[LB4 LB20 LB119 LB157 LB187 LB234 LB285]

The Committee on Appropriations met at 1:30 p.m. on Monday, March 25, 2013, in Room 1524 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB4, LB234, LB285, LB119, LB157, LB187, and LB20. Senators present: Heath Mello, Chairperson; John Harms, Vice Chairperson; Kate Bolz; Danielle Conrad; Bill Kintner; Tyson Larson; John Nelson; Jeremy Nordquist; and John Wightman. Senators absent: None.

SENATOR MELLO: Good afternoon and welcome to the Appropriations Committee. My name is Heath Mello. I represent the 5th Legislative District in south Omaha and am Chair of the Appropriations Committee. I'd like to start off today by having members do self-introductions, starting first with Senator Kintner.

SENATOR KINTNER: Thank you, Mr. Chairman. Bill Kintner, Legislative District 2, that is south Sarpy, Cass County, and about a third of Nebraska City.

SENATOR NORDQUIST: Jeremy Nordquist from District 7, downtown and south Omaha.

SENATOR NELSON: John Nelson, District 6, central Omaha.

SENATOR HARMS: John Harms, 48th District, Scotts Bluff County.

SENATOR WIGHTMAN: John Wightman, District 36, includes Dawson and Custer County and a small part of Buffalo County.

SENATOR CONRAD: Danielle Conrad, north Lincoln.

SENATOR BOLZ: Senator Kate Bolz, I'm proud to represent south-central Lincoln, District 29.

SENATOR MELLO: Sitting next to Senator Bolz is Senator Tyson Larson, representing the 40th Legislative District in north-central and northeast Nebraska. Assisting the committee today is Anthony Circo, our committee clerk, and Jacob Fricke, who is a junior at Nebraska Wesleyan and is our committee page. In the corner of the room you'll see some yellow forms. If you're planning on testifying today, please fill out the form in its entirety. It helps us keep an accurate record of today's public hearing. When you come up to testify, please give Anthony or our pages the yellow sheet. And when you sit down, please tell us who you are and spell your first and last name for the public record. If you have any paper handouts, please give them to the pages before you begin. We ask that you have 11 copies. If you do not have 11 copies, we will have the page make additional copies for you. If you're here today and you're not planning to testify but want

to be on the record as having been here, there's a white sheet on the back table. We ask that you sign in on that sheet, tell us your name and address, the bill number, and if you're here in support or opposition. We will hear bill testimony in the following order: first, the introducer of the bill, followed by supporters, those in opposition, neutral testimony, and ending with a closing statement by the introducer. We will be using a five-minute light system today. There are lights at the front of the table. When you start, the light will turn green. When the yellow light comes on, that is your one-minute warning. And when the red light appears, we ask that you wrap up your final thoughts. At this time, I would ask all of us, including senators, to please check our cell phones and make sure that they are on the silent or vibrate mode. And with that, at this time we'll begin today's hearing with LB4 by Senator Bob Krist.

SENATOR KRIST: Good afternoon, Chairman Mello and members of the Appropriations Committee. For the record, my name is Bob Krist, B-o-b K-r-i-s-t. I represent the 10th Legislative District in northwest Omaha, along with the north-central portion of Douglas County, and includes the city of Bennington. I appear before you today in introduction and support of LB4. LB4 postpones for two years the implementation date for the reduction of the Health Care Cash Fund previously approved by the Legislature last year. Many of you know that I've been pretty vocal on expending the Health Care Cash Fund down. My caution in joint hearing a few years ago was that we should also...that we should never exhaust the corpus, if possible, because the cash fund does so many good things, in general, on General Fund augmentation for programs that we could normally not fund. And I applaud those members that put the cash fund together with tobacco settlement money and a couple other sources to put this fund in existence, which could be in perpetuity. With those cautions and warnings, the past Chair of this committee, Senator Heidemann, proposed that we analyze every year and do a 5 percent cut as a minimum, in statute, to make sure we go forward. My bill simply says that for the next two years, because of a windfall, I'll describe it as that, in terms of money that's come from other sources, again, to add to the Health Care Cash Fund, that there is no reason to cut back this year and next, being this biennium. I understand Senator Conrad has a bill coming up that would do away with that piece of legislation completely and take it out. That is a decision that I trust to this committee. The Appropriations Committee has the information to make that decision. But I would warn on the record that if you do make that decision that we caution all future bodies, because we won't be here forever, that they continue to hold the Health Care Cash Fund in the status that I believe is necessary, and that is to make sure it's around in perpetuity to do good things for the people of Nebraska, even if that does mean cutting down on disbursements in any given year to preserve the corpus. With that, I would be happy to answer any questions. [LB4]

