Health Center. We offer individual therapy, group therapy, evaluation, risk evaluation, family support, and after care services. The goal of our program is to promote community safety by providing sex-offender-specific therapy by qualified staff to adult men and women who

have committed a sexual offense. At any given time, some 40 individuals are in touch with our professionals at the Community Mental Health Center here in Lincoln, and in the past month, we are now receiving five referrals a week for this outpatient treatment program. The program is a small program. It is staffed by two part-time individuals, Dr. Mary Paine, a Ph.D. clinical psychologist who has specialized in working with sex offenders, and a licensed mental health professional, Jason Christensen, also specialized and experienced in working with this population. All of our groups are co-facilitated. I come to you today in support of LB670. After the last session's LB1199's passage and our coalition's work here in Lincoln, we came together at that time to really plan how we could better respond and focus in our efforts to treat sex offenders here in the community. And here in Lincoln, we have an inordinate number of facilities that feed into Lancaster County--correctional facilities, Lincoln Regional Center, the county jail--all of those feed individuals, almost every single month, back into this community. There are people who have jammed their sentences, there are people who are walking out of the Lancaster County Jail, and there are people who are being released from the Lincoln Regional Center. We felt that without some really careful communication as to how we receive these individuals, how do we create good programs for these individuals, that all would be lost. I think Senator Hudkins has already given you a long list of the providers and the agencies that have come together. What was surprising--there were some providers who came together, and then a group of state agencies as well met with us to make sure that we were talking to one another, that needed information, critical information that would be required to make a decision as to whether we admit or not admit, whether the therapists had all the information that they needed prior to beginning a therapeutic relationship, was provided to the agency and to the therapist. So getting information in a timely manner was one of the very first things that we began to look at. We also monitored the task force which was chaired by Dr. Joann Schaefer, as a result of LB1199, and we, too, want to uphold the work that that task force did, and we also think there's a great deal of work that the white paper that was submitted to then Governor Johanns in August of 2001--a great deal of work was done in that paper on that issue, as well. We believe that a statewide council on the management and the treatment of sex offenders is a prudent action now. LB1199 has passed, but it leaves a lot of unfinished business, and it seems to me that the body now needs to deal with the next step. Based on our coalition, our committee here in Lincoln, we know that by meeting together we've improved communication. We know that planning resulted in a good grant that could really do some good planning for this population, as they are released into the community. We think we can do a better job in tracking these individuals. Sometimes they're mandated by court or parole to have community-based treatment, and yet there's very few options for these individuals to have community-based treatment program afforded to them. We believe it's in the best interests of the public safety to know who these people are and to meet their needs and to prevent any further reoffense. With the establishment of such a statewide council as called for in this bill, we think that emerging issues would be discussed, would be...some sort of action plan created, activities taken, activities evaluated, and much

needed services for sex offenders, hopefully, would be thoughtfully established, maintained, and--key word here--funded. Currently, these people are unemployed and they have no ability to even fund their own treatment, even though it's court ordered. If no action is taken on LB670 in this session, it seems also prudent to ask this committee and to ask the body for an interim study to keep this alive. As I mentioned, and I think...I'm very sincere in this, I think LB1199 creates a lot of questions. Here's an opportunity to begin to respond to those and finish the business that was started with that bill last year. Thank you very much. [LB670]

SENATOR JOHNSON: Any questions? Well, I can think of one, and what it is, is this. You know, sometimes when you provide good services like you've started here, and so on, you get quite a response that keeps building. Has that been the case here, as well, that people from other parts of the state now end up on your doorstep seeking help? [LB670]

DEAN SETTLE: That's the fear. I can tell you that's the fear of my bosses. The Lancaster County Commission is fearful that a program like this could indeed become a magnet, and that's not in the best interests of this county, or this county's taxpayers or our citizens here. However, this is a group of people that must be treated in order to be serious about public safety and to meet their therapeutic needs, and to stop any further reoffending. So you know, it's like you build a good mousetrap and the mice will arrive, and I'm afraid that's kind of where we are on this. But the other fact... [LB670]

SENATOR JOHNSON: Well, I've seen that in other instances and so on, and that's what comes to mind with that, and since it is a state problem, I think, you know, the question is, is that it shouldn't become a Lancaster County problem instead, as far as the funding and that type of thing is concerned. [LB670]

DEAN SETTLE: Right. One of the things that we found out, as a result of LB1199, the treatment beds are going to be in Norfolk. But then the individuals are transferred back to the Lincoln Regional Center for ultimate release. [LB670]

SENATOR JOHNSON: Okay. [LB670]

DEAN SETTLE: They are then released into Lancaster County. [LB670]

SENATOR JOHNSON: One other question along that line, and what it is, is this, is that there were some communities--and I know there were, I think, we heard more of ones in Iowa, where they made such strict rules as far as people being able to, with the type of individual we're talking about, living in these communities. I think Sioux City was one of the ones, for instance, and the people then moved across the river to Nebraska, and so again, their services on a local level would tend to be overwhelmed. Does that kind of fit into the pattern, as well? And I guess what I'm asking is, have you seen any negative

results from these type of laws that we referred to possibly occurring in Iowa? [LB670]

DEAN SETTLE: What I've seen firsthand, Senator, are people who had to move or have been displaced or have become homeless as a result of the restrictions as far as 2,000 feet from a school or a child care center or that sort of thing. When you think of all of the stigmatized populations that we have in our state this is probably the most stigmatized group of people. And yet, there are 2,700 people that are on the registry and that registry, I must remind you, began in 1997. There are all kinds of sex offenders walking around who are not registered. There are all kinds of sex offenders that we have dealt with through the years who have had their cases plead down and are working and living beside us in the community. This is something that begs the Unicameral's attention. LB1199, as it was passed, creates more questions than answers. It's now time to begin to finish business. [LB670]

SENATOR JOHNSON: One last question then turn to Senator Stuthman. I just want to finish up on this, Arnie, for one second. Along that line, do you see where in some of our poorer counties when you talk about cases being plead down and so on, which of course reduces the expense to the county, do you see this occurring, too, in the poorer counties? And then that these people then end up on your doorstep? Or someone else's doorstep? [LB670]

DEAN SETTLE: A simple and quick answer to that is yes, I have seen that. The other thing that our community mental health center does in this city, we provide the crisis center services to 16 counties in southeast Nebraska, the Region V catchment area. And so we have always seen sex offenders coming to Lincoln from outlying counties. And often the only place where they can live, have some sense of anonymity, have some hope for a job, and receive treatment is Lincoln. They come here. [LB670]

SENATOR JOHNSON: Thank you. Senator Stuthman. [LB670]

SENATOR STUTHMAN: Thank you, Senator Johnson. Dean, you mentioned early on you get five referrals a week. Where do these referrals come from or who does the referral? [LB670]

DEAN SETTLE: They're coming currently from probation, parole, Lincoln Regional Center. And we actually have people that just walk into the community mental health center saying that they have offended in times past, they're beginning to feel like they might reoffend again and they need to be in a group and they need therapy now. [LB670]

SENATOR STUTHMAN: Okay. Thank you. [LB670]

SENATOR JOHNSON: Any other questions? Sir, I see none. Thank you very much.

[LB670]

DEAN SETTLE: Thank you very much, Senators. [LB670]

SENATOR JOHNSON: Next, please. [LB670]

ROXANNE KOENIG: (Exhibit 2) Good afternoon. Thank you for hearing this bill. My name is RoxAnne Koenig, R-o-x-A-n-n-e K-o-e-n-i-g. I am a therapist with the RTA/RSAFE program and the coordinator for that program with Lutheran Family Services in Omaha. My role in that job is to assess and help treat adults who have sexually offended against children within their family system, and also working with those families. While I've held that position for the last six years, I've actually worked with the sexual abuse families in the Lutheran Family Services system for the last 13 years. I believe there's a significant potential for savings of tax dollars that is being spent if there is a creation of a council to lead and direct sex offender management in Nebraska. I've attached with these documents part of a study called "The Comparative Costs and Benefits of Programs To Reduce Crime" which was created by the Washington State Institute for Public Policy back in 2001. That actually offers dollar figures to the improvement of addressing issues such as sex offender treatment, including dollar figures for what the costs are for victims who are created because there is no treatment. Since I'm a therapist and not an accountant or an actuarial person, I'm offering these documents. It's part of a 180 page report and I ask that you would look at those at your convenience. Whenever we talk about community safety in relationship to sexual offenses, I believe it's essential that we have a picture of what this means for us. Nationally, reports by Finkelhor note that one in four girls and one in seven boys will be sexually abused by the time they're 18 years old. I have two children. I have four nieces and nephews. Gauging by these statistics, one of the children I love is likely to be sexually abused. I'm asking you to think in those terms when we're talking about sexual abuse and sex offender management in Nebraska. Taking positive action now helps us keep our loved ones safe and healthy. This is a personal and real issue for all of us. Sexual abuse occurs anywhere and everywhere, even in Nebraska. I'm supportive of LB670 and the state of Nebraska taking a strong stand to establish and maintain effective leadership and direction in the management and treatment of sexual offenders and sexual abuse in Nebraska. I believe such leadership affords us a direct opportunity to enhance this safety in all of our communities. The creation of this council to provide leadership and foster the establishment of effective standards for the management and treatment of sexual abusers is essential. Nebraska has had such a proposal for this council back in 2001, again here in 2006. For people who have already committed a sexual offense once they are more likely to offend again. Leadership in managing these risks is directly related to the prevention of another child being sexually assaulted. A council to lead Nebraska in how and what to do for our communities with the public health and safety problem of sexual abuse would have representation from a variety of entities such as noted below--I added that later on in a later document. The composition

of this council also fosters effective communication between a variety of stakeholders about the ways that we can support one another in the work that we do and how we overcome obstacles such as difficulties with communication that's available to therapists and to supervising officers in managing these individuals in our community. Presently when someone who commits a sexual offense is sentenced and then maybe to probation or released from incarceration they may be advised or directed to seek treatment in their community. In most communities there is no sex offense specific treatment available at all. In some communities where they have therapists, they have little if any specialized training to deal with this highly specialized set of issues. The council would help to identify training, bring in the best clinicians and trainers in the world to educate us further on the work that we do. The council would be charged in the pursuit of grants and other financial opportunities to help fund this training. The council needs to be an ongoing and regularly occurring commitment in Nebraska. I had the opportunity to be a part of the working group back in 2001 on the management of sex offenders. It was five years later when another group convened and I had the privilege of being part of that group again. I don't think as Nebraskans we can afford another five years before we move forward. This is a fairly new and evolving process. There is no one right answer in how we're supposed to do this. The council would keep us current as improvements become available. The council could then facilitate the rest of the stakeholders in having current and relevant information. This is also true and I think very important as far as it goes for treatment standards being developed and implemented in regards to sex offender management and treatment in Nebraska, which are nonexistent at this time. I have taken the liberty to add comments from a report by Dr. Schaeffer which was submitted to the Governor in December 2006. In the interest of preserving your time I am not going to read that to you either. I'm confident that you're capable of that on your own. Thank you so much for hearing me today. [LB670]

SENATOR JOHNSON: Thank you. Senator Hansen. [LB670]

SENATOR HANSEN: Thank you, Senator Johnson. RoxAnne, the graphs that you brought back here, the one that lists the counties... [LB670]

ROXANNE KOENIG: Yes. [LB670]

SENATOR HANSEN: ...on the second row they have out of state, 788. Is that Nebraska citizens that are out of state or is that out of state people who have come into the state that are registered sex offenders? [LB670]

ROXANNE KOENIG: This is information that is available from Dr. Shannon Black, and so I can't answer that directly. [LB670]

SENATOR HANSEN: Okay. [LB670]

ROXANNE KOENIG: I believe that these are people who are currently in Nebraska or were in September. [LB670]

SENATOR HANSEN: That originated somewhere else. [LB670]

ROXANNE KOENIG: They may well have. [LB670]

SENATOR HANSEN: Okay. Thank you. [LB670]

SENATOR JOHNSON: Any other questions? I see none, thank you very much. Any other proponents? I see none. I thought we had one hand go up as an opponent. Welcome. [LB670]

LEE TYSON: (Exhibit 3) Thank you. Good afternoon, Senator Johnson and members of the Health and Human Services Committee. My name is Lee, L-e-e, Tyson, T-y-s-o-n, and I am the Interim Deputy Administrator for the Department of Health and Human Services' Division of Behavioral Health Services. It's quite a mouthful. I am here to testify in opposition of LB670. Improving public safety is an important issue in the state of Nebraska. In that regard, a key issue is the effective management and treatment of sex offenders. The Division of Behavioral Health Services recognizes the need for a coordinated effort in developing an evidenced-based treatment model for sex offenders needs and risk assessments, staff training, strategic planning as well as treatment standards and guidelines. The implementation of the proposed council on the management and treatment of sex offenders will create an extra burden on the Division of Behavioral Health Services and others by requiring increased staff resources. There would be an increase in funding as well as for council member travel and training. Creating a sex offender management and treatment team in each county, or contiguous group of counties, would be a burden on already limited county funds. Requiring sex offender treatment and management teams may cause undue competition for county funds utilized for behavioral health services and may result in limits on other behavioral health treatment. Currently, the Division of Behavioral Health, Department of Correctional Services, probation, parole, state patrol, treatment providers, clinicians, legal representatives, regional center staff and a representative from the Attorney General's office meet monthly to collaborate and coordinate the management and treatment of sex offenders. The group also meets to problem solve treatment and transfer issues of sex offenders in the system and review the status of sex offenders who are incarcerated and facing discharge and mental health board commitment hearings. The goals of LB670 could be achieved in a more efficient and effective manner for both the state and counties by supplementing membership of the existing sex offender treatment workgroup and by expanding the scope of its current duties. The intent of LB670 can be met, but in a manner without further burden to resources and funding. Thank you for your time and I'm happy to take any questions. [LB670]

SENATOR JOHNSON: Any questions? Well, Lee, I've just kind of got a small question here. I was looking at the fiscal note and I was actually going to ask the sponsor of the bill how the fiscal note could be so small, because it's only $4,000 or so. So, you know, we're really talking about a pretty minimal expenditure of finances. I don't know. I would think that the support people and so on would be counted in on that as full-time equivalents or something. So is it a drain on our resources really or...I guess I'm confused is what I'm saying. [LB670]

LEE TYSON: I think that the primary drain on resources would be for those counties that don't have as many resources as some of the more larger more populated counties. This legislation would require a treatment management program and treatment teams in every county or groups of contiguous counties. Those counties are stretched to the limit as it is and it would be difficult for them to provide those resources especially considering as has been mentioned previously, there aren't a lot of sex offender providers in the state. Getting those people trained and working in more rural parts of the state would be quite an expense for those counties involved. [LB670]

SENATOR JOHNSON: I've heard that there is somebody in the past who suggested the county consolidation might be an argument for doing that. [LB670]

LEE TYSON: Could be. [LB670]

SENATOR JOHNSON: Thank you. Any other questions? Thank you very much. [LB670]

LEE TYSON: Okay, thank you. [LB670]

SENATOR JOHNSON: Any other opponents? Any neutral? Senator Hudkins. [LB670]

SENATOR HUDKINS: Thank you, Senator Johnson. This is actually a topic that nobody even likes to talk about, but we know that we have to. I was just told that neither Mr. Settle or Mrs. Koenig have been involved in any of these meetings, and they are the providers. So there is a miscommunication or maybe not enough communication. I really do appreciate the good work that Lancaster County is doing. They have a system that works, but you know that might not be the case statewide where there are fewer cases, and there are fewer providers. But without some sort of requirement, all areas of the state might not be as well protected and provided for as eastern Nebraska. So if there is a current structure that works we would be more than happy to have the committee develop that structure for the entire state. We are looking out for people in all parts of the state and that's what this bill is about. Thank you. [LB670]

SENATOR JOHNSON: And thank you. Any new questions? Yes, Senator Hansen. [LB670]

SENATOR HANSEN: One real quick questions. Senator Hudkins, do you have any figures offhand, like how much Lancaster County might be willing to put into a program like this? Or maybe they're putting in some now? [LB670]

SENATOR HUDKINS: You know, I do not, Senator Hansen, but... [LB670]

SENATOR HANSEN: Do you know any county commissioners or... [LB670]

SENATOR HUDKINS: ...I know a county commissioner that might have that information, yes. (Laughter) [LB670]

SENATOR HANSEN: That's what I thought, thank you. [LB670]

SENATOR JOHNSON: Thank you very much. [LB670]

SENATOR HUDKINS: Thank you. [LB670]

SENATOR JOHNSON: That ends the hearing on LB670. I think I saw Senator Pedersen. Let's open the hearing on LB617. Senator Dwite Pedersen, welcome. [LB670]

SENATOR PEDERSEN: Thank you, Senator Johnson and senators on the Health and Human Services Committee. We said LB617. I've got two of them here so...Senator Johnson, members of the Health and Human Services Committee, for the record, I am Senator Dwite Pedersen introducing to you today LB617, a bill brought to me by Voices for Children. This bill requires the appointment of a coordinator of adult behavioral health services and a coordinator of children's behavioral health services within the Division of Behavioral Health Services of the Department of Health and Human Services. The goal of this bill is to develop an integrated system of care with respect to behavioral health services for children with serious emotional disorders so that such children and their families will receive appropriate educational mental health, substance abuse, and support services. LB617 makes the Division of Behavioral Health Services responsible for developing a children's behavioral health implementation plan which would incorporate recommendations from the Behavioral Health Oversight Commission of the Legislature. It is my understanding that Nebraska ranks well below most other states in the country for the proportion of General Fund expenditures devoted to behavioral health. Fifty to 85 percent of children in foster care and juvenile justice systems have been identified has having behavioral health diagnosis and need for behavioral health services. Yet, those services are lacking in most juvenile justice facilities and funding restrictions often prevent or delay the provision of services for abused and neglected children and children in foster care. Children's behavioral health is a very specialized area that requires particular expertise and knowledge. Requiring

the division to submit an implementation plan to the Governor and the Legislature by September 1, 2007 with additional input from the Legislature's Behavioral Health Oversight Committee allows for a comprehensive plan to be presented to this committee before the next legislative session. I believe that there are those who will follow me who are much better prepared to discuss the needs of behavioral health community and the children and families that it serves, but if you have any questions for me I'd be glad to try and answer them for you. [LB617]

SENATOR JOHNSON: Any questions of Senator Pedersen? I see none, Dwite, thank you. I presume that you will be here for closure. [LB617]

SENATOR PEDERSEN: Yes, I will be here. [LB617]

SENATOR JOHNSON: (Exhibit 7 and 8) You bet. Thank you. How many proponents do we have? Four or five. Opponents? One. All right, let's proceed with the proponents. Go ahead. I was going to say that there is a letter of support for LB617 from the Nebraska Hospital Association and from the Nebraska Planning Council on Developmental Disabilities. Welcome. [LB617]