SENATOR MELLO: Thank you, Senator Krist. Are there any questions from the committee? Seeing none, thank you, Senator Krist. [LB4]

SENATOR KRIST: And I will not be here to close. The subject matter will be carried on, I'm sure. Thank you. [LB4]

SENATOR MELLO: Thank you, Senator Krist. Real quick, how many are here to testify on LB4? How many people will be here to testify on a similar subject matter, LB285? Okay. All right, thank you. First we'll take proponents for LB4. [LB4]

TOM MURRAY: (Exhibit 1) Good afternoon, Senator Mello and other members of the Appropriations Committee. I'm Tom Murray, the associate vice president for health sciences research at Creighton. It's T-o-m M-u-r-r-a-y. I'm here representing the four institutions that receive tobacco settlement funds to conduct biomedical research: Creighton University, University of Nebraska Medical Center, University of Nebraska at Lincoln, and Boys Town Research Hospital. And we want to discuss the impact of these funds on the lives of Nebraskans and Nebraska's economy. I greatly appreciate the opportunity to appear before the Appropriations Committee in support of LB4 and LB285, and I certainly thank Senators Krist and Conrad for their introduction of these bills. The Nebraska Tobacco Settlement Biomedical Research Fund continues to be an invaluable and irreplaceable source of support for the biomedical research enterprise in Nebraska. Investment in biomedical research pays a lifetime of dividends for better health and quality of life of Nebraskans. We applaud the Nebraska Legislature for their prescience and vision in assigning tobacco funds for biomedical research, making ours the only state in the nation focusing these funds on helping people live healthier lives. This steady stream of funding has allowed Nebraska research institutions to attract world-class researchers to the state to share their talents and discoveries. At Creighton University, recent support from the Nebraska Health Care Cash Fund has allowed newly recruited faculty to discover a dietary cause of birth defects, develop novel strategies to treat stroke, and the remarkable effectiveness of the ketogenic diet in the treatment of patients with epilepsy. But beyond the benefits to human health, federal grants resulting from medical research have had a tremendous economic impact on the state of Nebraska. Research fuels Nebraska's economy. Between 2002 and 2011, every $1 million in Nebraska tobacco settlement funding resulted in $6.1 million in new National Institutes of Health grant awards to the state. That's a 6.1 percent return on the investment. This has directly contributed to Nebraska's 106 percent gain in scientific and research jobs, drastically outperforming the average national growth of only 64 percent. This research productivity impacts the overall state economy, as research dollars are "re-spent" in the state. The Association of American Medical Colleges recently commissioned the Tripp Umbach, a highly respected national economic consulting firm, to examine the impact of federal- and state-funded medical research conducted at AAMC-member medical schools and teaching hospitals. This report, released this year, reveals a $3.5 billion impact on the Nebraska economy in fiscal year 2011, including an associated 23,000 jobs. So the research enterprise, therefore, represents an important economic driver in the state of Nebraska. Both the one-time $16 million infusion and market performance have stabilized the Nebraska Health Care