BETH BAXTER: (Exhibit 1) Thank you. Senator Johnson and members of the Health and Human Services Committee, my name is Beth Baxter, B-e-t-h B-a-x-t-e-r, and I serve as the regional administrator for Region III Behavioral Health Services in the central part of Nebraska. I'm here today representing the Nebraska Association of Behavioral Health Organizations that has a statewide membership of over 50 organizations and associations that actively promote sound, responsive, efficient, and effective behavioral health services for all Nebraskans. I appreciate this opportunity to testify in support of LB617. LB617 amends and strengthens the Nebraska Behavioral Health Services Act in a significant and much needed manner. This bill acknowledges the pressing need to address children's behavioral health and sets out to accomplish in two basic ways. One is the appointment of a coordinator for children's behavioral health services and the other is to require the development of a children's behavioral health plan by September 1, 2007. September 1 may be an ambitious time line given the need for the inclusion of stakeholders in a thoughtful planning process that will culminate with a much needed comprehensive children's behavioral health plan. Much work has been done across Nebraska to reform the adult behavioral health system. And now I believe it's time that we begin to expand our focus and bring about lasting improvements to the child-serving system. A coordinator of children's behavioral health services will bring a focus to children's behavioral health applying best practice techniques to the operation of effective system of care initiatives for children and their families. According to the Bazelon Center for Mental Health, about one in five children suffers from a diagnosable emotional, mental, behavioral disorder, and a significant portion of these children have disorders that substantially impact their ability to function in their home, their school, and in their community. It's estimated that over 67,000 or 15 percent of youth in Nebraska

under the age of 19 have a diagnosable mental disorder and almost 16,000 of these youth experience serious emotional disorders that causes extreme functional impairment in their daily lives. And in additionally, approximately 185,000 Nebraska youth between the ages of 12 and 19 either abuse or are dependent upon alcohol and/or other drugs. In FY06, the Department of Health and Human Services, Division of Protection and Safety served a little over 11,000 children who are wards of the state of Nebraska, and Medicaid serves approximately 5 percent of children with behavioral health disorders. Some may argue that a coordinator should be located in another division, but it's my belief that the coordinator is appropriate to be located in the division of behavioral health services due to their responsibility for children who experience emotional disorders and substance abuse disorders as well. LB617 acknowledges this responsibility and focus and so I believe that it's the appropriate location for the coordinator. Several years ago the Department of Public Institutions and then the Division of Behavioral Health Services had an individual who was designated as the children's mental health administrator, and over the years that position was moved and then ultimately lost to the division. That individual had a primary focus on children's mental health and brought about some much needed systems change for us. Currently, the Division of Behavioral Health Services has an individual who has the responsibility for children's services, but that individual also has very competing responsibilities with adult behavioral health services and adult behavioral health reform. Nebraska received a state infrastructure grant from the federal substance abuse and mental health administration for the purpose of developing needed infrastructure at the state level that would support effective children's behavioral health service delivery at both the regional and the local levels. This process has identified the need for an individual whose primary responsibility and focus is on children's behavioral health. I believe that LB617 will put in place what many families, individuals, and organizations have identified as a needed step to strengthen our behavioral health system and that's the need for a children's behavioral health coordinator. Thank you for allowing me to testify in support of LB617 and I would answer any questions that you might have. [LB617]

SENATOR ERDMAN: Thank you, Beth. Any questions for Ms. Baxter? Senator Stuthman. [LB617]

SENATOR STUTHMAN: Thank you, Senator Erdman. Beth, in your testimony you had, you know, probably a statement that was given to us earlier about one in five children are diagnosed in young children like another testifier earlier said. Do you think we need to be working on the diagnosis of the children's behavior health problems? These children only learn by watching and observing. And are they coming from an environment where there's mental health, there's substance abuse, and there's problems in the family that are creating this problem with young ones? [LB617]

BETH BAXTER: Well, I think children's behavioral health, any behavioral health, the reason is there's a multitude of reasons. You know, some behavioral health issues are

genetic, and some children bring that with them, you know, at birth. Some are brought about by their environment and so forth. So I think there are many aspects and effective screening and diagnosis is essential to early treatment and recovery. [LB617]

SENATOR STUTHMAN: Do you only diagnose the children or do you diagnose the parents also? [LB617]

BETH BAXTER: Well, individuals have diagnoses, but in children's behavioral health work we know that it's not effective to work with children in isolation. We must work with them in a family setting. Hopefully, that their families are actively involved in their treatment and support, and actually actively steering that process in a team approach. [LB617]

SENATOR STUTHMAN: Okay. How are these children treated by drugs? [LB617]

BETH BAXTER: In terms of... [LB617]

SENATOR STUTHMAN: Of mental disorders. [LB617]

BETH BAXTER: Well, there's a variety of drugs similar, I think, throughout the spectrum that are appropriate for certain disorders. I think there's very few drugs that are appropriate for children, you know, and the younger the child is the much more, you know, we've got to be much more careful about the drugs that we utilize. One thing, just not knowing what the long-term impacts may have, and so screening, assessment, those types of things are extremely important. [LB617]

SENATOR STUTHMAN: Okay. Thank you. [LB617]

SENATOR ERDMAN: Thank you, Senator Stuthman. Senator Johnson, you can take over. [LB617]

SENATOR JOHNSON: Thank you. Any other questions? Beth, thank you very much. [LB617]

BETH BAXTER: Thank you. [LB617]

SENATOR JOHNSON: Next, please. [LB617]

KATHY MOORE: (Exhibit 2) Senator Johnson and committee, I'm Kathy Moore, K-a-t-h-y M-o-o-r-e, director of Voices for Children in Nebraska. We are here with LB617 which we believe is the necessary next step for Nebraska to take following passage of LB1083 in 2004. Nebraska, as Senator Pedersen indicated, ranks at the bottom or among the lowest in the country in terms of expenditures on mental health services.

And I've given you a bit of statistical information to show you what the looks like. For instance, and all of these data are pulled from a national HHS/SAMHSA/CMHS Web site, so it's all data that has been reported by states to this Web site. Children ages 4-12 are only 4.9 percent of Nebraska children are receiving services, as opposed to 22.6 percent nationally. Children ages 13-17 is 10.5 percent for Nebraska, 36 percent nationally. Similarly when we look at how Nebraska spends its money, we see a much higher percent being spent on inpatient and residential treatment and less than half of the proportion typically spent nationally is spent on community-based services in Nebraska. You've heard me testify in the past with regard to the high number of children in Nebraska who find themselves in the foster care system. We've heard testimony in the past about increasing need for prison beds. We know that the juvenile justice system--Kearney and Geneva--has experienced overcrowding. And the answer to that lies partially in these numbers that we are not spending that up front money that treats the family conditions as well as the children's conditions, and ultimately can save us dollars later on. Much of this is because there has not been a prioritization in Nebraska for at least the last decade on children's behavioral health services. And so we're having to spend that money later in intervention mechanisms, often punishment, if you will, and incarceration, rather than prevention services. We also know that if we intervene with children early on that the outcomes can be much better, much greater than with adults when they have become addicted to drugs and alcohol and have problems, diagnoses, that have been untreated. And when you look at what has occurred as a result of LB1083, you see that the Behavioral Health Oversight Committee has indeed developed a plan for adult behavioral health services. That plan prescribed the closing of the Norfolk and the Hastings Regional Center. And yet, when we saw the closure of those regional centers actually occurring in late 2005, what resulted was children being moved from the Lincoln Regional Center out to the Hastings Regional Center moved relatively quickly. Staff that did have some child expertise did not move with those children. A physical plant at Hastings that is quite antiquated was attempted to be retooled with children being moved there. However, that really flies in the face, in my opinion, of the theory that was set forth in LB1083 which called for the closure of those regional centers to allow for funding to be redirected toward more community-based services, toward services that left people closer to their family setting. So now we have moved 40--the numbers seem to vary--but between 40 and 55 children to Hastings and somewhere between two-thirds and three-fourths of those children are actually from Omaha and Lincoln. So we are moving those children further away from their families, yet, we know that children's behavioral health relies even more importantly on the involvement of families. This is just one example of why we think this bill is needed. So that there is someone who have the ability to devote all of their time and all of their expertise to children's behavioral health services. Voices for Children is not a service providing agency. As you know, we collect data and then we try to provide data where it can make a difference. But recently we have received even more case calls than is common, and many of those case calls have focused on behavioral health problems. And so I'm getting calls from families in Omaha whose children are being placed in

emergency mental health beds in Council Bluffs, Iowa. They're being moved to treatment group homes in Sioux City and in Kearney, and at the same time I'm getting calls from western Nebraska from North Platte with families whose children are being placed in Omaha. There is just not a system in care that really is able to focus on the needs and the best interest of the child, rather than a crisis orientation toward what bed is available. You heard from Beth Baxter that 20 percent of children, approximately one in five, have mental health diagnoses. We know that 10 percent of children have serious mental health problems that affect their long-term outcomes. To Senator Stuthman's point, we also know that even twice as many children in low income families have mental health problems. So you begin to see accumulation of if we don't spend money in preventive ways up front, then we're already beginning to see the development of more serious problems. When you look at children in the foster care system you're seeing that half of them have a diagnosis. You're seeing that 67 percent of children in the juvenile justice system have a diagnosis, and I believe the annual report from Kearney last year talked about 85 percent of their children having behavioral health problems identified. So I'm asking you to give a very careful consideration to this bill. It has a relatively small fiscal note compared to some of the other bills that have been brought before you. I think it fits very well with the HHS restructuring by placing this individual under the behavioral health division that will be put in place probably within the next 30-90 days, and so I would ask your passage of this bill. Thank you. [LB617]

SENATOR JOHNSON: Senator Stuthman. [LB617]

SENATOR STUTHMAN: Thank you, Senator Johnson. I have a real concern with what we're trying to do here. Here we've got a state, you know, that Nebraska we're the lowest on the list what we're spending on kids. We need to spend more. We need to establish a coordinator so that we can find more kids that have got mental health problems. I think we're going at this wrong. I think we've got to work on the family support so that we don't have these mental problems. These mental problems, you know, yes, there's some that come, in my opinion, that are genetically, that I think a lot of those things come from the environment that they're in. And you know, in poor families, you know, there's probably an instance there where there isn't near the parenting going on in those families. But I have a real problem with establishing another thing so we can be higher on the list of spending more money. [LB617]

KATHY MOORE: Well, unfortunately when you say that this person will find more children with more behavioral health problems, the challenge is the children already have the problems. It isn't a matter of finding more children with problems. It's a matter of treating those children in a way that can diminish the negative effect of those problems. So when I've come in the last couple of weeks and talked about 12 months of eligibility, for instance, for SCHIP some of that is because these children they have problems. We are not putting in place a mechanism to address those problems early on. When I look at the percent of our children that are in foster care and in residential

placements, rather than community-based, that isn't to say that some children don't need residential placements. They do and we have to have the full array of services. What we don't have currently is a community-based focus and a focus that allows us to work with the family. How does the family in Omaha work with the child that's placed in Kearney, placed in Sioux City? How does the North Platte family work with their child placed in Omaha? And by the way, those children had very similar needs so that under a "planful" process they would have been in a placement much closer to their home, had they not simply been looking for the first bed on the day that the diagnosis was made. [LB617]

SENATOR STUTHMAN: But the thing that I'm concerned about is, you know, children are placed in a foster home not just because that they have a mental health condition or something like that. They're placed in a foster home because of a situation of two individuals. [LB617]

KATHY MOORE: Right. Correct. [LB617]

SENATOR STUTHMAN: And it's not because that poor little kid is a mental problem. [LB617]

KATHY MOORE: But the child develops mental health problems because of that situation. [LB617]

SENATOR STUTHMAN: Because of that situation, that environment that they're in. [LB617]

KATHY MOORE: Exactly. [LB617]

SENATOR STUTHMAN: I think we should be working on that other end. [LB617]

KATHY MOORE: Well, I don't disagree. Much of the service provision that we're really talking about here would be going into those homes and working with those families. They're often families who are second or third generation families. And so part of what we're saying is right now we only have pretty deep end services. We don't have nearly enough of those front end services. So what we want these dollars to be utilized for are those earlier services, prevention services, screening services, so that we'll have fewer kids in foster care. [LB617]

SENATOR STUTHMAN: Thank you. [LB617]

KATHY MOORE: Thanks. Um-hum. [LB617]

SENATOR JOHNSON: Any other questions? Seeing none, Kathy, thank you very

much. [LB617]

KATHY MOORE: Thanks. Thank you. [LB617]

SENATOR JOHNSON: Next, please. [LB617]

TOM McBRIDE: (Exhibit 3) Good afternoon. My name is Tom McBride, M-c-B-r-i-d-e, and I'm here to represent the Children and Family Coalition of Nebraska. I'd like to thank Senator Pedersen for bringing LB617 forward. We really look at this as an opportunity, realizing that there are constraints that would prevent them from doing so, we look at it as an opportunity providers to enhance to deliver the service delivery program that the state provides. I think today you'll see that there are many providers represented that support the legislation, that would, in our belief, enhance the department and their mission. LB617 doesn't do anything that directly puts or influences money into our budgets as individual providers, yet the provision of a children's behavioral health coordinator would directly, and in a positive fashion, impact the lives of children and families. With such a positive influence, I think you could argue then that there would be an impact to providers as, you know, in the service delivery we provide. The children's behavioral health coordinator, we believe, would coordinate a smoother, less fragmented service provision and have an established coordinated care and vision that positively touches everyone. It assists in getting the right service for the child, for the family, at the right time. While expensing the position, the savings in coordinated services reducing such things as additional meetings to coordinate care for children, mileage, problems of childrens' and families' accessing services, unreimbursed service units, less interruptions to services, waiting periods, children basically falling through the cracks, unnecessary duplication, and getting to the right person more quickly, that we would realize the savings from the fiscal note as it's indicated for this position. We also really believe that it's appropriate for the new design as individual departments begin to focus on their new duties, their new realizations, their designs, their responsibilities within those particular departments. The children's behavioral health coordinator would be the influence across all of those departments that would help deliver or design the delivery of those services. We believe that it positively impacts children, that it positively impacts families and providers and state personnel as well. You know, anytime you have a reorganization that's beset with some sorts of problems, ramp up time for the new directors and their staff and they're more focused on individual duties. LB617, as it's portrayed in the legislation, creates the person, the plan, the action for a vibrant children's behavioral health services model. We also, you know, we were talking about the possibility of some creative funding to develop this and perhaps, out of the state infrastructure grant that because this is a planning coordination person that could be using funds out of there. I don't know that. But we would certainly support and go on record as supporting LB617. [LB617]

SENATOR JOHNSON: Any questions of Tom? [LB617]

TOM McBRIDE: Thank you. [LB617]

SENATOR JOHNSON: Thank you. Next, please. Go ahead. [LB617]

MARY FRASER MEINTS: (Exhibit 4) Hello. Senator Johnson and members of the Health and Human Services Committee, I'm Mary Fraser Meints, M-a-r-y F-r-a-s-e-r M-e-i-n-t-s. I'm representing Uta Halee Girls Village and the Nebraska Association of Homes and Services for Children. The association is comprised of 12 agencies across the state who provide community-based services all the way to residential treatment. I'm here to support LB617 as a representative of agencies who work collaboratively with the state, and as an advocate for children and services. I believe we must have one person who coordinates these very important services. Without one person identified as the children's behavioral health coordinator, the system is wasting money and not serving children and families most efficiently and effectively. It is time for us to focus on improving services to children and families. In 2005, several providers across the state noticed a disturbing trend. We noticed that children were waiting. They were waiting in detention centers, inpatient hospitals, emergency rooms, residential treatment centers, and not moving, because there were not the services available for them at that time. They were not in the right service at the right time. This caused a waste of money. This caused the state to spend all state dollars on detention services instead of using the Medicaid match of 60 percent for treatment service. So if a child is in a detention center, state funds were used. And if the child would have been appropriately placed in a treatment center then there would have been a match with Medicaid. There was also use of high hospitals. There were some kids who stayed for four days in a hospital emergency room instead of going to the hospital inpatient bed. And then kids in inpatient couldn't move to residential treatment, treatment group home, or home with services, because the system was out of whack. We called several folks at the Department of Health and Human Services, but because the system is "siloed" and people aren't identified to look at this, nobody had recognized it. Good-meaning, well-intentioned people, but it didn't come up on anybody's radar screen. Different budgets were being affected, but you couldn't see it in one place. That's why we need one person to coordinate children's behavioral health services. Children are different than adults. Children who are wards of the state have a lot of people involved--the courts, the judges, attorneys, county attorneys, court-appointed special advocates, the foster care review board, protection safety worker, and numerous others. There are family dynamics as Senator Stuthman talked about, that affect their care. It's a very complicated system and they need someone who knows about the system who's able to coordinate the children's behavioral health system. This is a different system than when the adult reform was done with the regional centers. In my position at Uta Halee, I get calls just as Kathy Moore does, from parents who don't know how to access the system. These are not wards. These are kids whose parents cannot figure out how to navigate the system. If there was one person they could call, they could figure out how to

navigate and not call Kathy Moore or Mary Fraser Meints, and lots of others. The development of a plan is also important, because we need an array of services across the state. We need to have this plan be specific for children. And I agree with Beth Baxter who said September 1 is a pretty ambitious time line, and we do need to involve stakeholders in the process. In closing, the development of children's behavioral health coordinator will save the state money in the long run. It makes good business sense. It will enhance the delivery of services to children with behavioral health issues. The system is due for a change. This person can coordinate what's happening. It can coordinate what's happening with the system's infrastructure grant. Denis McCarville, the president and CEO of Uta Halee was going to come today, but he couldn't come. He said not having a children's behavioral health coordinator is like putting a team on the field without a coach. I'd like to thank you for your consideration of LB617 and I'd be glad to answer any questions you might have. [LB617]

SENATOR JOHNSON: Senator Howard. [LB617]

SENATOR HOWARD: Thank you, Chairman Johnson. Good job, Mary. [LB617]

MARY FRASER MEINTS: Thank you, Gwen. I mean, Senator Howard. [LB617]

SENATOR HOWARD: As you and I are both very familiar with these problems from years of having worked on the problems and having worked together, too. I'm wondering do you feel that the Magellan managed care has been helpful in dealing with these problems of children waiting to go into a treatment facility? Has it been a piece that's been there for the children? Or how do you feel about that as a part of this? [LB617]

MARY FRASER MEINTS: I think you have to look at the whole system and that's a part of the system, but Magellan also hadn't recognized the kids sitting and waiting. So we brought this to folks attention and brought the data. We gathered the data over several months and said this is what's happening. So I just think somebody needs to keep their eye on the whole process for kids and families. [LB617]

SENATOR HOWARD: I agree with you. I think we certainly have the need that children not wait to get treatment, especially in times of crisis. So thank you. [LB617]

MARY FRASER MEINTS: Thank you. [LB617]

SENATOR JOHNSON: Do you think that the reorganization, as planned by the Governor and through the first round of the Legislature, will be helpful in correcting some of these problems? [LB617]

MARY FRASER MEINTS: You know, I worked for the state for 21 years and it's in

leadership. You can put people in different places, but if you don't have the cross communication--thank you for asking--you don't have the cross communication, it's not going to work. So you have to have all the different departments working together and I think this is a good plan, but it will depend on the leadership not only of the CEO, but of every department and the direction going forward so that everybody's working in the same direction instead of people going in cross purposes. [LB617]

SENATOR JOHNSON: Thank you very much. Any other questions? Senator Erdman. [LB617]

SENATOR ERDMAN: If September of 2007 is somewhat rushed, what is an appropriate time line? September of '08? Is it a couple extra months? I guess I'm hearing that theme that this is pretty ambitious, but yet I'm not hearing any recommendations. And I guess you could leave it up to us to determine what that is, but, kind of, this process is designed for you to give us your opinion. So do you have an opinion on what would be a more appropriate time line or do you think this can be accomplished? It's just that it's going to take a lot of... [LB617]

MARY FRASER MEINTS: Oh, I don't think it can be accomplished by September 1, but we did the children's task force. We did about three months for that and we worked--I was on the Governor's children's task force several years ago--and we worked very, very hard during that short period of time. So maybe December or January of the next year. There's some work done by the system's infrastructure grants so that will help, but this really needs to involve stake holders and be done right. And so I don't think September is a viable date. [LB617]

SENATOR ERDMAN: So do you push it back three months so that you're first part of this bill is December 1, then you have a month or a month and a half for that intervening process, it still would put you in time to--if there's legislation needed--to address that? Obviously, you'd have to have something introduced before that time, but I'm just trying...as I understand the intent is that we create a plan, that the plan needs to be implemented. Then something would have to be introduced that allows you that option. I guess I'm trying to think through this. I don't want to rush to the legislative session next year just to say well, we have something, if there really could have been a better process arrived at if there was more time allowed. And I guess I'm just trying to think out loud of some of the concerns I'm hearing to see if there's a way to flush that out. So I appreciate... [LB617]

MARY FRASER MEINTS: Maybe even November, but stakeholder involvement is very, very important as Beth said, too. [LB617]

SENATOR ERDMAN: Okay. Thank you. [LB617]

SENATOR JOHNSON: Any other questions? I see none, thank you very much. [LB617]

MARY FRASER MIENTS: Thank you. [LB617]

SENATOR JOHNSON: Any other proponents? [LB617]

LOUISE JACOBS: (Exhibit 5) My name is Louis Jacobs, L-o-u-i-s-e J-a-c-o-b-s. I'm a licensed clinical social worker in private practice. My undergraduate degree is in child development, and I've worked with children and families in the mental health system in Nebraska for the past 10 years. I am very concerned. I appreciate the comments of those that have come before me. What I find, as a clinician, is that there is very little understanding of children's mental health, children's behavioral health. There is very little understanding of brain development and how that interfaces with child development and children's mental health needs. Children are entering the mental health system younger and more severely than they ever have previously. I think it's hard to believe and hard to accept that that is the reality and there are a lot of factors that contribute to that. Those have been talked about a little bit. One of the concerns I have, and I'm going to address this maybe by talking about the adverse childhood experiences study. This is the largest study of its kind ever to be completed. There were over 18,000 participants, most of them were over 50, Caucasian, and had some college education. What the study found, they talked about adverse childhood experiences which were defined as abuse and neglect, living with domestic violence, living with a parent who was substance-involved or mentally ill, crime, and parental loss or separation. What the study found was that for children who were in these circumstances, these circumstances contributed to the top 10 leading causes of death in the United States. So if we do not do something about children in these circumstances, we are very literally handing them a death sentence. There are standardized instruments to measure children's social emotional health, even at very young ages. One of the problems that we have, and a significant frustration, I think, for all practitioners, is the definition of family therapy in Nebraska. Under the definition of family therapy in Nebraska, we are not permitted to discuss symptoms, behaviors, or problems. The DSM is based on symptoms and behaviors. We can't correct the problems. I mean, it's handicapping, it's paralyzing. Some parents are not capable of gathering what they need from parenting classes. Some parents are not capable of participating in the therapy in a healthy and meaningful way. And one of the problems is the adults in Nebraska, because we have such stringent Medicaid eligibility requirements, don't qualify for services. We can't authorize the adults. So the children are where the authorizations sometimes end up. I'm concerned that the response for children under five in Nebraska represents, kind of, the whole problem with the paradigm. We cannot get individual therapy authorizations for these children. We can only get family therapy authorizations. So when we can't talk about symptoms, behaviors, and problems, it's crippling. They will only authorize half the number of sessions for children that they will authorize for adults. And the review process to

reauthorize is very cumbersome for children. So all of those are problems that create disincentives to working with that children and maybe that's the design is that then we don't have to fund that. But it is a concern. Mental health doesn't have parody. I don't think anybody would even imagine asking an oncologist or a surgeon to treat or diagnose a child or a client without discussing symptoms or behaviors or problems. I agree that it is a very specialized area of service. And so when we talk about a coordinator for children's behavioral health, I really hope that you will give consideration to someone who does understand brain development, who does understand children's mental health presentations and how they are different, and with that I will close my comments and be happy to answer questions. [LB617]

SENATOR JOHNSON: Thank you. Senator Howard. [LB617]

SENATOR HOWARD: More of an observation. I appreciate the therapy work you do, especially with children and with families. And having worked with families for many years, I felt that many times the problems were generational. It wasn't isolated to the single family unit. [LB617]

LOUISE JACOBS: You're right. [LB617]

SENATOR HOWARD: And I think unless there's some work done to address the way the family functions, that's just going to continue. So I thank you for the work you do do, and I hope maybe we can free some things up for you. [LB617]

LOUISE JACOBS: Thank you. [LB617]

SENATOR JOHNSON: Any other questions? I see none, thank you very much. [LB617]

LOUISE JACOBS: Thank you. [LB617]

SENATOR JOHNSON: Any other proponents? I see none. Madam opponent, would you like to come forward? [LB617]

LEE TYSON: I'm like the naysayer today. [LB617]

SENATOR JOHNSON: You have an assistant, I see. [LB617]

LEE TYSON: Good afternoon again, Senator Johnson... [LB617]

SENATOR JOHNSON: You bet. Welcome, again. [LB617]

LEE TYSON: (Exhibit 6)...and members of the Health and Human Services Committee. My name is Lee Tyson, L-e-e T-y-s-o-n, and I'm the Interim Deputy Administrator for the

Department of Health and Human Services' Division of Behavioral Health Services. I am here today to testify in opposition of LB617. This proposed legislation would provide for the appointment of coordinators for both adult and children's behavioral health services, as well as a children's behavioral health implementation plan. It is our belief that this proposed legislation would be duplicative, add unnecessary costs, and create an additional layer of administration that would not contribute to improved behavioral health services. Currently, Nebraska is already working on a children's behavioral health strategic plan. In October of 2004, Nebraska Health and Human Services received funding to develop a statewide children's mental health and substance abuse delivery system. This is a five-year grant from SAMHSA, Substance Abuse Mental Health Service Administration. The funding is $750,000 a year. The SIG Statewide Steering Committee oversees the work of the grant. The Steering Committee convened first in October 2005. The work of the grant systematically addresses the delivery system for the following populations: children age birth to five, youth, youth with co-occurring disorders, substance abuse, and transition age youth. The infrastructure is being developed at the state, region, and local level. Key elements that will be incorporated into building this infrastructure are coordination across agencies, family-centered approaches across systems, coordinated services plans, single point of accountability, outcome information, standard assessment, best practices establishment, clear policies regulating similar services, and prevention and early intervention focus. In addition, the Division of Behavioral Health Services currently contracts with six behavioral health authorities--the regions--to provide children's services. Each region has a regional youth specialist, as well as professional partner administrative staff. The division has a .5 FTE staff position dedicated to children's behavioral health. This position was reviewed in 2006 with a resulting upgrade in status and pay. These individuals work closely together to plan services for children. The regional staff gather input from local providers and consumers in their communities. With oversight and technical assistance from the division staff, a plan is developed annually that targets specific regional needs while meeting statewide objectives. Recognizing the wide differences in rural and urban Nebraska communities, it is extremely important to maintain empowerment at the local level. At present there is an active flow of communication between the division and the regions. Not only is a comprehensive plan written by each region, but reports are generated on a monthly and annually basis to provide information on established goals, identified gaps and barriers, and progress. Information regarding professional partners is shared in the LB433 report. These reports are reviewed and discussed in a variety of ways throughout the year. Information gathered is shared with a wide range of stakeholders including consumer advocacy groups, regional governing boards, advisory boards, and the general public. Adding another layer of administrative oversight would not contribute to this process and would create confusion. Expense is another factor. Salary, benefits and staff support could easily cost upwards of $175,000. As the functions of the two proposed FTE's could easily be accomplished through other means, this would be an unnecessary burden for the taxpayers at a time when containing the costs of government is paramount. The time frames for completion of the proposed

work are not realistic. The legislation does not contain a scope of duties, job description or a networking framework. This would have to be agreed upon before the positions could even be posted. Selecting and hiring the new staff described in the legislation could take several months. Those individuals would then need additional time to orient to Health and Human Services and the regions before actually authoring a comprehensive statewide plan. This plan would need to be reviewed by a number of regional and statewide bodies before presentation to the Behavioral Health Oversight Commission. It is unlikely that all this could be completed by September 1, 2007. The Division of Behavioral Health Services is actively in the midst of strategic planning. The expected completion date is December 31, 2007. This is a comprehensive effort that will result in a progressive five-year plan. Children's services will be a part of this planning initiative, both from a mental health and substance abuse prospective focusing on recovery. The plan will encompass the lifespan of consumers so family issues will have a high priority. This strategic planning process should meet the need addressed in the proposed legislation without incurring extra expense and duplicative effort. Alternatives to LB617 could include working within the existing framework of regional planning and division oversight, thereby reducing costs and preventative duplicative efforts; making changes to the current regional planning process to address needs and gather information; changing reporting practices so as to provide stakeholders and legislators with requested data; and utilizing existing structures for gathering input and disseminating information, such as regional governing boards, advisory boards, state advisory councils, and consumer advocacy groups. Thank you for this opportunity to speak with you today and I'll be happy to answer questions. [LB617]

SENATOR JOHNSON: Any questions? Senator Stuthman. [LB617]

SENATOR STUTHMAN: Thank you, Senator Johnson. Lee, in the first part of your testimony is what I was trying to emphasize all the time. You know, we're working on your example of, you know, methamphetamines and children are taken out of their homes. Judges saying, you know, we've got to try to have reunification with the mother. It doesn't work. Then they go back home. Then they go to another foster home. You know, that makes, in my opinion, a mental problem, because of being moved around all the time, the circumstances there. And here we're trying to...what this says is we're trying to make it so that we've got more resources for these kids, but we're not working with the problem. I look at it as a road with a lot of nails on it and we're getting flat tires all the time. We don't have somebody say we've got to find another tire shop because we're getting so many flat tires. We go out there and pick up the nails. [LB617]

LEE TYSON: Yeah. [LB617]

SENATOR STUTHMAN: I mean, that's what I think we should be working on. [LB617]

LEE TYSON: I agree and I think that recognizing the need is a very local issue. I think

that things change. Things are very different in Omaha than they would be in Broken Bow. And I think that folks at the regional level and the local level are better poised to determine what is happening in their community and address those needs. Maybe they need a lot more resources to do that, but I just think local empowerment is very important. [LB617]

SENATOR STUTHMAN: Thank you. [LB617]

SENATOR JOHNSON: Well, I guess the thing, you know, and I would doubt that there would be anybody in the room that would not agree that, you know, we have to do a better job of taking care of kids in this state. I think the mental health aspect has been too long neglected and we need to do something there. What I am wondering is that should we wait and see what the restructuring does. Whether this person surfaces in the reorganization so that there is a person who does the sort of things that is the intent of the sponsor of this bill and so on, that apparently aren't getting done now. We just hear too many stories of kids being sent here, there, and everywhere, and then they get there and hardly get their bag unpacked and here we go again. That's got to stop and I think what the sponsor of the bill here is trying to say that loud and clear, that that's got to stop. And so, you know, I don't know what the answer is. I don't know if this is the answer, but I do know that this cannot be the same thing next year at this time. I think all of us on this side of the bench here feel very, very strongly about that. [LB617]

LEE TYSON: I certainly agree that there are challenges facing us and hopefully with the reorganization of Health and Human Services, it will create a framework for better cooperation between the different departments such as protection and safety and behavioral health. And it definitely is a challenge. I agree with you that we need to change, and I think that we can meet that challenge if we're challenged to do something. [LB617]

SENATOR JOHNSON: Well, I hope you can and really do. I think we just have to. I would hate to be sitting in your chair next year if it doesn't happen. Senator Howard. [LB617]

SENATOR HOWARD: Thank you, Mr. Chairman. I couldn't agree with Senator Johnson more. This has gone on for decades, and certainly to my awareness, it's been...I worked for the department for 34 years and that was certainly long enough to be a witness and not a change agent. It's time that things are different. I support the reorganization, but I agree that there are going to have to be differences in how the system operates, frankly. [LB617]

SENATOR JOHNSON: Senator Hansen. [LB617]

SENATOR HANSEN: Another follow-up on that. Thank you, Senator Johnson. The bill

asks for a coordinator of adult behavioral health services and a coordinator of children's behavioral health services. Who does the parent call now for that? Even after the reorganization. I mean, let's shake it out and say six months from now, who are they going to call? [LB617]

LEE TYSON: We encourage people to contact the care providers and the administrators in the regions. The people close to their home that they're represented by. So it would be if someone called us we would find out where they lived, and then refer them back to that region. [LB617]

SENATOR HANSEN: Okay, I have another questions for you. As a state senator, I have a problem. Someone from my district calls me and say they have a problem. Who do I call? [LB617]

LEE TYSON: It would depend on the problem, but you could call either us in the central office or the folks at the region depending on the nature of the problem. [LB617]

SENATOR HANSEN: How many phone calls will that be? Sorry. [LB617]

SENATOR HOWARD: I think you're getting to the problem here. (Laughter) [LB617]

LEE TYSON: You can call me and I will... [LB617]

SENATOR HANSEN: I'll get ahold of you. [LB617]

SENATOR JOHNSON: Senator Howard. [LB617]

SENATOR HOWARD: Thank you. Thank you, Mr. Chairman. A point of clarification. If I a child is a foster child, that child has a case manager. And you wouldn't refer, in that situation, you wouldn't make a referral for an administrator. I would assume you would refer that family to the case manager to discuss the situation. [LB617]

LEE TYSON: It would depend on the nature of the problem. If it was a service oriented, a clinical issue, then absolutely. If it was more of an administrative funding kind of question then it would be more appropriately addressed to the region. [LB617]

SENATOR HOWARD: Thank you. [LB617]

LEE TYSON: Or the region could identify those local providers who could address the clinical issues. [LB617]

SENATOR JOHNSON: Do we have a question from the good senator from Bayard? [LB617]

SENATOR ERDMAN: Lee, you may be an interim director, but I'm assuming you've been around for awhile to kind of see how this process is played out under the plan that is currently being done. I've been here, this is my seventh year. It's not unusual for groups to bring us a proposal such as this that is somewhat at odds or in competition with existing plans. I guess the thing that just kind of doesn't sit well with me, and this is not reflective of the people who are here, but some of the people who testified in favor of this bill are on your task force. And their testimony would lead me to believe that we're not doing anything, and yet, as I hear your testimony, it may not be going as quickly or whatever they would like. I'm getting a completely different impression of what the reality is based on the information you're giving me. Now I'll fully admit that the implementation of LB1023 and other practices relating to behavioral health and mental health are emotional and have a lot of strongly held opinions of how it should be done, but one of the things that I get frustrated with as a state senator is the fact that we have groups that don't want to play nicely and share their toys. Candidly, I see that happening here. Again, I don't want to cast doubt on their efforts or why they're here, but I read their testimony to give me an impression that we're not doing anything and then you tell me that we get $750,000 a year to do planning, to do the things that are being asked to do. Where's the disconnect? Is there disagreement in the groups that you're hearing of, that they don't like your organizational structure. Uta Halee is represented, Region III is represented. I mean, I go down through this list and the people who are here in support of this bill are all, generally, somehow represented. I guess I need to hear what the disconnect is, and until you came up I didn't have the proof that I thought maybe there was already some of this being done. [LB617]

LEE TYSON: Could I defer to Mr. Cygan to answer specific questions about the SIG process? That's something he's a bit more familiar about than I am. [LB617]

SENATOR JOHNSON: Agreeable, Senator? [LB617]

SENATOR ERDMAN: That's fine. Yeah. [LB617]

SENATOR JOHNSON: Okay. Fine. Any other questions then? Lee, thank you very much. [LB617]

LEE TYSON: Okay, thank you. [LB617]

SENATOR JOHNSON: Next, please. [LB617]

DAVID EDWARD CYGAN: Good afternoon, Mr. Chairman. [LB617]

SENATOR JOHNSON: Did you catch the hot potato there? (Laughter) [LB617]

DAVID EDWARD CYGAN : Yes, sir. Good afternoon, Mr. Chairman, members of the committee. My name is David Edward Cygan. The last name is spelled, C-y-g-a-n. I am an employee of the Health and Human Services Finance and Support Department in the Medicaid program, and as part of that responsibility I'm also the administrator of this strategic infrastructure grant. And I understand you have some questions regarding the grant, Senator Erdman. [LB617]

SENATOR ERDMAN: Well, I guess, just is there general--and you've heard my comments to Ms. Tyson--some of these folks who are here today supporting this bill are people that you deal with in your organization for planning. I guess, are you hearing comments from them that they don't like the process. I mean, is there a valid reason why they're here without telling us why they're here in another capacity when they're in a capacity on these task forces? [LB617]

DAVID EDWARD CYGAN: The strategic infrastructure grant and the structure of the grant is designed to, as you've seen, there's a number of individuals on there, and the consideration of how best to organize around the delivery of children's behavioral health services is one of the issues that we have been actively discussing within the scope of the grant, including the possibility of a single children's behavioral health administrator. These, again, will be recommendations that come out of the strategic infrastructure grant. Since the grant itself does not have the ability to implement any of these items we don't have the resources to do that with, but we can make recommendations back to the Health and Human Services agencies. I don't know, can't tell you, and I can't get into their minds to tell you why they are approaching this from the perspective of testifying in favor of this legislation, but also actively participating on this. Maybe it's just...and several of the testifiers did mention that we are making progress with this in the SIG grant, but I imagine their just hedging their bets a little bit, if you will, and trying to advance this proposition either legislatively or through the SIG process. [LB617]