Cash Fund. And even with current disbursement levels, new forecasts show no evidence that the corpus would be at risk 20 years out. There is, therefore, no longer a need for the 15 percent cut. Dr. Ernie Goss at Creighton has evaluated the solvency of the fund and estimates that at the end of FY 2023 the balance of the fund will exceed the balance on July 1, 2013. This conclusion is reached without the adoption of the 15 percent cut in distributions that were contained in LR508. The Nebraska Health Care Cash Fund balance is estimated to grow from currently $379 million to approximately $461 million in 2023. Due to the federal budget sequestration, NIH is reducing the final 2013 funding levels of existing grant awards that we have and expects to make fewer new awards to allow the agency to meet its available budget allocation. These cutbacks have created considerable faculty anxiety at Nebraska's research institutions, rendering support from the Tobacco Settlement Fund of increasing importance in maintaining stability in the state's research portfolio. An investment in biomedical research positively impacts the health and economy of the state and we are, therefore, supportive of LB4 and LB285. At Creighton University, we're extremely grateful to receive tobacco settlement research funding, and we take seriously our responsibility as stewards of this support. Thank you. And I'd be happy to answer any questions. [LB4]

SENATOR MELLO: Thank you, Dr. Murray, for your testimony. Are there any questions from the committee? Seeing none, thank you. [LB4]

TOM MURRAY: Thank you. [LB4]

SENATOR MELLO: Next proponent for LB4. [LB4]

TOPHER HANSEN: (Exhibit 2) Senator Mello, my name is Topher Hansen, the first is T-o-p-h-e-r, last is Hansen, H-a-n-s-e-n. I am the president and CEO of CenterPointe here in Lincoln but here today representing the Nebraska Association of Behavioral Health Organizations, also known as NABHO. Senator Mello, members of the committee, we are an organization with 48 members, including consumer advocates, community-based mental health and substance care providers, several hospitals, private providers, and all six regional governing authorities. We're quite unique throughout the United States that we stand united as a group. NABHO supports both LB4 and LB285. The behavioral health community is very proud of the work the Nebraska Legislature did in the '90s to ensure that tobacco settlement dollars coming to the state were set aside for healthcare costs, establishing a fund that would endure long into the future. The work done then is a legacy for our children and grandchildren. And we also commend Senators Krist and Senator Conrad for introducing these two bills that ensure this legacy is protected and continues. For behavioral health providers and Nebraskans who need substance use and mental health services in our public health system, the Health Care Cash Fund was a life preserver at a time when we were losing services in large numbers all across the state but particularly in rural communities. Behavioral health rates were the last priority for the administration, further evidenced by

their failure to ensure that many low- to moderate-income Nebraskans that needed substance treatment or mental healthcare could access needed services so they could stay on their jobs and provide for their families. At the time, 95 percent plus of children's behavioral health services were paid for by public funds. It was the only way children and youth, rich or poor, could access behavioral healthcare because of the continuing discrimination in the private insurance market. To some degree, today this dire outlook has changed. Over the past 12 years, three behavioral health rate increases initiated by the Legislature have sustained a poorly funded system. Those rate increases were funded out of the Health Care Cash Fund, and again helped to buoy a system that was sinking fast. The Nebraska Legislature also shored up the Children's Health Insurance Program, getting both physical and behavioral health services to vulnerable Nebraska youth. Protecting the Health Care Cash Fund is essential, but a dark cloud of doubt over the fund does not help this system. Now that we know the cash fund can provide the stability and sustainability of the system, it is time to lift the cloud and continue to maintain our behavioral health services. Thank you. [LB4]

SENATOR MELLO: Thank you for your testimony, Mr. Hansen. Are there any questions from the committee? Seeing none, thank you. [LB4]

TOPHER HANSEN: Thank you. [LB4]

SENATOR MELLO: Are there any further proponents for LB4? (See also Exhibit 3) Seeing none, now we'll move to opponents of LB4. Seeing none, we'll take testifiers in the neutral capacity. Seeing none, that will end today's public hearing on LB4 and take us to our next public hearing on LB234 by Senator Howard. [LB4]