SENATOR ERDMAN: And then follow up, I guess, David. There's somewhat of an irony here in that the request is twofold. One is to do a comprehensive study due by date certain. And two is to have a specific coordinator for two areas that better coordinate the services that we have. The irony is that we have programs that are out there trying to accomplish similar goals and there's no coordination there if this bill passes, because you create another process where you have the regions doing planning, you have the SIG group doing planning. I mean, maybe I'm just a poor farmer from western Nebraska that just sees this in a different light, but it's kind of ironic to come and ask for better coordination when it appears that what we're doing is further splintering the process. [LB617]

DAVID EDWARD CYGAN: And I think that was the core of Ms. Tyson's testimony is that we already have a process in place for this through the SIG infrastructure, and we don't see the necessity to duplicate that process with this bill. [LB617]

SENATOR ERDMAN: And, you know, candidly, it looks like the people who are here are the people who are involved, and I think that's right. I think it looks like if you're going to involve the folks who are affected by these policy decisions who field the calls, who understand the concerns of the people who are receiving services, a lot of them are represented through your process. It would be duplicative, and I candidly think they should be involved in this process. I'm just trying to wade through all of this, and understand that as a member of this committee over the last seven years, these things come up all the time. I'm just sharing an observation, I guess, and some of it is frustration because one of the problems that we have in our state is that you come from rural Nebraska, western Nebraska, you have different needs than the rest of eastern Nebraska, and it's a matter of balancing those interests in a coordinated effort, because we're all Nebraskans. And it just concerns me that we--and not just this bill, but other bills--that we bring contrary ideas that are already being done or complementary ideas that are already being done so that we can either get credit for it or we can take control of it, when we should work within certain processes that are already being done, both for cost-efficiencies and for overall effectiveness. [LB617]

DAVID EDWARD CYGAN: I believe the agencies would concur with that. [LB617]

SENATOR ERDMAN: Thanks, David. I appreciate you coming here. [LB617]

SENATOR JOHNSON: Any other questions? Thank you very much. [LB617]

DAVID EDWARD CYGAN: Thank you, sir. [LB617]

SENATOR JOHNSON: Any other opponents? Any neutral? Senator Pedersen. [LB617]

SENATOR PEDERSEN: Thank you, Senator Johnson and members of the committee. Just a little bit for the record, you know, this is not new for me. I've worked with adolescents in trouble with the law for over close to 40 years now. I still work in a youth center, the Douglas County Youth Center, two days a week and I see many of these children. I've been in the Legislature now 14 years. This is my fifteenth year. And we hear more and more things and concerns about these kids and we don't not seem to serve them. When Voices for Children came to me and people who testified in favor of this bill whose Voice for Children, Kathy Bigsby Moore, who testified here. I've known Kathy for years. She knows this business. She knows it well, people, I can tell you that from my 40 years of experience. She's not up here asking for something to get more money, into some agency or some group. She's asking for something for children. If the plan is too aggressive then we're more than willing to go to have the committee change it to add another year, put it a year out. But we need somebody in both these areas--mostly in the children, but we don't want to forget the adults when we're talking about emotional problems either--that's going to coordinate and do the job that we're

asking for in this bill. Again, it's important. It's important to our children. And the job has not been getting done no matter how long we've been promising it for the 14, now 15 years that I've been here. I believe this bill would help. Thank you. [LB617]

SENATOR JOHNSON: Any questions of Senator Pedersen? Dwite, thank you very much. That ends the hearing on LB617. Open hearing on LB616, Senator Pedersen. [LB616]

SENATOR PEDERSEN: Thank you, Senator Johnson, members of the Health and Human Services Committee. For the record, my name is Dwite Pedersen. I represent the 39th Legislative District and I'm here to introduce to you today LB616. Former Senator Jim Jensen, the former chairman of this committee, brought this bill to me, and although he's not able to be here today to testify for it, he is in support. It's not a new bill. I brought this bill to this committee, I think it was 10 years ago, maybe longer, and more than once I've brought this same bill. Not exactly identical because some things have changed, but we still have a mental health district who is providing services. In the Nebraska Behavioral Health Services Act adopted a couple years ago, services being provided by regional behavioral health authorities were grandfathered in. This bill simply removes the grandfathering language so that the law would state that no regional behavioral health authority shall provide behavioral health services funded in whole or in part with revenue received and administered by the division unless--and this is current language--there has been a competitive public bidding process and there are no qualified and willing providers. Such services can only be provided if the region has received written authorization from the administrator and enters into a contract with the division to provide such services. Having regions provide services, in my opinion, creates a conflict of interest either real of perceived, by allowing a region to be both the administrator of state funding received for services and then providing such services themselves. In those cases, where necessary services cannot be provided by other providers the law does allow for the region to provide services, but in the vast majority of cases this type of grandfathering provision is not necessary and creates the opportunity for regions to continue providing services to the detriment of private providers. I am sure there are many here to testify behind me. I would be glad to answer any questions that I can for you. I have a personal need that I'm going to have to leave for so I will not be here to close, but I do not want the committee to say being as how I won't be here to close how important how much I emphasize this bill. You can look at my history in this committee with this bill and see how much I am very much in support of it. Any questions I'd try and answer. [LB616]

SENATOR JOHNSON: Senator Pedersen, thank you. Any questions? Yes, Senator Erdman. [LB616]

SENATOR ERDMAN: Senator Pedersen, you said there was one region that's currently doing this. The fiscal note says that there's two. My understanding would probably be

Region I/Region II, or Region II specifically. [LB616]

SENATOR PEDERSEN: It's Region II specifically is the one that... [LB616]

SENATOR ERDMAN: Okay. Thank you. [LB616]

SENATOR PEDERSEN: Thank you. [LB616]

SENATOR JOHNSON: Dwite, I see no other. Have a good trip. [LB616]

SENATOR PEDERSEN: Thank you. [LB616]

SENATOR JOHNSON: Thank you. How many proponents do we have? Half a dozen roughly. Opponents? About the same number or a few more. Okay. Let's proponents come to the front and would you come to the front few places here so that we can have a smooth transition? And, again, the afternoon is getting late in the day. One of the things about it is we've tried moving other people along so that you would have your day in court, so to speak, and I guess let's keep going the way we are. So with that, go ahead, sir. [LB616]

JOHN PINKERTON: Thank you, Senator Johnson and thank you to everybody on the committee for listening. I'll be brief because Dwite stole my thunder. That's basically what it's about. It's correcting LB1083. LB1083 was abridged... [LB616]

SENATOR JOHNSON: John, I know who you are, but the person on the recorder doesn't. [LB616]

JOHN PINKERTON: Oh. John Pinkerton. J-o-h-n P-i-n-k-e-r-t-o-n. I'm sorry. LB1083 was abridged at some point by I won't say who, but by somebody that took the bidding process out of government. I think everybody here recognizes the importance of putting things out for bid to get the best deal for the taxpayer. I'm a taxpayer. I want the best deal. I'm also a Mental Health Advocate of the Year from the Mental Health Association in 2005. We are a provider and we look out for vulnerable adults all we can. And I think, basically, this testimony here will tell you the story. Private enterprise, private small business, bureaucracy, that's the whole thing here. The people against this legislation wants the government to provide services for you. The director of our Region II, this last week at Tom Hansen's town forum that he had, which was by the way, very cool. First time it's been done in Region II for a long time, I understand, and people got a chance to speak out. That impressed a lot of people. But the director of Region II stated there that he was against LB1083, the Behavioral Health Reform Act, which encourages community-based services. And voting for LB616 does encourage community-based services and private enterprise, small business, it provides more choices for people with disabilities. I think everybody wants more recovery-based services and more

community-based services. The new Lasting Hope Recovery Center that was announced today in Omaha is private enterprise and we don't need the government providing services for us. That's just a given. Larry Brown stated at the town forum, also, that he could provide services at one-third the cost of private enterprise. Now we all know how efficient the government is at providing services. I just had trouble believing that. I have offered to do some of the services that Region II does right now for half the price they charge. I was ignored. When we offered in Region II to try and start up more community-based services and giving people choices, Larry Brown's response to me was we do not allow that here. And he is correct. They have a monopoly and they have the arrogance and authority to say we do not allow that here. And he's correct under present law. Pass LB616 and he won't be able to say that any longer. I have a real problem for these county commissioners that serve on the governing boards of these regions. At most, they should be expected to let contracts to good providers and to oversee the services provided, make sure they're adequate. You know, they're exceptional hopefully. How are they going to provide the oversight needed to oversee their own services? And that's one of the--in LB1083--that's one of the things the governing boards are supposed to do is provide oversight to these contracts. Here they're letting contracts to themselves and they're supposed to do their own oversight. It doesn't work and I have evidence of that. That's basically what I have to say and if anybody wants...we could have had hundreds of people here today. I didn't want to confuse this committee with that, but we have a lot of people that have problems with the current system and I just pray that you guys can change it. [LB616]

SENATOR JOHNSON: Senator Stuthman. [LB616]

SENATOR STUTHMAN: Thank you, Senator Johnson. John, are there enough services out there for the community-based mental health to provide for everything to get them all out of the regions? [LB616]

JOHN PINKERTON: More than enough. [LB616]

SENATOR STUTHMAN: More than enough? [LB616]

JOHN PINKERTON: ...and that's been the contention that...and believe me, when Region II started out, out there, there probably weren't enough services. As an example or a housing provider, we recognized the lack of psychiatrists in North Platte. We went out and acquired the services of one ourselves. We didn't ask for anything. And this is actually how this whole thing got started. I asked Larry Brown, director of Region II, just to give me a letter saying we needed more psychiatrists out there so we could get him put on the Magellan network. He wouldn't do it and he would not give me a reason why he wouldn't do it. [LB616]

SENATOR STUTHMAN: Okay. Another question is the EPC portion of it, is that a

portion of it too, of having places for EPCing people? We have a real problem in our community that we have to travel 400 miles to find a bed for them, and we... [LB616]

JOHN PINKERTON: Well, we go around to hospitals all the time and talk to people to see if they have anybody, residents to live in our facilities. And right now they are all full and they do not have any place to put them because they don't...it takes more than a month to get somebody stabilized in some instances. And that's what the regional centers do, or did. That is not available any longer. We are coming upon a crisis here, I'm afraid. [LB616]

SENATOR STUTHMAN: Okay. [LB616]

JOHN PINKERTON: And these 64 beds opening up in Omaha soon is going to be a drop in the bucket. [LB616]

SENATOR STUTHMAN: Thank you. [LB616]

SENATOR JOHNSON: Senator Howard. [LB616]

SENATOR HOWARD: Thank you. Thank you, Mr. Chairman. I'd like a bit better picture of your operation. How many facilities, as you call them, do you have? [LB616]

JOHN PINKERTON: We have four assisted-living facilities across the state: two in Omaha, one in Wahoo, and one in North Platte. [LB616]

SENATOR HOWARD: I'm not familiar with the ones in Omaha. What are they? Do they have a particular name? [LB616]

JOHN PINKERTON: Golden Manor and Princess Anne. They are in North Omaha and provides a service for people from North Omaha that want to stay in the community--in their community that they're familiar with. [LB616]

SENATOR HOWARD: With a particular focus on mental illness? [LB616]

JOHN PINKERTON: Of course, yeah. [LB616]

SENATOR HOWARD: How many beds? [LB616]

JOHN PINKERTON: All total, we have about 160 beds in all four facilities. [LB616]

SENATOR HOWARD: And one final question: What is the average length of stay? [LB616]

JOHN PINKERTON: It depends on the situation. Some people are there for years and years and years. These are people with no other place to go or family to help them. [LB616]

SENATOR HOWARD: So they can remain in your facility for...it's open-ended. [LB616]

JOHN PINKERTON: Yes. They are also free to go. We have people who stay one day. But it's open-ended. It's assisted living. They are free to come and go any time. It's a service to the state and to the mental health community. [LB616]

SENATOR HOWARD: Thank you. [LB616]

SENATOR JOHNSON: Senator Erdman. [LB616]

SENATOR ERDMAN: John. [LB616]

JOHN PINKERTON: Yes. [LB616]

SENATOR ERDMAN: Welcome back. [LB616]

JOHN PINKERTON: Thank you. (Laugh) You're a neat guy. (Laugh) [LB616]

SENATOR ERDMAN: Good to see you. Let me give you a scenario here and tell me how you see this play out. Existing law, the current regions that are providing the service, they're exempt from the bidding process as I understand the law, and that's what you are trying to correct here. Under the bill,... [LB616]

JOHN PINKERTON: Say that one more time, please. [LB616]

SENATOR ERDMAN: Okay. It says if you are currently providing the services...or "Except for services being provided by regional behavioral health authority on July 1, 2004," the draft "state law in effect prior to such date" the regional health authority shall provide...it gives them the ability to do the services that they were doing as of that date. [LB616]

JOHN PINKERTON: Yes. [LB616]

SENATOR ERDMAN: Okay. If it's after that date they have to go through this bidding process to create that service. So regardless of whether the bill passes or not, the rub is who was in existence on that date. So we eliminate the grandfather clause, if you will, and we come to today if LB616 is in place. It says no regional behavioral health authority can provide this service unless it's either under decree...let's see...whatever it says here--public bidding process, there are no qualified and willing providers, or that

the "regional behavioral health authority receives a written authorization from the administrator and enters into a contract." Okay. I can understand your point that it's not a fair scenario to give one group a monopoly. What if there's one provider? What if there is one provider under the bill? The public bidding process isn't much of a bid because it's one person's estimate. Then it comes down to a definition of whether or not they're qualified and willing. They are obviously willing because they submitted a bid. How do we determine whether they're qualified? And then if we don't...I'll stop there. How do we determine that they're qualified? Because as I go through this process, I'm trying to understand, practically speaking, some of the things I'm hearing from Senator Stuthman and trying to apply them to what my scenario is. [LB616]

JOHN PINKERTON: Um. Well, that would be up to the region. And if they don't get a qualified bidder, they are free to keep doing it, with the approval of the division. [LB616]

SENATOR ERDMAN: And what is a qualified bidder, in your mind? [LB616]

JOHN PINKERTON: Somebody capable of performing the service that's being...well, it would depend on the requisites of the bid that they're letting, you know. But there would just have to be a qualified provider. But if you don't start here and start looking for qualified providers instead of beating them off with a stick, literally, you're never going to get to a community-based services and people are never going to get choices. And this is what it's all about: giving consumers choices. And believe me, in Region II there are choices out there but they are not being allowed. Larry was right here, that we do not allow that. [LB616]

SENATOR ERDMAN: And I guess my...I represent part of Region II with Keith County, and I represent Region I in the other half. I don't try to write public policy based on what happens in one area of the one state, just like I don't think the folks in Lincoln and Omaha should tell us how to write laws that only affect them. I don't think those of us in rural Nebraska should set public policy based on only issues that affect us either. I think it has to be broad-based. I'm trying to make sure that we think through this a little bit. Would you agree that there are times when it is appropriate for those regions to provide those services? [LB616]

JOHN PINKERTON: Of course; of course. No problem. If you don't get any bidders, then they should be able to do it. [LB616]

SENATOR ERDMAN: And just so I can follow up with what you just said. If you don't get any bidders, that isn't what the law says. It's if you have no qualified bidders. [LB616]

JOHN PINKERTON: Same thing, I think. [LB616]

SENATOR ERDMAN: Well, it's a little different because having no bidders is different

than having no qualified, because somebody may apply that may be disagreed whether they are qualified or not, which then gets them into a nice little political battle over interpretation. I'm just making sure that I'm hearing you correctly that we're looking for quality. And if that quality is best provided by the only bidder, great. But if there's a bidder and the quality is poor, that your interpretation of the law isn't that it precludes a region possibly or another similar entity from providing that service, understanding your concerns about conflict and other...you know, my dad is a county commissioner, as well. He serves on all these boards that he didn't run for. He got elected and all of sudden they say, hey, guess what, you're going to go to these meetings. And he asks me all the time about some of these issues, and I'm probably not the expert to ask but you understand the dynamic better than I do. I'm just making sure that as we think through this, this is the linchpin on what the implementation of these policy decisions that the Legislature has made, it has to be a balancing act. Region I, if there are some folks that will provide these services that the region will provide some, as I understand it. If we wouldn't have been in the situation we were in western Nebraska, we probably wouldn't have seen LB1083 because of the fact that Senator Stuthman points out, we weren't willing to send people 350 miles to Hastings to put them in a bed. We recognized that there was a better value for the community and for the patient of having them done locally. I'm just making sure that as we go forward that we're not inhibiting the attempts that may have been done in certain areas that are different than a general policy statement, and that it's flexible enough to adapt for the issues of those regions--not regions, as in regional health or organizations, but regions as in areas of the state. [LB616]

JOHN PINKERTON: I kind of describe this as an evolution. There was a need for regions to provide services at one time. But that grip has to be loosened a little bit here and there, and it's more like a wall right now. And if Region II would have listened or worked with the providers a little bit, we wouldn't be here. If it wasn't for this statement I probably wouldn't be here. We don't allow that here. I'm a businessman. I just look for common sense, is all. And we're advocates and we want the best for people with mental illness. [LB616]

SENATOR ERDMAN: And then just one last question. From your conversations, does it appear that Region II is the main issue here? There are...you maybe don't have the same type of problems in other regions. [LB616]

JOHN PINKERTON: Well, let me give you an example. We opened a day program that's a drop-in center. It costs the taxpayers $17 a day. Region II's day program costs the taxpayer $53 a day. HHS and Region II will not allow people to attend our program. They tell them they have to go to Region II's. In one case, the example, one of the reasons they give that they couldn't go to our program but they could go to Region II's program was because this person attends church on Sunday. This was from HHS. In Omaha, Wahoo, the consumer calls up his caseworker at HHS, says I want to go this

day program. Boom, they go to it. They get approval for a year in the mail the next day. It's not...things are different in Region II is all I can tell you. [LB616]

SENATOR ERDMAN: So your understanding of the problems is specific to Region II, and your understanding is that other regions are sharing their toys better than the one that you're in. [LB616]

JOHN PINKERTON: Most of the other regions do not want to do direct services. They want to contract them out. And just think of the liability for the taxpayer--needless liability when the regions provide direct services. If you contract them out, that liability ends with the contract, with the provider doing that. When the regions do it, you and I, the taxpayer, are liable. If there's a suit, you know how that works. We're liable. So there's just so many reasons for LB616 to pass. And I like every person over here. They are great people and they mean well and my wife and I mean well. I just think we need a little bit more of a community-based service to be allowed to operate across the state. [LB616]

SENATOR JOHNSON: Senator Hansen. [LB616]

SENATOR HANSEN: Thank you, Senator Johnson. Thanks for coming down for the testimony today. I appreciate it. [LB616]

JOHN PINKERTON: Thank you. [LB616]

SENATOR HANSEN: And I appreciate your kind words about my town hall meeting. [LB616]

JOHN PINKERTON: Oh, that was great, I'll tell you. [LB616]

SENATOR HANSEN: If Region II provides services now, and that's the only region I'm familiar with, if they provide the services now and the oversight is done by county commissioners, and this switches to the way the bill is written and we have private providers, who provides the oversight? [LB616]

JOHN PINKERTON: The county...the governing board. [LB616]

SENATOR HANSEN: So the oversight is not going to get any better than it is now, is that right? These county commissioners are... [LB616]

JOHN PINKERTON: But they won't be overseeing themselves. It's hard to oversee yourself, and that's what's going... [LB616]

SENATOR HANSEN: What's the difference? I don't see the difference? I mean, they

have oversight by the same people. [LB616]

JOHN PINKERTON: Okay. Come to a...(laugh). Could I show you the difference. The Region II governing board will not...you cannot sit and talk to them, period. They will not talk to them. I've proposed meeting with local clergy, the mayor, city attorney, anybody they want to talk to, just an open dialogue. They will not do it and they're so arrogant. Larry Brown, at your town hall meeting, told Dr. Larson (phonetic), he came up and tried to ask him a question, and Larry just flat told him I don't have to talk to you. And he was right and he walked out. That's the arrogance that this amendment to LB1083 allowed to take place. But anyway, I don't want to waste your time. [LB616]

SENATOR HANSEN: Okay. Well, I've gone to a couple of Region II meetings and I didn't find them to be that way, so. But I'm new on the committee. [LB616]

JOHN PINKERTON: I haven't seen you there in the last year. (Laugh) [LB616]

SENATOR HANSEN: I'm new on the committee. You're next. [LB616]

SENATOR JOHNSON: Senator Howard. [LB616]

SENATOR HOWARD: Thank you. Thank you, Chairman Johnson. I'm wondering where you get the information or how you draw the conclusion that the liability would fall on the provider; that the state would have no liability. In my experience in dealing with contracting out, that's not been the case. [LB616]

JOHN PINKERTON: So if you contract out with Community Alliance to perform a service, the liability doesn't end there? The state could be sued? [LB616]

SENATOR HOWARD: Actually I asked you the question. [LB616]

JOHN PINKERTON: Oh, well, I'm an accountant. That's what I...as far as I know, that's where it would end. That's the advantage of contracting out something. That's where you liability stops. [LB616]

SENATOR HOWARD: Have you had liability suits that you've had to address? [LB616]

JOHN PINKERTON: Myself? [LB616]

SENATOR HOWARD: Regarding your concern...your business, if you would. [LB616]

JOHN PINKERTON: No. No, we haven't. No. [LB616]

SENATOR HOWARD: Okay, thank you. [LB616]

SENATOR JOHNSON: Any other questions? I see none. Thank you. [LB616]

JOHN PINKERTON: I'm very impressed with this whole procedure. This is cool. Thank you. [LB616]

SENATOR JOHNSON: Next, please. [LB616]

SHANNA BELSCHNER: Senators, my name is Shanna Belschner; that's B-e-l-s-c-h-n-e-r. I'm a registered lobbyist and I'm representing the Children and Family Coalition. The coalition is providing agencies, not-for-profit agencies in the community that provide outpatient substance abuse, mental health treatment, as well as protection safety services, foster care, shelter care, and so forth. We support LB616. And in looking at this bill I think there's a healthy sense in this state of self-control when it comes to legislating restrictions on government agencies, government organizations, as to how they manage or administrate their services. But LB616 presents a situation where I think it's appropriate for the Legislature to establish some reasonable restrictions on the regions, on these government organizations, such as the case when you consider matters of accountability for the use of the funds and also public health implications when the regions provide services directly. Accountability. I apply the rational person test to accountability. Is it...should government be in a position to fund itself, plan services, provide services, and then evaluate itself for how well it did in planning and delivering services? I think most rational people would say that's a little too much responsibility for any one organization, and that there should be a division between the planning, the funding of services, and the holding accountable that the providing of services. So LB616 would establish accountability by separating those functions and ensuring that the regions can continue to plan for services, administer funds in the community, and hold accountable the nongovernment organizations in the community that are delivering services. But there's also, in this case, kind of a public health interest when the regions provide services directly and they don't outsource work with the community. There is a limitation or restriction of a broader range of services to the community that government or the regions themselves cannot provide. The flow of those government dollars for those services that they fund into the community throughout to different community organizations helps to sustain a broad range of services through provider organizations, through agencies that do community-based services like your outpatient counseling, your adoption services, pregnancy counseling services, substance abuse treatment, family therapy, in-home support such as family support, and intensive family preservation. These are all services that are provided in the community. And when an agency puts these services together, they fund them on pretty tight budgets not-for-profit agencies they're working on--pretty shoestring budgets. And they will blend different revenue sources, whether they be reimbursement from the regions for services, sometimes third-party payer, insurance payments, sometimes sliding fee scale, sometimes United Way fund or grant funds. They are all

blended together to provide these services in a community. When an agency loses a funding source, it disrupts the whole array of services that they are able to deliver in that community. And I'll use the example of Region I actually, a couple years ago, and Lutheran Family Services. Lutheran Family Services used to have, used to provide services in the Scottsbluff area. They provided a range of services that I mentioned earlier, and up until about two years ago they were there. But they have left the Scottsbluff area altogether and this is because over a number of years the referrals for outpatient services that were coming from the region were declining. Referrals went down to the community, and at the same time services within Region I expanded and grew. And today I think Region I provides the majority of the outpatient substance abuse, mental health, and a range of services including family support. The people in the community who receive services from LFS weren't just people who were referred through the Region. They would have been pregnant mothers, they would have been families who wanted to adopt, they would have been families who maybe would have been referred through a physician or a school, people who were able to maybe have insurance, a third-party payment... [LB616]

SENATOR JOHNSON: I would like to encourage you to give a shorter and more concise presentation. [LB616]

SHANNA BELSCHNER: Okay, but the point is that when Lutheran Family Services left Scottsbluff a lot of people in the community, not just people receiving services through the region, lost access to those services. And so that's part of the bigger picture when government does not work with the community, when government provides services directly, the community is able to leverage community dollars, grant dollars, and other revenue sources to provide services that government itself can't provide. That's all I have. [LB616]

SENATOR JOHNSON: Thank you. Any questions? Senator Erdman. [LB616]

SENATOR ERDMAN: Shanna, just so that I don't arrive at a conclusion that you weren't intending, you talked early on in your comments about there are very few, if ever, circumstances where the government should provide both the funding and the service. Now, if I take that to a logical extension, and it's a concern that I've heard from Senator Howard, where do you draw that line? Do you say that the state shouldn't provide foster care services? The state shouldn't provide direct care? I mean, where...? You know, if we're going to do this and we're going to say we're just going to turn over the existing care that we provide under different agencies in the Department of Health and Human Services, for an example, to nonprofit agency-based providers, how do you draw that distinction? Because I'm hearing what you're saying. I think it applies from your perspective to this discussion probably because of your clientele and the people you are representing and the services that have been affected by some of these decisions, but I'm just making sure that you're telling me that you only see it as a value in limiting to

these areas. Or do you actually think that it should be extended beyond the discussion that we're having here so that I can...I mean I don't want to... [LB616]

SHANNA BELSCHNER: I think it can be extended beyond the discussion here, but this particular bill only addresses the regions delivering mental health substance abuse services and so forth. [LB616]

SENATOR ERDMAN: And so it would be your opinion...would it be your opinion that a logical extension of this policy then would extend to other areas of government-provided services? [LB616]

SHANNA BELSCHNER: This bill would not. But... [LB616]

SENATOR ERDMAN: Right, I understand that. [LB616]

SHANNA BELSCHNER: If someone else were to introduce a bill at some later time that applied to other areas of human service. Is that what you're saying? I think the case can be made. [LB616]

SENATOR JOHNSON: Well, I think what the senator is saying is that Texas has gone the route that way with foster care, that it's... [LB616]

SHANNA BELSCHNER: A number of states have, yes, and Texas. [LB616]

SENATOR JOHNSON: Now does that help you answer his question? [LB616]

SHANNA BELSCHNER: You are asking about foster care? [LB616]

SENATOR ERDMAN: That's an example. You can use that one. Joel can help me out but that wasn't specifically... [LB616]

SENATOR JOHNSON: No, I was just trying to come up with a specific example to help you answer his question. [LB616]

SHANNA BELSCHNER: It's an option. It's an option that other states have turned to. It's something that is possible for a state entirely to say, we want to get out of the business of providing services directly, even foster care. It can do that. And that however requires kind of a shift of the whole...and entire shift in the way that government does business. [LB616]

SENATOR JOHNSON: That's what we're trying to get at, I think. We know they can do it. They are doing it. So for you to say that they can do it is superfluous. We're trying to get you to say, you know, what do you favor? And where is your cutoff line? [LB616]

SHANNA BELSCHNER: I think that the criteria would be, you know, how can you get the best bang for your buck. Where do you get the accountability? Where do you get best cost management? And how do you use the resources that you have the best? I think that if you're talking about case managers and case loads, there are some pretty unmanageable case loads out there. You can address some of those issues through outsourcing. But this particular bill really, I think, would just be looking at should the regions be the only providers? Should regions be providing all services in a community rather than working with the community? Who can leverage additional resources for that community and for services? [LB616]

SENATOR ERDMAN: And I appreciate the comment. I just wanted to make sure that we didn't jump to a conclusion that you maybe didn't intend and I think you've clarified kind of where your organization... [LB616]

SENATOR JOHNSON: Senator Erdman, I'm sorry to interrupt. Thank you. [LB616]

SENATOR ERDMAN: No, you're fine. You're the Chairman. [LB616]

SENATOR JOHNSON: Senator Howard. [LB616]

SENATOR HOWARD: Thank you, Chairman Johnson. Senator Erdman and Senator Johnson really hit on a really critical point with this, and the state does have contracts out now, as you know, with adoption agencies and...but there's a factor that enters in here and you touched on it, and it's accredited agencies and what their expectation is for their workers, for their case managers, for their social workers, as compared to the state. And I think you'll...I'm going to ask you, what's the average case load for an adoption worker in your agency? [LB616]

SHANNA BELSCHNER: Much lower than I think a state...I don't know what the state case workers' load is. [LB616]

SENATOR HOWARD: What is yours? [LB616]

SHANNA BELSCHNER: I believe they are within CWL standards which would be under 15, so somewhere between 11 and 15 is probably the case load for an adoption case worker. [LB616]

SENATOR HOWARD: As a person that had 50 children on their case load when I left Health and Human Services, I would say that's much lower. And if you factor that in, it would obviously be more expensive, so thank you. [LB616]

SENATOR JOHNSON: Any other questions? Seeing none, thank you. Next please.

[LB616]

BILL LLOYD: Senators, hello. My name is Bill Lloyd, B-i-l-l L-l-o-y-d. I'm with MHA also as a consumer. I live in Region II. I've had some pretty bad experiences with Region II as a consumer. I had my kids took away from me due to their help. And I've also had other bad experience. I didn't get better with my mental illness until I started helping Mr. Pinkerton over at the Liberty House. I am a little bit nervous right now, but... [LB616]

SENATOR JOHNSON: That's fine, Bill. Make yourself at home here. After all, it's Washington's 275th birthday, so relax. [LB616]

BILL LLOYD: I've gone to the Frontier House. I've had staff there to talk to us like we're babies, and at that time I think I was like 45 years old. I'm 58 now. And that don't go over too good with me because I'm far from being a baby. If we say something to them they don't like, they tell us to either get out or they'll call the police on us, and that's whoever goes there and not just me. So mainly I want what's best for the consumers, not the region or whoever, but I've got better also with the private enterprise, the therapists and that. They've done more for me. I've gone to Region II's therapists; they've done nothing for me. My wife has gone to them. They tell her to get a divorce from me. And I just don't understand it. I just wish everybody could just get along with each other instead of arguing, you know, because it works better if you can work together with people instead of fighting with people. And people do need choices. And like Mr. Pinkerton said, I'm the one that he was talking about. I couldn't go to his program on account of I was involved with MHA which we only meet once a month for about an hour, and I'm the president of it. I introduced my guest speaker and that's basically all I have to do with it. I volunteer over at the Liberty House. I take people to their doctor's appointment, which sometimes I don't even have no appointments during the week. And I go to church so therefore they say I can't go to R&R recovery program because of all of that which I don't understand. I fulfilled it and now I'm at the point where they say I have to go to court to go to that program, and how is somebody with mental illness on limited amount of income supposed to get a lawyer and pay court costs and all that just to go to a program when they need it, but yet they tell me I can go to Region II. I don't understand it, you know. And I think this bill is exactly what we need in Region II to help the mentally ill people out so they will have a choice to what they need so they can help themselves get up and do what they want to do instead of what the state or Region II tell them they have to do. When I came out of the...I was done with my mental illness in '91. I was sent to Hastings...EPCed to Hastings. When I left Hastings they told me I had to go to Region II, and Region II told me I had to go to their day program which at that time they were the only day program. I was in Red Willow County which is still part of Region II in '98, I think it was. I went to their day program there. I also attempted suicide again and had to go there and they told me I had to go to Region II for therapists and everything. I've had one of their doctors before. The one they've got now you could walk in and see him. He wouldn't tell you what kind of meds

you need; he would ask you what kind you want, which a person with mental illness don't know what kind they need. But he would name off some. And, oh, yeah, I want that, Prozac, whatever. And that ain't a very good doctor. And from what I understand he's retired now but he's still got his own practice. He's 84 years old, I think, now, and that's not good. And I am sure you guys and ladies on the board will agree to that and (inaudible) want what's best for the consumers. Thank you. [LB616]

SENATOR JOHNSON: You bet, Bill. Thank you for a coming a long distance. Any questions? Senator Howard. [LB616]

SENATOR HANSEN: Thank you, Bill. Thanks for coming from North Platte and testifying. You did a good job. [LB616]

BILL LLOYD: Yes, sir. Thank you. [LB616]

SENATOR JOHNSON: Thank you very much. Next, please. [LB616]

LISE ZLOMKE: Hello. My name is Lise Zlomke. The last name is spelled Z-l-o-m-k-e. I'm a Region II consumer, provider, competitor, taxpayers, and consumer advocate...oh, and therapist. I have a concern that the senators here on the committee may have an understanding that Region II lacks providers to provide community-based services and that those services would not be competitive with current Region II services and the rates of pay that they charge--their funding sources. When you hear this, please, please consider me, as well as other providers in Region II--private practitioners and other agencies--who are not only ready but they are willing to provide the services in Region II. My personal dedication and passion to being a provider doing brief recovery focus services was discouraged by Region II, and I'll leave that at that. I would like to encourage senators on this committee to...sorry, I'm nervous, this makes me nervous, I apologize too...please not buy in on that, that there aren't enough providers in Region II. There are. I know a lot of them personally and they are just afraid to speak up, and I understand why now. (Laugh) To please use the available providers with their expertise and hold them to levels of accountability because we are able to provide services at a lower price point and we are willing and able. I would also like to encourage a deeper look into what Region II is currently doing to maintain the expectation that the availability of the Region II current service providers private practitioners does not exist at a price point that's the same and/or lower than theirs. And please just consider looking at this bill seriously and consider passing it. Thank you for your time. [LB616]

SENATOR JOHNSON: Thank you. Any questions anybody? Seeing none, thank you. [LB616]

LISE ZLOMKE: Thank you. [LB616]

SENATOR JOHNSON: Next please. [LB616]

DAVE HOMAN: Afternoon, Senators and committee. I'm Dave Homan, D-a-v-e H-o-m-a-n from North Platte. I'm cofounder of ROC (little) 3 Coalition. We started just this last eight months or so. I'm a Vietnam veteran (inaudible). I became disabled a year and a half, two years ago, and I went to Heartland Counseling/Region II for help, only to be violated and my rights violated and disrespected by the personnel and the staff and the governing board of Region II. When I turned them in to the state Health and Human Service investigations, I was further violated. My word wasn't good enough. Here in Nebraska we're finding out people with mental health who have problems with the administrations, just like the regions and such, we have no rights. We're lying; we're mentally ill so we're not right. But we, through a process of collections for awhile, have managed to put tapes together, videos and audio, and we have proof of things that are going on. HHS would like to have a copy of one particular tape but I think we ought to hang on to it until a credible agency is willing to sit down and meet, have a little mediation, some arbitrating, whatever, to help us out to straighten some of this out because the system is very seriously flawed and people are covering their keisters in the government for their own mistakes and their fellow workers'. The system, it needs overhauled very badly. And if the government doesn't listen to us, the victims, and start believing us when we have proof, things will get straightened out hopefully. But the region believes the individual rights of the consumers must be sacrificed for the good of their agency. Region II's mission statement concludes to ensure organizational strength and growth. They have a small line just ahead of that for the clients to provide service for the clients, but the big punctuation is their survival and growth--not the client. The vulnerable consumers in Region II are being denied hope and services and respect. We, the consumers, need your help. I've also had local police officers, I've had to have them check on me three times since I received a threatening three letters from an attorney representing Region II, calling me slander and liable, and then the worst humiliation in my life, to be called a terroristic threat for telling the truth of the violations pulled on me by Region II personnel and exposing me to the state licensing hearings and such where I ended up in a hearing transcript that is now posted on the Internet, and it has me labeled as a drug and alcohol addict. I'm not a drug and an alcohol addict. I live in a serious depression state of mind. That's how I lost my mind. I barely taking and then to have to put up with this kind of thing, and then be used in a pawn to be a pawn in a court hearing, and ridiculed and put on the Internet for the whole world to see. And I'm not a drug addict and I'm not an alcoholic. I like my beer but I'm not an alcoholic. And I hate to keep rattling on but it's the only time I'm ever get a chance to have this out because I don't expect I'm going to be alive much longer. My head has had a lot of problems and the pressure is getting worse, and I can't get the help I need. But with the rest of this, I've sat here and wrote three pages, rewriting and shortening this up, and then I'm going off crazy again. The situation with Region II has turned into such criminal activity where people are violated every day. I have people come up on the street; they call me. We've got to find some help. I said, you're telling me. This is

about my last ditch, coming down here, hoping you people will pass this LB616. It's time for change. That's what my ROC is--it's choice, change and credibility. We don't have that in Region II. We have proof of it. I even found about somebody else the other day. It's just another one to put on my list. And if someone doesn't wake up and understand. I've asked the Governor for a meeting. I asked the Attorney General for a meeting. I've asked a number of other people for some meetings to try to get this out, but no one is listening. They are ignoring us. And you people are about the last hope we're going to have. Even though it's kind of sidestepping a little bit, but anymore I'm kind of embarrassed to be a Nebraskan, because now on the news our state holds the record for having the most children in foster care out of the whole country. And that's something that really shows...that's just an example of where Health and Human Services has gone astray. There is no credibility anymore. People make complaints but they are not carried out because Joe Blow has got to cover for Mary Lou; Mary Lou has got to cover for Sally Jo; and Fred is over here, he's not even working. And nothing is getting done and everybody is passing the buck. It's time for some change and we do need it. I'm sorry I am taking up more of my time than I should have. Any questions? [LB616]