SENATOR HOWARD: (Exhibit 4) Good afternoon, Senator Mello and members of the Appropriations Committee. My name is Senator Sara Howard, H-o-w-a-r-d, and I represent District 9. Today I bring you LB234, a bill to provide an additional $500,000 for fiscal years '13 through '14 and '14 through '15 for the Early Intervention Nurses Visitation Program. The early intervention program includes home visits by nurses, family support workers, and mental health therapists for families at high risk for child abuse and neglect. I know that many members of the committee are familiar with early intervention, but for those of you who are not I will provide some background information. And I've passed out a handout about home visitation as well. The Early Intervention Nurse Visitation Program was established in 2005 by LB264, a bill introduced by my mother, Senator Gwen Howard. The purpose of an early intervention program is to identify and support high-risk families at or before birth and to work with those families to establish healthy parenting behaviors and prevent entry into the child welfare system. Early intervention programs aim to assist in the creation of a healthy and safe home environment, and have been shown nationally to reduce incidences of abuse and neglect by 50 percent. Programs also educate parents about how their children learn and emphasize the importance of learning from day one, which helps

foster critical learning and thinking skills in children. In one study of families in Memphis, children who participated in the program had higher cognitive and vocabulary scores at age six, and higher math and reading scores at age nine. Additionally, these programs have been proven to provide lasting benefits for parents, including significant increases in parental employment and presence of fathers and reduction in reliance on government benefits. We all know that there are too many children in our child welfare system. It has been the priority of this Legislature and the Department of Health and Human Services to safely reduce the number of children in foster care. LB234 is critical to preventing children and families from entering the child welfare system. By engaging high-risk parents at birth, we keep kids safe, teach parents healthy expectations and lifelong skills, and prevent entry into the system. Thank you for your time and attention to LB234. I would be happy to try to answer any questions you have. However, behind me are the folks who are running the program in the state of Nebraska, so they'll be able to talk about its efficacy in the state and so I look forward to their testimony. Are there any questions for me? [LB234]

SENATOR MELLO: Thank you, Senator Howard. Are there any questions from the committee? Senator Bolz. [LB234]

SENATOR BOLZ: Hi, Senator Howard. [LB234]

SENATOR HOWARD: Hi, Senator Bolz. [LB234]

SENATOR BOLZ: Could you just let me know how you arrived at the dollar amount you requested in this bill? [LB234]

SENATOR HOWARD: You know, I couldn't say. I believe the dollar amount was asked for...was requested by the Visiting Nurse Association because it goes directly into direct services. And so it was their hope and the ideal that they would be able to get more nurses on the ground with $500,000; that it would equal a certain number of nurses that went directly into the field. [LB234]

SENATOR BOLZ: Thank you. [LB234]

SENATOR HOWARD: Thank you. [LB234]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Senator Howard. [LB234]

SENATOR HOWARD: Thank you. And I have to waive closing. I have to be Exec in another committee. But thank you so much for your time. [LB234]

SENATOR MELLO: Thank you. First, we will take proponents of LB234. [LB234]

KRIS STAPP: Good afternoon. [LB234]

SENATOR MELLO: Good afternoon. [LB234]

KRIS STAPP: (Exhibit 5) My name is Kris Stapp, K-r-i-s S-t-a-p-p. I'm here this afternoon to represent the Visiting Nurse Association and our partner, Child Saving Institute, and I will probably shorten at points to VNA and CSI, so I'll apologize for that in advance. We are here in support of LB234 to expand funding for home visitation services. I'd like to thank Senator Howard for introducing LB234 and being a strong supporter of not only VNA, whose mission is really to serve the most vulnerable, and we see infants and small children in that area, but we also know that, you know, she has strong support for home visitation programs across the state for in those programs everyone is really striving to keep children safe, healthy, in their own homes, and free of abuse and neglect. In 2010 the Affordable Care Act authorized funding to improve health and development outcomes for at-risk children through evidence-based home visiting. VNA was an active participant with DHHS during the initial state needs assessment and is currently involved in the assessment and planning process for evidence-based nursing...or home nursing in Douglas County. VNA's experience as a Nurse-Family Partnership replication site in Omaha in 1996 through 2005 and having recently established a Nurse-Family Partnership Program to serve Pottawattamie County, Iowa, demonstrates our appreciation of the value of evidence-based home visitation and our interest and desire in continuing to provide quality home visitation services. I'd like to share with you how VNA and Child Saving Institute's collaboration has utilized the funding that the Legislature has provided and the impact that it has made for families. VNA provides in-home nursing services, and CSI provides family support and mental health therapy. In the past four years, 382 children were served in the project. None had substantiated injuries from abuse or neglect, and 94.5 percent of these children remained in their homes during the time that they were served in the program. The focus of the program is to provide early intervention for at-risk families to assure these young children are safe, healthy, physically and developmentally ready to start kindergarten at...when they're ready to enter kindergarten. Pardon me. This lays the groundwork to help them grow into productive adults and citizens. We believe it is critical to engage families early in home visitation so they can receive the benefit of a preventive approach to keeping their children safe, healthy, and thriving, versus a punitive approach after abuse and neglect has occurred. That being said, at present many families that we serve require intervention strategies that reach beyond this preventive approach since they struggle greatly with poverty and lack of resources, mental health, substance abuse, and domestic violence issues, or they are cognitively challenged or of recent immigrant or recent refugee status. Let me share a success story that demonstrates many of the challenges families face and overcome. This mother reported a traumatic upbringing, living in a house where domestic violence and emotional abuse were routine. She suffered severe physical and sexual abuse by her

father and grandfather. Over five years after treatment for severe mental health issues, she gave birth to three children and was living in an unsafe house where she experienced both robberies and rape. All three of her children were placed in foster care. She connected with the program when she was living in the homeless shelter and at that time her children were in foster care. At that point, she identified her strengths and goals and healthier ways of coping. She gained confidence she could parent her children. And after about 12 months of services, she was able to create a new normal, saving money, taking GED courses, and learning to cook. She was reunited with her seven-, four-, and two-year-old children with the support and advocacy of her home-visit nurse and family support worker. Senator Howard provided some nice information to you from the Pew Charitable Trust. And the one thing I guess I would like to really point out to you is that during the 2011-12 year, the cost per child for one full year of VNA/CSI service was $4,540. And if you compare that to the cost of out-of-home placement at $240 per day or a total of $28,800, you can see that it is a good and excellent bargain. These additional funds would allow families to be served not only in Omaha but across the state of Nebraska and assure that recommended caseloads per professional can be maintained at the intensity needed for these families. It would also, in VNA and CSI's case, guarantee that mental health therapy is available and accessible to high-risk families. Thank you for your time and attention. [LB234]

SENATOR MELLO: Thank you for your testimony, Ms. Stapp. Are there any questions from the committee? Senator Harms. [LB234]

SENATOR HARMS: Thank you, Senator Mello. Thank you very much for coming. I've looked at the information carefully and I see how many people we have served. With the additional dollars, how much are you planning on...how many more people are you planning on serving with these additional dollars? [LB234]

KRIS STAPP: Well, I think that initial ask was intended to be able to support home visiting, not in Omaha but across the state of Nebraska. Probably at this time the real issue is being able to serve more families but also address the need of more evidence-based programs to be able to address their needs so that we know that the care that's being provided will provide the outcomes that we want. And that would be my best... [LB234]

SENATOR HARMS: But do you have any idea at all about the money that we're going to provide, how many other additional people it might serve, is really what I'm after? [LB234]

KRIS STAPP: The number of people. Well, what I can tell you in our intense program that we serve, which is a very different approach than some of the other groups that are seeing families, we find that a caseload of 25 families per individual. And currently the amount of dollars that we received for 2012 was $298,000. We were able to serve 70 to

80 families, but that is a very high-intensity approach. Some of the programs are not at the high intensity that I am discussing, so you're going to see some variation in that. If you have a provider...so if we took that $298,000 and we were providing services for the same level of intensity, then you could probably be looking at serving nearly double that amount at that level of intensity. But I think the thing that we really need to think about is if we can connect with families in a more proactive, preventative approach before the, you know, red flags are becoming a major challenge, that we can impact families earlier and at lesser cost. And I think that's an important thing to consider, Senator. [LB234]