SENATOR JOHNSON: People that come a couple hundred miles, we give them a few graces. Senator Hansen. [LB616]

DAVE HOMAN: Well, if I hadn't of broken the fork on my trike, I would have rode it up here. [LB616]

SENATOR HANSEN: Thanks for coming, Dave. [LB616]

DAVE HOMAN: Yes, sir. [LB616]

SENATOR HANSEN: What's ROC stand for? [LB616]

DAVE HOMAN: Stands for choice, change, and credibility. [LB616]

SENATOR HANSEN: R-O-C? [LB616]

DAVE HOMAN: Three Cs. R-O-C and then there's a little 3 just above and at the backside of the C. [LB616]

SENATOR HANSEN: I've known Dave for several years. I used to be a good truck driver and hauling a lot of rock and stuff... [LB616]

DAVE HOMAN: Yeah, we go back about maybe 10 years. [LB616]

SENATOR HANSEN: Yeah, probably. What do you think...? I mean, we're looking for

credible agencies here all the time, and we deal with HHS, and I'm new down here. What do you think a credible agency might be? Who would you suggest we go see because we're looking for them too. [LB616]

DAVE HOMAN: Yeah. Well, it's just like I asked Ernie Chambers a little while back for some help because he knows civil rights and such. And he was telling me, honestly, Dave, I don't know where to send you because we had troubles here, too, and if you find a lawyer that will help you, let me know so I can get him. But we've got the...either the Governor is going to have to take a stand or the Attorney General or someone like that, because it's...it might sound here, idiotic possibly, but to borrow a saying from a movie that Robin Williams did, just changing it a little. He said, in politics, politicians are like diapers; they need to be changed regularly, continually. [LB616]

SENATOR HANSEN: I agree with that. [LB616]

DAVE HOMAN: But it's like with us, administrators and directors, I think they should be changed regularly and continually. It's like what we have at home. How many years have that administration been there? Seventeen, 18, 20 years? I think it's time for change. [LB616]

SENATOR HANSEN: This senators has a question (inaudible). [LB616]

SENATOR JOHNSON: Let's change to Senator Stuthman here. [LB616]

SENATOR STUTHMAN: Okay. Thank you, Senator Johnson. The board of governors in Region II, is that controlled by the...or the membership of it by the county board of commissioners and supervisors? [LB616]

DAVE HOMAN: Well, the board of governors, the regional board of governors, is a collection of the county commissioners. [LB616]

SENATOR STUTHMAN: County commissioners are supervisors. [LB616]

DAVE HOMAN: But as I understand, there is another board above them, but I've never been able to get ahold of them. But those people are...some time back the board took a vote and they decided to go mute, like when they have a public forum part of it, that they are all mute. If you want answers, you have to wait until the next board meeting, another month, to get answers. By that time people forgot the question. [LB616]

SENATOR STUTHMAN: Okay. Thank you. [LB616]

DAVE HOMAN: Anyone else? [LB616]

SENATOR JOHNSON: I believe that does it. Thank you very much. [LB616]

DAVE HOMAN: Okay. Thank you very much. Appreciate your time. [LB616]

SENATOR JOHNSON: Next please. How many other proponents do we have? Okay, thank you. I think you're the last one. [LB616]

RACHEL PINKERTON: (Exhibit 1) Thank you, Chairman Johnson and Senators. I'm Rachel Pinkerton, R-a-c-h-e-l P-i-n-k-e-r-t-o-n. My husband John and I became housing providers in Region II in 2004 at the persistent urging of the Behavioral Health Authority executive director Larry Brown. Be careful what you wish for, Larry. He recruited us because there was a need and they weren't providing that service. So it shows how inventive you can be. When there's a will, there's a way. Nebraska's Behavioral Health Reform Act promised us a shift to consumer-focused recovery-based services. LB616 simply removes a grandfather clause which impedes that transformation, and I quote from one of my favorite publications here after the Bible, the President's New Freedom Commission: First, services and treatments must be consumer and family centered, geared to give consumers real and meaningful choices about treatment and options and providers, not oriented to the requirements of the bureaucracies. Now, why do you suppose they had to say that as the first principle of a transformed mental health system? It's not that they're trying to vilify the status quo, but they did observe that was going to be a challenge, that bureaucracies were going to tend to be oriented toward perpetuating themselves, and that that was very much a threat to recovery and to transformation. On page 7 of "Achieving the Promise," it continues, second, care must focus on increasing consumers' ability to successfully cope with life's challenges on facilitating recovery, on building resilience, not just on managing symptoms. This evolution that my husband referred to...at this point we have a window where we want to see people who are passionate about moving past the same-old same-old services we've been providing, and be more recovery focused. And it means handing off power to consumers and families. I was present to hear New Freedom Commissioner Daniel B. Fisher, M.D., Ph.D, address several hundred people at Lincoln's Bryan Hospital in October 2005. It took some horse trading, the doctor told the audience, but I'm proud of the recovery language in the final report. I called, personally on Larry Brown in North Platte to encourage him to attend Dr. Fisher's talk because I'm a big believer in collaborative, strength-based planning, and I have to give credit where credit is due, to dedication and years of taking care of business out in Region II. And I was hoping for Dr. Brown to catch fire with the new, more recovery-focused era. And at the same time, and Jeff Santema probably remembers this, I contacted Senator Jensen's office and secured assurances that if Dr. Brown were to make that arduous geographical and mental journey to hear and be moved by Dr. Fisher, that some semblance of VIP treatment would be accorded the director and... [LB616]

SENATOR JOHNSON: I hate to interrupt you, but could you put in a few fewer

adjectives because... [LB616]

RACHEL PINKERTON: Okay. Well, Larry didn't go. [LB616]

SENATOR JOHNSON: Well, ma'am, slow down just a second. [LB616]

RACHEL PINKERTON: Okay. [LB616]

SENATOR JOHNSON: I really want to give you a time to talk and so on, but we've got lots of other people, and we've been going close to an hour already. [LB616]

RACHEL PINKERTON: Okay. [LB616]

SENATOR JOHNSON: So be as precise as you can. [LB616]

RACHEL PINKERTON: Well, I'll just... [LB616]

SENATOR JOHNSON: I know you've come a long way too, but. [LB616]

RACHEL PINKERTON: I hope for the passage of LB616 as another step toward, on the path of a statewide commitment to excellence in behavioral health services. And when you think about the limitations of our rural area...and I'll just be real brief on this, but I know Senator Hansen has to be very well acquainted with the story of the North Platte Canteen. And when you want to be skeptical about what rural Nebraska can do, please be informed by the fact that of 6 million service men and women who were served at a rate of 2,000 and 3,000 a day at the train depot in North Platte. Never missed a troop train. Started Christmas of 1941... [LB616]

SENATOR JOHNSON: Ma'am, please, we're not talking about the troop trains. [LB616]

RACHEL PINKERTON: Okay. Well, that's... [LB616]

SENATOR JOHNSON: You've used five minutes and I hate to keep cutting you off... [LB616]

RACHEL PINKERTON: Well, forgive me. Okay. [LB616]

SENATOR JOHNSON: ...but we need to pay attention to the subject at hand. Please. [LB616]

RACHEL PINKERTON: Well, forgive me, and my husband will probably commiserate with you. In my mind, that's relevant. [LB616]

SENATOR JOHNSON: No, I just want us to move along... [LB616]

RACHEL PINKERTON: I'm done. Do you have any questions? [LB616]

SENATOR JOHNSON: ...so that we hear all of the people here today. Please. [LB616]

RACHEL PINKERTON: Yes, sir. I'm sorry. I'm sorry. [LB616]

SENATOR JOHNSON: Be respect of their time too. [LB616]

RACHEL PINKERTON: I'm finished. Do I have any questions? [LB616]

SENATOR JOHNSON: I hate to cut you off that way when you've come so far, but we can't talk about troop trains at 5:30 in the afternoon. I'm sorry. Next please. [LB616]

SUE LLOYD: Senators, I'm... [LB616]

SENATOR JOHNSON: And I'm not really that gruff. [LB616]

SUE LLOYD: I'm Sue Lloyd, S-u-e L-l-o-y-d. I'm the other half to...Mrs. Bill back there. A lot of what I was going to say is what he has already talked about. But in 2002 I was dismissed from Richard...I'm sorry...Hastings... [LB616]

SENATOR JOHNSON: You just relax and you're just fine. [LB616]

SUE LLOYD: Hastings Region Center. And before I could leave everything had to be in place as far as a therapist, a psychiatrist, a team. And from there I got back, and yes, it was Heartland. I attended Frontier House for quite awhile and I seem to outgrow it because there are different levels of wellness there and I felt like I had kind of gotten past the point, like my husband said, being kind of talked down to. Kind of sat back, lived life in a small apartment, pretty bored. We came across John and Rachel Pinkerton and they kind of took us under their wing and showed us that there was something more to life that sitting in an apartment. We were...well, we have volunteered there. We do go to the NAMI meeting which is an hour a month. We go to the MHA meeting which is an hour a month. Also, as he said, we were the ones that were put down as one reason because we went to Liberty Baptist Church there in North Platte and we were very avid members. Well, that's an hour a month. So when he started R&R, we asked to be a part of that program there are Liberty House. We went and talked. We were denied. We asked for an appeal. Denied again. Went to the second appeal. And as I said, it was because of those things that we were involved in that we could not become a part of that program. On the last meeting that we went to for the appeal, I asked them, I said, well, so what you're saying then is that we're not going to get this. And they said, no, probably you're not going to qualify for that but you'll just

have to wait and see what you hear. So the last statement I made to them as we were walking out, which I would like to interject here that we were not appealed or brought to the thing as individuals. We were always brought in as a team, the Mr. and Mrs. team. We weren't, for his part and for my part, it was always together. But anyway the last thing I said, well, then we're not going to get it. No, probably not. And I looked at them and I said, so are we still going to be able to be drop-ins at the Frontier House, which is Region II? Oh, yes, you can do that, but yet we cannot be any part of R&R whatsoever. And I just don't understand why there can't be choice in Region II. Thank you. [LB616]

SENATOR JOHNSON: Thank you. Any questions? Thank you very much for coming. Next please. [LB616]

PATTY STOUT: Thank you for listening and allowing me to speak. My name is Patty Stout, P-a-t-t-y S-t-o-u-t. I'm the mother of the child that was placed in Omaha. I am the mother who calls many agencies daily, including HHS and Region II. I cannot secure a lot of services or any services at all from Region II. I'm the victim of a failed service. My son also is a victim of a failed service. One example is I've asked from Region II for my files over 9 months ago. So I ask that you please consider the important passing of LB616. Thank you for your time. [LB616]

SENATOR JOHNSON: Well, thank you. Any questions? I see none. Thank you very much for coming. Any other proponents? I see none. Let's proceed to opponents and I think there's more than one or two. If you would move to the front, it will help in the transition. [LB616]

JERRY McCALLUM: Good afternoon, Chairman Johnson and the members of the Health and Human Services Committee. I'm Jerry McCallum, J-e-r-r-y M-c-C-a-l-l-u-m. I am president of NACO, the Nebraska Association of County Officials. I'm the Madison County commissioner. I am in my third term. I've spent my entire public life in public service in mental health. I was appointed to Region IV the day I got elected and it was a kind of a railroad job at the time but I got in. And I want to thank you, Chairman Johnson and the committee, for allowing me this time to testify before you. I will be testifying in opposition to LB616, and also the Nebraska Association of County Officials has taken the stance in opposition also, so we're speaking about 93 counties. When I first read this bill I wondered what the reason for it was because actually there is no language being changed whatsoever from LB1083 other than the fact that everything that has been done by the regions would be region service to consumers would all have to be, supposed to be kiboshed and then start all over again. It might be real expensive and it might not be a good idea. Let me go back just a little bit in history and I'm not going to take all that long. Chairman, you don't have to critique me. I want to do it as quick as I can. [LB616]

SENATOR JOHNSON: Well, we'll give you equal time. [LB616]

JERRY McCALLUM: Back when Governor Johanns proposed LB1083 reform act, and people around the table with me, we went through the thing on the reform act. And whoever was involved in that committee, and I was in part of it but not all of it, I think maybe Senator Stuthman was in on some of it, they pretty well covered every aspect of mental health services in the state of Nebraska. After we all got settled down and talked about it, LB1083 pretty well covered that. There is a section in LB1083 that Senator Erdman read to us. It takes care of the situation we're talking about right now. It very well takes care of it. I'm from the eastern part of the state but I'm president of NACO. I must represent everyone in the state of Nebraska. Geographically, this LB616 relatively affects Region I and Region II in western Nebraska. And why LB1083, this section was proposed, was to cover the situations in that part of the state, which means they are affected by numbers, they are affected by providers. And numbers--I mean consumer numbers. In order to be effective in the private sector you have to have numbers; you have to have people in the program or your cost per pupil goes up. And sometimes you cannot find, out in that area, and I've talked to those people out there, they cannot find providers to provide the service that they need. It's just not there like it is back east here. It's a difference in the areas and the population. And those of you who represent that area out there know what I'm talking about. If...I just might...and I'm not saying anything against private sector or private business. Please do not take this as offense to private sector. But if this bill was proposed by private sector I would be somewhat concerned, and I'm going to tell you why I would be. As the reasoning behind, because in this state of serving a mental illness, if you have quality services and reasonable prices for your services, I don't think you have any problem keeping busy for the demand that's out there in mental health. I don't think you'll have any problem. Competition and competitiveness is good in any sector of life. Senator Erdman, I liked your statement as far as what the western part of the state needs. And when we were going through LB1083, the reform act, in 2004, your areas out there were the ones that LB1083 was really formed after, because they went out there and looked how you people were handling those things out there with the least amount of services and still keeping the people, the community bases close to their home, and giving them the service they need. That is the reason I think...Jeff is shaking his head; he went through it with me with Senator Jensen. That was the thing that really, I think, sold Governor Johanns on the reform act. You guys, I think, Governor Johanns, if he was here today, and he would not want us...we haven't even completed the process, committee; we have not even completed the process of implementing LB1083 as the reform act in the state of Nebraska. We've done some really good things. We've made a lot of steps and there's a lot of struggling to go yet. And all you know funding is the problem. Funding is the big problem; it always will be with anything. But I think this committee that I'm speaking to, you have the power and the common sense and the vote to keep LB1083 in place. We are not changing one thing with LB616. Just remember that when you vote; you are not changing one thing. I hope you understand where I am testifying from. I'm in opposition to LB616 because I don't think we should tweak on something that is

strong. Let's keep it strong; let's don't tear it apart. If there's any questions I will answer them now and I thank you for your time. [LB616]

SENATOR JOHNSON: Any questions? Yes, sir, Senator Stuthman. [LB616]

JERRY McCALLUM: Senator Stuthman, you always give me a stump. Now, you quit that, will ya? [LB616]

SENATOR STUTHMAN: Well, thanks for coming down. [LB616]

JERRY McCALLUM: Sure [LB616]

SENATOR STUTHMAN: You heard the testimony this after from the problems that are the concerns of Region II, and we served together on the Region IV mental health governing board. I thought we were in control, weren't we, or not? [LB616]

JERRY McCALLUM: Senator Stuthman, we are in control. We are in control of our regions and I'm going to tell you how we're in control. When you start getting complaints in the high percentages, there are always cases...there's always cases where I can buy a new Buick and you can buy a new one, and yours isn't worth anything and mine is a pretty good car--both from the same dealer. I think you have to look at the whole picture. Yes, we are in control. We are in control. You were on the boards with me. Anytime anything came up or any expansions or any new programs that were looked at that were going to start costing more money, we looked into them and we looked into complaints. [LB616]

SENATOR STUTHMAN: The concern that I had, was there were comments there, they wouldn't listen to them, and they slapped their door in our face, and everything like that. If that realistically happened, and it possibly did, but that's where the governing board should have run or had a bigger hammer. [LB616]

JERRY McCALLUM: Senator Stuthman, I don't think this bill was initiated to discuss people's problems in the mental health field. This bill was discussed and initiated to maybe try to stop the competition of the tax dollar against the private sector. And as far as services and people's ability to say anything about anybody, anytime, I don't think this is the place for you and I to discuss that. [LB616]

SENATOR STUTHMAN: Okay. Okay. Thank you. [LB616]

SENATOR JOHNSON: Any other questions? Jerry, I see none. Thank you very much. [LB616]

JERRY McCALLUM: Just, Senator Erdman, I appreciate you for your comments I've

heard from you today. [LB616]

SENATOR ERDMAN: Well, let me follow up, Jerry. [LB616]

SENATOR JOHNSON: You bet. Go right ahead, Senator. [LB616]

SENATOR ERDMAN: You know, one of the things that's been interesting about this process is that I think for the first three and a half years I was a member of the Legislature, we begged for funding from the Appropriations Committee to the tune of like $100,000 to help with the Homeward Bound Project, and we got squat. It was encouraging to me to see the success that was being done in western Nebraska, and candidly we're closer to almost every state capital near Nebraska than our own. And there is somewhat of a disconnect and it is difficult, at times, to feel that there is that connection between the entire state. It was very encouraging for us. John McVey was a phenomenal man. He had the right attitude, and his attitude, as I understand in working with him in the limited time that I had and then in his promotion until unfortunately his passing, I mean, he was advocating for the things that needed to be advocated for. And it was because of that philosophy that we were successful in the state. Now, that philosophy is not prevalent everywhere and we have been fortunate in western Nebraska, but, you know, you're right, there is a number of factors. Some of us from western Nebraska were kind of floored a little bit to find out that after years of trying to get any funding to help facilitate that process that we got none, that all of a sudden we were the poster child for making these types of reforms a reality because folks in other parts of the state couldn't share toys and couldn't play nicely. And it wasn't that there weren't services; it was because there was a turf battle. And so it was ironic that we had no services and we had to figure out a way to do it better and more efficient, both for the value of the taxpayer but also for the constituent who was going to be affected. So this has been interesting to watch this development. I think this is part of our growing pains of setting the foundation for how we go forward. But some of us have been around this track a time or two and it's important to do it right. And I think that's why LB1083 took so long in spite of some of the tactics of some folks to try to curtail it. We got past some of those issues and I think there is an issue here that has to be resolved. Is this trying to kill a fly with a sledgehammer? I don't know. But candidly these folks from North Platte have some problems that need to be addressed, and maybe this bill isn't the right way but maybe this bill gets us to that solution. And I think the sooner we find a resolution, the better off we all are so that we're not fighting one against another and we're not trying to figure out how to build kingdoms, but we're trying to figure out how to take care of the people who are living in that area. [LB616]