SENATOR HARMS: Well, I've always been a supporter of early intervention. I believe in that very strongly. I think you can resolve a lot of issues or help stop issues before they become, you know, worse. [LB234]

KRIS STAPP: One thing that might help you understand is when we were first provided this money, the need that we were seeing in the Omaha area was families that were falling through the gaps that really had intense needs. And so the program that CSI and VNA developed at that point was really to address needs of high-intensity families. So that's kind of the perspective that we are coming from, but that's really on the very high-need continuum. And I think right now with evidence based, we really need to be looking at how can we reach families earlier. But for the purposes of this funding, that is the group that we have been serving. [LB234]

SENATOR HARMS: Have you ever given any thought, you probably have, to looking at other programs that we have that deal with early intervention for families and children, trying to look at how we can coordinate these and provide, you know if you have really intense parents that you need to help? There are a lot of programs that are available that might be the next level up, and are we doing any talking or any discussion to see how we might be able to coordinate this to make our money go further and provide even better services or greater services for that client? [LB234]

KRIS STAPP: You know, it's interesting that you ask that question because that's really one of the outcomes that the federal home visitation money is hoping to achieve. Now, right now, we are probably actually just finishing up the second year of actual services in Nebraska using those federal dollars, but that really is a big piece of it, is to look at how communities really coordinate services to make the best use of what's out there. And there's a lot of work with communities when you're serving these families. [LB234]

SENATOR HARMS: So how do we...how do we go about coordinating all this and putting it together so that we can actually make all this happen, where we can actually bring other agencies in or other programs in and start looking at how we can better serve the client to spread out your dollars, to spread out their dollars, and still at the same time give the right kind of care for a family and the children? That's what I really worry about. After being around long enough, I think we see here about...well, we do,

every program that takes any money, we see that here. And so we know that there are a lot of programs that are available in some form or manner, but what I don't see is...and I'm not being critical. [LB234]

KRIS STAPP: No. [LB234]

SENATOR HARMS: Okay, don't take it that way because it's not intended at all to be that way. But what I don't see is any coordination. What I don't see is people coming together and finding ways that we could pool these dollars together to make this better for families, better for children, and for the mother or the father, whoever we're trying to treat as a family as a total. That's my question and... [LB234]

KRIS STAPP: Yeah, and I think that's a fair question. It's a challenge. I think the...you have to look at every community as individual and they are going to come up with the best solutions. And I think as communities become bigger and more complex in the services, that it probably sometimes becomes a greater challenge. But when we've served these families, it's communities working together to bolster those families, because there is no one agency, and we know that, that has all the services that these families need. [LB234]

SENATOR HARMS: So what...where do you...do you have anyone...who do you answer to? I guess is what I'm trying to get to is what umbrella do you fall under or are you just independent? I mean how do you...who do you...actually coordinates you and who do you answer... [LB234]

KRIS STAPP: Well, the... [LB234]

SENATOR HARMS: Is it Health and Human Services or who actually takes care of that? [LB234]

KRIS STAPP: Well, VNA, Visiting Nurse Association, is a nonprofit, a 501(c)(3). Right now, for the services we provide through the funding that we're talking about right now, we actually...initially services were...the oversight was through the Medicaid Program and just this year, at the beginning of July, the family service area has been starting to coordinate that in working with the federal money that the state of Nebraska is getting. So I think that's a big step in starting to coordinate that. And I know from, you know, the information that they've shared, coordination, collaboration is a big part of it and my hope is that that will help promote that. I think in the Omaha area they are now looking at assessment and one of the big pieces that we've been talking about, you know, for the last three or four months every two weeks is that coordination and collaboration. [LB234]

SENATOR HARMS: Thank you. Thank you, Mr. Chairman. [LB234]

SENATOR MELLO: Senator Kintner. [LB234]

SENATOR KINTNER: Hi. Welcome to our committee. [LB234]

KRIS STAPP: Thank you, Senator. [LB234]