JERRY McCALLUM: I might comment to that a little too, and thank you, Senator Erdman. Yes, I think you're probably right. There are situations where sometimes this type of language which really didn't mean a lot to me because it wasn't changing anything in LB1083, but maybe it wakes us up to some facts that you've heard today

that maybe you wouldn't hear. And I might want to...and in the process one more statement. As president of NACO, I have down here all the executive directors from all of the regions in the state. I have commissioners down here so one commissioner from each state. I think someone told me in Health and Human Services, it is the first time that 93 counties will be talking to people tomorrow that has never been done before. And we're going to support everybody. Your needs are your needs; Omaha's needs are their needs. But we all have to do it together. I'm taking too much time here guys. Any questions? [LB616]

SENATOR JOHNSON: No, you're doing fine. Any other questions of...? [LB616]

JERRY McCALLUM: Thank you very much again. Good luck and have a good evening. [LB616]

SENATOR JOHNSON: You bet. Thank you, sir. Next please. [LB616]

TAMARA JOHNSON: (Exhibit 2) Chairman Johnson, committee, my name is Dr. Tamara, T-a-m-a-r-a, Johnson, J-o-h-n-s-o-n, and I currently serve as the medical director for Region II Human Services/Heartland Mental Health Counseling Clinics. My history goes back though...my hometown is Cambridge, Nebraska, which is in Region III, and I am a family physician primarily and did 17 and a half years of practice in Cambridge. And we had five rural health clinics. Four of those were in Region III; one was in Region II. Over those years I referred many patients to various substance abuse counselors, mental health counselors, regional hospitals at Hastings and at Richard Young. The problem I always encountered was, as Region III did contracted services, if I would refer a patient to a counselor, a substance abuse patient, even a hospital, a lot of times those services were there for a short time and then that provider left. That clinic closed. The mental health counselors, the substance abuse left because they just couldn't meet their needs and our needs. So since I had one clinic that was in Region II, I started sending all of my clients to Region II because the quality of care was there, the consistency was there. They always had room. They never turned us away. So I always thought that was impressive, and four years ago I was asked to join as their medical director when Dr. Murray (phonetic) retired, and it's very obvious to me now why that happened. The region had in place so many services that treat the whole patient. You've probably gotten my letter. You can refer to that. But the oversight is there and we've heard a lot about accountability and I love working for the region because everybody is accountable. We're held accountable. It's very quick. We have meetings all the time. And the accountability is held what is best for the client. It's not what is best for the region; it's not what is best for our dollars; it is not what is best for our administration. It's what's best for the client. And we have team meetings all the time that address that. When I hear that there are enough providers out there, I have to kind of shake my head because I try to refer to whoever I can get patients into, and often there are not providers out there that are available or willing to take the clients that I see

as a medical doctor. And that's where we'll squeeze people into Region II to get the service that they need. If the region is dismantled as this bill would do, there will be an outmigration of our providers that work for us just because there's not the ability to make a living without being in the region with the number of people that we have. And I would like to say something from a medical standpoint. I refer people to Liberty House all the time as an assisted-living facility. I refer people to the Pawnee Hotel or to whatever services are available, and never once have I ever discussed my decisions with the Region II administration and never once have they tried to tell me where to send people. It's the same way with counselors in McCook, Nebraska. I refer a majority of my patients to other counselors that work in McCook because the quality of the provider is there. they are able to take people in. Same thing in North Platte; same thing in Ogallala; same thing in Lexington. So this authoritative hand that tells me what to do isn't even there. It's up to me to refer who I want to. And along that line we did contract with Liberty House for respite services, but after about nine months they revoked the contract and said they couldn't handle the difficulty of clientele we were sending them, so it's not that we don't try to contract with providers; we do. But often they, for whatever reasons, and that's fine, they just back out of the contract and then we're left trying to find somebody else. So we do try to provide the best services we can but also contract with other providers when we can't provide that service. And one other thing I'd like to say is I think it comes down to a case of quality. And when Senator Erdman was making the comments about the bidding out process, I feel that the region's thought is always to try the most highest quality, either contracted or provider service ourself. And sometimes the provider may be there but the quality just isn't, and the accountability is not there is we don't provide that service. That's all I had to say. Do you have any questions? [LB616]

SENATOR JOHNSON: Yes, Senator Stuthman. [LB616]

SENATOR STUTHMAN: Thank you, Senator Johnson. Doctor, I appreciate your comments. It seems like everything is going very well. You're happy with the way things are going. Just an hour ago we heard of things where situations weren't that good. Are you aware of any of those situations? [LB616]

TAMARA JOHNSON: No, to be honest with you, I'm not. And even when I was providing care as a family practice physician and referring people, I never had any complaints back from clients. [LB616]

SENATOR STUTHMAN: Okay, thank you. [LB616]

SENATOR JOHNSON: Senator Erdman. [LB616]

SENATOR ERDMAN: Ms. Johnson, as a rough estimate, what would you say your current breakdown is of the number of people who are actually treated by Region II

versus the number of people who are actually treated by the private providers in the area? [LB616]

TAMARA JOHNSON: It kind of depends on the community. [LB616]

SENATOR ERDMAN: Just a rough estimate. [LB616]

TAMARA JOHNSON: Overall, I would say probably 60 percent Region II and 40 percent private. But again, that varies...it would be more in North Platte that way, less in the smaller communities. [LB616]

SENATOR ERDMAN: Okay. [LB616]

SENATOR JOHNSON: Any other questions? Thank you very much for coming. [LB616]

TAMARA JOHNSON: Thank you. [LB616]

SENATOR JOHNSON: Next please. [LB616]

COREY BROCKWAY: Thank you, Senators. My name is Corey Brockway, C-o-r-e-y B-r-o-c-k-w-a-y and I live in McCook, Nebraska. I'm here today to speak in favor of these six regional human services systems in Nebraska that currently provide very valuable and functional services. I am currently and will continue to be a consumer of the substance abuse and mental health rehabilitation programs available through my provider, Region II in southwest Nebraska. In 2004 I was at the lowest point of my life. My alcoholism and mental illness had made my life unmanageable and the insanity was increasing daily. I was a businessman in McCook at the time. My reputation and business were suffering from the effects of my illness. I was a broken man in need of help. I had choices and I chose Region II. I chose to go into the Region II because of the staff reputation. They very compassionately did my alcohol evaluation, professionally diagnosed the causes for all the symptoms I had been suffering from for years. The causes and symptoms are always unique to the individual but there are typically common thread behavioral patterns amongst those individuals that set the stage for successful coordination of services all geared towards bringing the consumer, like myself, back into a productive role in society. The main point I would like to make is that the mental, physical, and emotional issues of my disease were handled productively within Region II providing the system. In hindsight, I can see how beneficial it was for my rehabilitation to have the office managers, the counselors, the psychiatrists, and the medical doctors all working together to coordinate a recovery action plan and being able to facilitate this plan under the umbrella of care the regional system provides. In closing, I would like to stress, I do not feel my rehabilitation would have experienced near the success if I would have been shuffled between private practitioners left at my own discretion to decide which direction to go. I honestly believe

the consumers could get lost in the shuffle. I feel that a deregionalized type of system would take away the dynamic of closely coordinating very complex issues that at time involve consumers who are in life and death crises. And just to close, I am moving out of a successful financial planning business that I own in McCook. This is my transition month. I actually accepted a position with Region II. That's my passion. Taking a cutback in pay to follow some passion of mine in recovery to see if I can help others. That's how strongly I believe in the process that Region II has helped as I have recovered over the last two and a half years, and I will be doing a public relations-type position with Region II, and I think that speaks for itself as to how much I believe in the system that's in place. Another opinion of mine is that life is 10 percent of what happens to you and 90 percent how you interpret it. And that 90 percent, there's a lot of room for interpretation. And we here...my interpretation. There's other interpretations. But I just thank you for you time and if you have any questions. [LB616]

SENATOR JOHNSON: Well, first of all, Corey, thank you for coming. Any questions? I see none. I think you covered things quite well. Thank you. [LB616]

COREY BROCKWAY: Than you. [LB616]

SENATOR JOHNSON: Next please. [LB616]

SHARYN WOHLERS: (Exhibit 3) Good afternoon or maybe it's good evening, Senator Johnson and the members of the committee. I am Sharyn Wohlers, S-h-a-r-y-n W-o-h-l-e-r-s, and I am the program administrator for Region I Behavioral Health. Region I includes the entire Panhandle of Nebraska. At our February 15 meeting, the Region I governing board, that body voted unanimously to submit a letter to this legislative committee stating their opposition to LB616, and I am also here today to express opposition to LB616. The regional behavioral health authorities have been an integral part of behavioral health reform. When there were no other providers willing to develop necessary community-based services, the regions stepped forward and developed the services. During the early stages of behavioral health reform, Region I was used as an example of innovative and effective community-based services. Now, LB616 appears to restrict regions from providing any services that were funded under LB1083, and in addition, to cause services that were provided by the regions prior to July 1, 2004, to also be subject to competitive bidding. Passage of LB616 could cause the services available to consumers in western Nebraska to suffer. Behavioral health services were available in western Nebraska before the establishment of the regional system. The 11 Panhandle counties came together some 40 years ago to see that their residents had some access to mental health services. When the regions were created 8 years later, it was logical in our area that the provision of mental health services and the functions of the regions be combined. For many years, a wide range of services have been provided by Region I through out community mental health center. To open these existing services up to the bid process, as LB616 states, is a cause of great concern.

The behavioral health services that have been provided by our region have a reputation of being effective and accessible to all. Our region blends several different funding sources in order to maintain a system of behavioral healthcare for our consumers. The bidding out of existing services could cause an imbalance in that array of services provided by the region and disrupt the continuity of care for consumers. Our region does contract with other agencies in the Panhandle to provide some vital services, but behavioral health resources are limited in our area and the region has been the one to step up in many instances and provide the community-based services. As new services were put in place with tobacco funding and with behavioral health reform funding, the region used the required bidding process to allow all providers an equal opportunity to provide these services. Bids were awarded to several successful agencies, and in those cases, when no other bidder emerged, the region developed the service. In four of the instances, services that were awarded to bidders have now been abandoned by them, and the region has picked up the provision of those services. One of the people who testified here today in support of LB616 brought up the matter of a provider in our region who did receive funding from the region and subsequently pulled out of that service. The concern of a conflict of interest associated with the regions also acting as a provider should be of little concern as there is a process in place in all regions which offers protection from such conflict. Proposals for new services pass through several local committees and the regional governing board in a meeting conducted under the Nebraska Open Meetings Act. The Nebraska Department of Health and Human Services Behavioral Health Division is the final decision step before funds are allocated to any service provider. LB1083 placed on the regions the responsibility for the provision of behavioral health services within each region and it limits when regions can directly provide those services. I ask the committee to leave LB1083 as it was passed, and allow it to fulfill its mission. Please do not undercut the community-based services developed under that bill by advancing LB616. Thank you. [LB616]

SENATOR ERDMAN: Thank you, Sharyn. Any questions for Ms. Wohlers? Sharyn, just so that my memory is correct. When I was visiting with Jerry a little bit earlier, I was referring to the time that we spent trying to get funding, and I think there were different approaches offered to the Legislature. Some were from legislative proposals. And ultimately I think Senator Smith got some appropriations. Do you remember when that was? I'm going to say it's 2003 or 2001? [LB616]

SHARYN WOHLERS: Yeah. We first started in 2003 with Homeward Bound. [LB616]

SENATOR ERDMAN: Yeah, okay. I just wanted to make sure that...let me ask you about some of the comments that we're hearing today, and you mentioned the...Shanna, I think, brought up the Lutheran Family Services. [LB616]

SHARYN WOHLERS: Right. [LB616]

SENATOR ERDMAN: Was it simply the issue of not receiving the referrals from Region I, that they left, or were there other issues in addition to that? Or were there other reasons besides the referrals that caused them to...? [LB616]

SHARYN WOHLERS: I think there was a whole array of reasons as to why they left the Panhandle. We had them providing services in the outlying areas of Chadron and Sidney. And I think it was the fact they couldn't seem to drum up enough business in those locations, and that's why they pulled out. But it would be up to them to explain the reasons for pulling out. But we were providing them with some funding. [LB616]

SENATOR ERDMAN: Give me some examples of the existing private or nonprofit entities that you contract with now and what types of services are being provided? You mentioned that you're doing some of that. And as I understand the existing law, anything done after July 1, 2004, you have to go through what the bill would propose for all. So what are we talking about, what types of...? [LB616]

SHARYN WOHLERS: Well, a lot of these services were probably provided before that, and some of them after. But we provide...we contract with Cirrus House which provides day treatment or day rehab and day support to their clientele. We contract with Human Services in Alliance. They provide short-term residential, and some of that was new money out of behavioral health reform. They also provide outpatient substance abuse, detox services, a whole array of substance abuse services. We contract with Nepsac in Gordon, Nebraska, who provides detox and short-term residential. And some of that money was new money. Crossroads Counseling in Chadron provides the local crisis response team in the northern Panhandle, and the Emergency Community Support Regional West Medial Center provides the acute and secure inpatient. Chadron Hospital and Box Butte General Hospital, which is located in Alliance, provide the emergency crisis care before they are transferred to Regional West if they need a longer period of stay. And then we contract with the Panhandle Substance Abuse Council for prevention services. [LB616]

SENATOR ERDMAN: Thank you, Sharyn. Thanks for coming down. Any further questions for Ms. Wohlers? I don't see any. [LB616]

SHARYN WOHLERS: Thank you. [LB616]

SENATOR ERDMAN: Next testifier in support, please, or in opposition, please. About had a flashback there, didn't we? Sorry. [LB616]

SENATOR JOHNSON: Welcome. [LB616]

ROBYN SCHULTHEISS: My name is Robyn Schultheiss. It's R-o-b-y-n and the last name is S-c-h-u-l-t-h-e-i-s-s. I am the program coordinator for the emergency support

program in Region II. It's one of the programs that Region II manages. I have a unique situation. When I first started this position, we were...it was a contracted service and we were...my boss was somebody other than Region II. And after I'd been there for a short while, the people that had the contract dropped the contract because they couldn't make any money providing the service. So then we went back under Region II, not back, we went to Region II because it was always contracted out until July of I can't remember, anyway, a while ago. Part of the issue when we were a part of the other entity that the contract was given to was that there were a lot of their procedures that prohibited us from providing quick and emergency support. We had a lot of hoops we had to jump through. It took a long time to get contracts. They required contracts with a lot of people. And so the services weren't as quick and efficient. Since becoming a part of Region II, we've grown by leaps and bounds. We provide also the crisis response. We don't provide it. We contract with some therapists in the community. We've provided 64 crisis response mental health assessments that law enforcement has requested. We've diverted 67 emergency protective custodies in 2006. We have taken 1,970 crisis calls. And we have seen 404 people for emergency coordination, and this was all in 2006. What my program provides is emergency services for people who have a mental health or substance abuse crisis. And what that means is, is we will hook them up with a therapist. We will pay for a therapist. We will pay for a physician. We will do what it requires to get them care. And that a lot of times means going outside of Region II. We pay for private mental health therapists in the 17 counties where we can find one. We find a physician where we can find one. In January we paid for 66 different appointments for people. We paid for medications for 66 people. The focus and what I love about working for Region II is that the focus has always been what is the best for that client. That's drilled in your head all the time is you have an issue and it's always sit back, what is best for that person? Where can we access that service? Where can we get them immediate care? And we go from there. If you pass this bill, you make the regions unable to be providers and the very rural parts will lose access. In Imperial, the only therapist and the only community support come from Region II so we'll lose that. Being a part of Region II offers the area more services and gets services out to the smaller communities. That's all I had. [LB616]

SENATOR JOHNSON: Senator Erdman. [LB616]

SENATOR ERDMAN: Thanks for coming. As I understand the bill, the example that you gave about Imperial if there were no qualified or willing providers, the region could still provide that service. Is that your understanding as well? [LB616]

ROBYN SCHULTHEISS: If they can, yeah. [LB616]

SENATOR ERDMAN: So technically if no one was willing to do it and Region II was able, they would still be allowed to continue that service. [LB616]

ROBYN SCHULTHEISS: Okay. [LB616]

SENATOR ERDMAN: I'm...is that how...I'm just asking because I need to understand the actual implications of the bill and as you understand it. I just want to make sure that I understand your perspective and I can compare it to what the language is. As I read the bill, that you can't provide the service unless there's been a public bidding process, there are no qualified and willing providers, or that the regional health authority has received a written authorization. So just in that one example in Imperial you could still provide the service because no one else is doing it. [LB616]

ROBYN SCHULTHEISS: Right. [LB616]

SENATOR ERDMAN: Okay. [LB616]

SENATOR JOHNSON: Any other questions? I've got a quick one. How are things going as far as emergency responses and so on from a communication standpoint? Are you getting that pretty well settled out in your area? [LB616]

ROBYN SCHULTHEISS: Communication with? [LB616]

SENATOR JOHNSON: Oh, let's say, you know, a policeman from some small town 50, 60 miles away has somebody with a problem. [LB616]

ROBYN SCHULTHEISS: That's really good because the main focus when we became part of the region, Kathy is my boss and the main focus was always we need one number for people to call. So every police officer, every county attorney, every hospital, physician, or whatever had one number for access to service and that's me. And so if the police officers have an emergency or the sheriff's deputies have an emergency, they call that one number and they'll get me. And then we will work through the issue and we'll find the services and the supports. And we're able to divert a lot of our protective custodies by using the services in the area or getting them outside of the area if we have to. [LB616]

SENATOR JOHNSON: Excuse me for going a little bit astray here... [LB616]

ROBYN SCHULTHEISS: That's okay. [LB616]

SENATOR JOHNSON: ...and so on, but I was just curious and you seemed like the person to ask. [LB616]

ROBYN SCHULTHEISS: Okay. [LB616]

SENATOR JOHNSON: Senator Hansen. [LB616]

SENATOR HANSEN: Robyn, it looked like you left the room several times answering your phone so you must not have taken the day off, right? [LB616]

ROBYN SCHULTHEISS: Uh-huh, that's right. I had a police officer ask me the other day, are you ever taking a day off? And I said, well, rarely, once in a while. [LB616]

SENATOR HANSEN: I appreciate your work here too. Thank you. [LB616]

ROBYN SCHULTHEISS: Um-hum, thanks. [LB616]

SENATOR JOHNSON: All right. Thank you very much. Next, please. I think age...well, I was going to say beats (laugh). Well, I was going to say that and then I saw you. (Laughter) Welcome, sir. [LB616]

GLEN MONTER: (Exhibit 4) Yeah. Good afternoon, Senator Johnson. My name is Glen Monter, G-l-e-n M-o-n-t-e-r. I've been a county commissioner in Gosper County for 18 years, have represented Gosper County on the Region II governing board for 18 years. I have two primary concerns that I would ask that you consider as you deliberate on LB616. My first concern is that behavioral health services are available for our constituents that are as close to their home as possible. In the past, we have contracted for all services in Region II. Our experience was that the provider had difficulty staying within budget and wanted to discontinue service in the smaller communities in the region. In 1989, the Region II board decided to directly provide services again. Since that time, we have been able to maintain the services throughout the region and with the resources that we have. In 1999, we contracted for Professional Partner Services. Between 1999 and 2002 that contractor provided services that were limited to four counties. In 2002, the region began providing this service. Services are now available in each of our 17 counties, and during the last year individuals were served from 9 of our counties. With funding for 18 youth, we have been able to serve 43 youth last year. My second concern is that counties have the ability to make the decisions as to how to best manage their responsibilities of providing behavioral health services through the regions. With the closure of two regional centers and the movement of services to community-based services, it is critical that we maintain and expand services. LB616 would limit the choices that are available to governing boards. Regional governing boards need to have the local control necessary to make decisions that best meets the needs of their constituents. In Region II, we would lose critical services if LB616 were to pass. We currently contract for services when that is the most appropriate choice. We have tried contracting for all services with poor results. I would ask that you would vote against LB616. I do have a message from our governing board that you will be receiving a letter that they voted unanimously to oppose LB616 from Region II. [LB616]

SENATOR JOHNSON: Thank you, sir. Any questions? Yes, Senator Howard. [LB616]

SENATOR HOWARD: Not really a...thank you, sir. Not really a question but I see you're from Gosper... [LB616]

GLEN MONTER: Gosper County, yes. [LB616]

SENATOR HOWARD: One of my favorite areas. How is Elwood, Nebraska? [LB616]

GLEN MONTER: Well, that's where I live. [LB616]

SENATOR HOWARD: All right. [LB616]

GLEN MONTER: Thank you. It's a nice little town. [LB616]

SENATOR HOWARD: It's lovely. Thank you. [LB616]

GLEN MONTER: Yeah, you're welcome. [LB616]

SENATOR JOHNSON: Next, please. Welcome. [LB616]

C.J. JOHNSON: (Exhibit 5) Good afternoon, Chairman Johnson, members of the committee. My name is C.J. Johnson, C.J. J-o-h-n-s-o-n. I'm the regional administrator with Region V Systems, the southeast behavioral health authority in Nebraska. I would like to share with you at this time that both our regional governing board voted on January 29, 2007, in opposition of LB616 and I'm here to speak in opposition to LB616. I won't be following my testimony because I can't do that. I know I try. But I would like to just make a couple quick points. First of all, I'd like to point out that Region V does not provide any direct services other than the professional partner program and the integrated care coordination. We contract out for all our services in Region V. That quite simply is because we are lucky in some ways that we have a number of providers in Region V. However, I would like to point out when tobacco settlement dollars came down about 2001 we did an RFP process with every single dollar we had. And out of our network of providers of 14, we only had one new provider step forward who indicated they wanted to provide services and then subsequently withdrew after looking at all the reporting requirements that the federal government and state government require in relation to those dollars. So even despite the fact that we have historically RFPed out services, generally there's not a lot of providers out there that have the capacity or infrastructure to meet all those requirements. There are a number of them. The other thing I'd like to just quickly point out, first of all, I need--because somebody said earlier that they were identified as provider of the year by the Nebraska Mental Health Association last year--I would like to point out that Region V was also the provider of the year by the Nebraska Mental Health Association two years ago despite the fact we don't provide direct services. The other thing that I would like to point out is

that LB616 has gotten into this thing about regions not providing services. But I don't really believe that's what LB616 is doing or is about. If you look historically at how ways of if you recall reform or funding have come down, in 1995 money came down to provide...to implement wrap-around services in the state of Nebraska. There was a summit held, a Governor's summit. Family members showed up, families with children with serious emotional disturbances, and they determined that the best way to implement that concept of wrap-around was to start professional partner programs. And they also felt that those professional partner programs should be provided by the regions because of the neutrality that they would offer to that system because there are flex funds attached to services when they are referred to services. So that was families saying we want the regions to provide those services. Later on when tobacco settlement dollars came down, that was a new wave of funding. There was a new focus, and there was some new requirements that were attached to that. We had to RFP out every single dollar that was attached to tobacco settlement dollars for a specific purpose. And that included no funds for children's services. It was all focused on adult services. Then the ICCUs came up, integrated care coordination units, and many of you are familiar with those, but those are collaborations between regions and protection safety. However, in Region V that was not attempted as collaboration. In fact, every attempt was made in Region V to contract out those elements of the ICCU with service providers throughout the region. What happened, because there's a $4 million service authorization fund attached to that for services to families, we actually had other providers complain to the state and come forward and say we're concerned that there are self-referrals being made by providers to themselves and this needs to discontinue. And last March the regions were told to totally administer and employ all the individuals associated with the ICCU. Okay? With LB1083, you know, this was looked at as another wave of doing something and there was careful consideration given to this bill. And it was determined that, number one, to safeguard those other things that had happened prior to LB1083 we need to ensure that those are not dismantled, such as professional partner programs, ICCUs, or any other services that were a part of maybe some other type of change that was being occurred. We needed to safeguard that. That's why that was put in LB1083. It wasn't put in there to not allow people not to provide services or keep providers from not getting services. It was simply there to safeguard the intent of LB1083 and to safeguard those previous services based on other funding streams have gone through. Based on what I see on LB616, that would require us to go and RFP out the professional partner programs, which would be directly against what family members of children with SED wanted with that funding stream. I believe that's what LB616 would do. I also believe that we are not done with LB1083 and that we need to allow that to finish out. We need to allow those individuals that are currently in the Lincoln Regional or in the state hospitals to move to community-based services. And then if we want to consider the next step because that's what we're at and we want to make things more competitively, well, there's a lot of other options. You know, one of those might be maybe what we do is pass legislation where the funding actually follows the consumer and the consumer can decide who they think is the better provider. You

know, and maybe it wouldn't matter if it's a region or a private provider or a nonprofit entity or some other government entity like the community mental health center. That might be a better solution to really deal with this competition thing, you know, it's to be considered. The other thing that we need to really look at is some of the other arguments that came up around, and you've heard all those testimonies, around conflicts of interest and those kind of things. We have to recognize that there are a lot of government entities, Lancaster County is a good example, who provide services and oversee those services and all those services, including those of Region V, the professional partner program, and our prevention center, are all accredited nationally by national accreditation thing. So it's not like we're just out there not doing something and being accountable for what we do. So with that said, I would really ask that you not move LB616 forward because I don't think it accomplishes the intent of LB1083 and I also think it does not safeguard all the work that previously happened over many years of developing other systems or other services and addressing different issues at different times. This is about LB1083 and finishing that job. Once that's over, we can maybe look at other alternatives to making things more competitively. LB1083 does make it competitive because you have to bid those out anyway since that date. So any questions? [LB616]

SENATOR JOHNSON: Thank you. Any questions of Mr. Johnson? Thank you very much. [LB616]

C.J. JOHNSON: Okay, thank you. [LB616]

SENATOR JOHNSON: Next, please. How many other people do we have? Two? Just one, okay. [LB616]

KATHY SEACREST: Thank you for your patience, first of all. [LB616]

SENATOR JOHNSON: Welcome. You bet. You're very welcome. [LB616]

KATHY SEACREST: I'm Kathy Seacrest, K-a-t-h-y S-e-a-c-r-e-s-t. I'm program director for Region II human services. And, Senator Erdman, when you asked Sharyn which services they directly provide and which ones are contracted out, I just wanted to review with this committee quickly that the services that we provide include prevention, youth care coordination, emergency coordination--you heard from Robyn--outpatient substance abuse and mental health, community support, and day rehab services. The services that we contract out include emergency protective custody. We have contracts with hospitals. We have contracts with the hospitals for acute and subacute services. We contract for substance abuse short-term residential services. We contract for some community mental health support services. In parts of our region, we contract for dual diagnosis residential services. We contract for supported employment services. We contract for transitional housing. And we contract for halfway houses. So we do contract

out a lot of our services so I just wanted to clarify that with this committee. That certainly we are the provider of a lot of services. We also contract a lot of services. Any new dollars that come down we certainly put out as an RFP. If we get someone to bid, that's great. If we do not, then we would go through the regular process that's outlined currently for those services. Senator Erdman, you also asked about Imperial, you know, would we still be able to provide that service? What makes this work in our rural area is that these services can be delivered administratively for very few dollars and the dollars go into services. If we, you know, take apart our whole outpatient program and the only thing we provide is one counselor in Imperial, it tears apart the infrastructure of what has been built to help each individual client. So while, yes, if you enact this bill potentially a region could provide that one little piece, but it destroys the fabric of what LB1083 put in place and that's community-based services that take into account the entire person and what their needs are. I would also like to just clarify a couple of things. The adult day services that some of the proponents discussed, those services are...have nothing to do with Region II human services or with the behavioral health services. They are administered and authorized by another division of HHS. And so we are not the people saying can they come to our service or go to that service. That is not what we are doing. That is Health and Human Services and for lack of a better word, what used to be called Social Services. That division runs those services, authorizes those services, and licenses those services. The other thing I just wanted to mention to you and can certainly get to you is we do a really thorough job with client satisfaction surveys. And we do them regularly and every year for two weeks out of the year every client we serve gets those surveys. We get 95 percent return on those surveys. And our percentage of folks who are extremely satisfied is 90 percent. And I will send you our results as we compile those for this year, but I have all the past years that we can show you. So in every service we provide we're looking at. The other thing I wanted to mention is someone mentioned oversight. The state audits and looks at every service we provide directly so there is oversight by the "funder" of those services to take a look at those services. And so it isn't, you know, that no one is looking at those kinds of things. And based on the information that has been presented to the Oversight Commission, Region II has done an excellent job in implementing the behavioral health reform services. We have the fewest EPCs in the state. We have been able through our emergency support program and some other creative ways to deliver services to really move forward and, as Region I has, keep our folks local. And I think for those of us who never had a regional center in our region, it's been easier because it was never there to depend on anyway so we've gotten creative with that. The other thing I would mention is our national accrediting body also looks at every single service that we provide and we are required by the state to be nationally accredited, has just looked at every program we provide and has talked about the importance of the continuity and keeping that continuity together and that service delivery system together and has given us excellent rating on our ability to do that in our performance and delivery of services. So I wanted to clarify a few things. I certainly can answer any questions. I also know it's suppertime and everybody wants to go home. [LB616]

SENATOR JOHNSON: You bet. Senator Erdman. [LB616]

SENATOR ERDMAN: So essentially the issue with Imperial it's the same problem you would face if a private provider...it's the same argument the folks at Lutheran Family Services pull out of western Nebraska is because they aren't able to subsidize or complement their other services with a different service that may finance them. So it's the same argument for or against the bill. It's just who provides it. [LB616]

KATHY SEACREST: Yeah. The ability has been to be able to be there because of the scale of services and so we can keep that person there and keep them local. [LB616]

SENATOR ERDMAN: Of the services that you currently provide, not the ones you contract for but the ones you actually provide directly, are there currently private providers that do provide a similar service or would provide a similar service? And I guess I'm trying to get a scope of the implication or the practical application of the bill is that what you're currently doing now would have to be replaced with either somebody else doing it or you reassuming that. I'm just trying to understand. You have chosen for a number of reasons, and one may be the issue we just talked about, being able to offset administrative costs from different programs, but are there other folks who are providing these services maybe to private pay individuals or others in the community that could have been done? [LB616]

KATHY SEACREST: I would say that the communities now have folks who do outpatient services. However, in order to deliver, and I think Sharyn alluded to this, there's a large set of requirements and regulations that folks don't tend to want to have to do in order to provide those services. It's quite regulated by definition and by the state and through Magellan. [LB616]

SENATOR ERDMAN: But it's not ability, it's desire. In other words, there are folks who would do it. The barrier you're finding isn't that they can't do it. It's that they don't want to comply with all the requirements. [LB616]

KATHY SEACREST: Um-hum. [LB616]

SENATOR JOHNSON: Any other questions? I see none, thank you very much. [LB616]

KATHY SEACREST: Thank you. [LB616]

SENATOR JOHNSON: Good evening to you, sir. [LB616]

LARRY BROWN: Good evening. It's been a long day. [LB616]

SENATOR JOHNSON: We're just fine. [LB616]

LARRY BROWN: (Exhibit 6) I'm Larry Brown, L-a-r-r-y B-r-o-w-n. I'm the regional administrator of Region II. And I had some prepared statements that I've passed around. I'm not going to go through that. I would respond to a couple of things and then be willing to answer any questions that you might have. There's been quite a bit said about Region II and about me personally today. I think one of the important things as you look at those proponents who have presented the information, most of them either work for or live in facilities that are operated by the Pinkertons so. In North Platte and in Region II we have a large number of providers in the private sector. I don't think any of them are here today. Our program worked very closely with the other providers and I think that's been a really good relationship. I don't think when we had bid programs out, we found the same thing that C.J. talked about from Region V. We usually have very few people that actually bid on those. One of the things that was kind of interesting as I was listening to the other hearings today, I think on each of those bills we heard the concern that there were very few providers. And that's the case in our area. And there's a lot of national studies that look at the number of rural providers. It's been a shortage. I think the letter that I sent to the members of the committee gave a quotation starting back in 1963 when there was a study on the shortage of providers and it has not gotten any better. It's basically worse. And as we see the population base drop in our area, I think it probably is not going to get better, which kind of leaves it up to trying to find a way to put a system together that's going to provide the care that we need and that's what we've done by providing the services. I'll be more than happy to answer any questions that you might have. [LB616]

SENATOR JOHNSON: Senator Erdman. [LB616]

SENATOR ERDMAN: Larry, thanks for coming down. I'm sure it wasn't an enjoyable afternoon to sit through. [LB616]

LARRY BROWN: It was interesting. [LB616]

SENATOR ERDMAN: In fairness of full disclosure, most of the people that testified in opposition to this bill are employed or will be employed by regions that directly provide services. Is that not accurate? [LB616]

LARRY BROWN: Yes. [LB616]

SENATOR ERDMAN: So it really is the folks that are on the one side, whether they work for John and his organizations or not, they're probably not to be discounted any more than the folks that came in opposition that work directly for or supervise the regions. [LB616]

LARRY BROWN: No, I think that's fair. [LB616]

SENATOR ERDMAN: Okay. I guess the question that just comes to mind is as I listen to the testimony and regardless of whether the region chooses to provide the service or not, it sounds like more so in Region II, for whatever reason, that there are some communication issues or something that just doesn't seem to be viewed favorably. Now if you ask one side, they have an opinion. If you ask your side, you know, you have a different opinion as well. What processes are in place to make sure that both the consumers as well as the public in general feel like their conversations are not falling on deaf ears when they come before you or your board? And the follow-up I guess on that is I wasn't at Tom's town hall meeting and I don't know what the discussion was. I had seven of my own in the eight counties that I represent so I would probably trade you one for seven any day, Tom (laughter) but I guess are some of these things true? Were they the result of simply tension? I guess I'm trying to get a picture because candidly we wouldn't be here if some of these issues probably weren't in Region II. You know, one, what type of feedback do they get? What type of remedy can you offer to folks in your region if they have concerns? And then are some of the things as far as the way that people have been treated being looked into, if they are perceived or real, to improve them into the future for Region II? [LB616]

LARRY BROWN: Well, I think they've been looked into. Several of the issues the governing board set up a committee to specifically take time to go and look at those issues, report back to the board. That process was completed. And I think what probably speaks louder than anything is that we don't see any other providers here from Region II, but there are some real, you know, there's a number of providers that could be here. I don't think it's an issue that spreads out across Region II. [LB616]

SENATOR ERDMAN: And then going back, so is the general process if an individual has a problem or has an issue that they'd like to visit with somebody at Region II about, they have to wait until a commission is convened to have that discussion? I mean what is the actual process if I am a consumer in your region and I have a concern? Do I come talk to you and what type of...I mean I guess I'm trying to nail this down because I'm getting some conflicting... [LB616]

LARRY BROWN: Okay. Yeah. The first person that you would talk to would be the program director. That's Kathy Seacrest. Then if that wasn't satisfactory, then our policy is that it would move up to me. If that's not satisfactory, would move to the governing board. And in this last accreditation that we just completed, they reviewed all of our policies for recourse and felt they were in line with the accreditation standards. [LB616]

SENATOR ERDMAN: Okay. And I guess the last thing that I would have is probably more of a comment and this applies I think more times to us than anyone else as we receive so many passionate comments, whether people like us or not, I found that a lot

of times we're going to catch more bees with honey than vinegar. And I think the more times we can leave those honey jars out probably the better success we're going to have with folks who have disagreements. And our process here, as heated as this issue is and, candidly, you guys have behaved yourself quite well today even with the passion involved, I think as we go forward with any proposal, but especially mental health reform and behavioral health reform, you know, even the issue that I brought before the committee today, I mean, there's folks that have strongly held opinions on both sides of that. You know, we're all in this together. We can either grab a bucket and bail water out or grab an oar and start paddling or we can just sit around and cry that we're drowning. I mean it's that mentality that we're going to need everybody to make this work. It's a partnership just as much as you need to provide as many services as you can to balance your administrative costs, we also have to be able to balance the other side of that for folks that may be able to provide additional services. And it may be valuable to give up some of the things that you're doing to subsidize or to assist somebody else to expand theirs. And so I mean this, you know, Senator Pedersen's bill before this about planning and those types of things, I mean we all have to be part of this discussion. And those of us that have passed LB1083 and been here for those discussions have great expectations because we have great hope and respect for the people on the front lines. And it's a little discouraging to see divisions being drawn, but hopefully through that it will make us all better and we can move forward together. [LB616]

LARRY BROWN: Okay, good. [LB616]

SENATOR JOHNSON: About this time last night we were dealing with two sides at least as contentious and I closed last night with a statement and I can use the same one tonight. About 40-some years or so ago when I went to Kearney, why, Senator Musselman (sic) said, just go out there and do what's right for the patient and everything will take care of itself. He's still right. [LB616]

_____: Amen. [LB616]

LARRY BROWN: Good. Thank you. [LB616]

SENATOR JOHNSON: Thank you, everybody, and have a pleasant evening. (See also Exhibit 7) And if I were you, I'd all stop at Chances R on the way home. [LB616]

Disposition of Bills:

LB369 - Advanced to General File, as amended.
LB610 - Advanced to General File.
LB616 - Indefinitely postponed.
LB617 - Indefinitely postponed.
LB670 - Indefinitely postponed.

Chairperson

Committee Clerk