SENATOR KINTNER: As I've sat here and I've listened, long before you came and asked for money, I've heard people make the case for, you know, early childhood care to programs for seniors, I mean everything on an entire life cycle from cradle to grave, excuse, prenatal to grave now. And we've created this incredible welfare state. I mean it's just huge. It takes care of almost...tries to take up every problem. And people are coming, they see a little surplus and they're asking us to do more and more in legal aid and help people fix their houses and I mean everything under the sun. So we're going to have to whittle down through all this. Now I'm not going to say that we're going to chop down the welfare state anytime soon but we don't have money for everything. What makes your program more worthy of money than all these other programs? Why...what's your cases that is more worthy than all these other pieces, all these other people who we're helping? [LB234]

KRIS STAPP: Well, I guess what I would say, and when I would make my comments it's probably more related to home visitation in a general sense. If you look at some of the...and I think the information that Senator Howard passed out would...could give you some leads if you want to look into it further. [LB234]

SENATOR KINTNER: Okay. [LB234]

KRIS STAPP: But when economists have looked at the impact that well-trained home visitors can have on low-income, at-risk families that are at greatest risk, they actually have demonstrated that for every dollar, tax dollar, that's invested, that there's a return of $5-plus on that $1 that was invested. And I guess I'm a strong proponent of prevention. And I know that, you know, our system is using a lot of funds to try to remediate and solve problems down the life track of a family. And I feel like if we can help at-risk, low-income families get started, that we have a better opportunity for them to raise children that are going to be productive, that these families can be more self-sufficient, be taxpayers, and support us in the long haul so they're just not going to be expensive for some of those other services when we look at behavioral health. You know, we look at what, you know, if you look at the research, it talks how if someone...if a woman has a low birthweight or prenatal or premature baby, you know, typically the medical care that that costs is anywhere from $28,000 to $40,000 just for the medical care if it's not covered through that individual's insurance, if the state is the payer. So that is a strong case, I believe, for prenatal intervention with young families. And of course, you know, being that, you know, we're with that nursing piece, that's what I'd

want you to consider. [LB234]

SENATOR KINTNER: Most everyone that comes before this committee says, spend money on my program, we'll save money over here. I would point out that California has been saving so much money, they're bankrupt right now and there's a lot of it in New York, in Illinois. There's a whole lot of states that have been just saving so much taxpayer money, they're broke right now. Let me take another tack. When do you have enough money? When do you have enough of our money that you can say, okay, we're good? Or would this get you there? If we make this commitment, do you have enough? Are we not going to see you again? Or do you come back and want more in five years? [LB234]

KRIS STAPP: I would hope that we would do such a good job and could demonstrate such good outcomes for you, Senator, that you would want to come back to us and ask us how you could give us more money so we could keep saving you money. (Laughter) [LB234]

SENATOR KINTNER: Well, good answer, but I got to tell you, I knocked on many thousands of doors... [LB234]

KRIS STAPP: I understand. I understand your skepticism. [LB234]

SENATOR KINTNER: ...and I just can't recall going to a door and someone saying, boy, could you take a little more of my money and give it to someone over here; could you take a little more of my money and give it? Almost everyone I talked to said, you're taking too much of my money; I give up, please stop, stop, stop. That's all I heard, I heard...with a few exceptions of people who worked in human service, health and human services. But I'm trying to get my hands around when do we spend enough? Just when? That's a big...that's a big question for you and I'm being unfair, I think, by asking you that. But I just...I sit here day after day after day and the requests just don't ever stop. [LB234]

KRIS STAPP: I understand. [LB234]

SENATOR KINTNER: And I'm trying to wrap my arms around when do we finally get enough? So if we find out we're saving money, I bet we would come back the same. [LB234]

KRIS STAPP: I think that's a fair question and I think it's a balance because I know if we spent any time in here we would understand why you pose those questions. [LB234]

SENATOR KINTNER: Kris, thank you very much for coming today. Appreciate it. [LB234]

KRIS STAPP: Thank you. [LB234]

SENATOR MELLO: Senator Wightman. [LB234]

SENATOR WIGHTMAN: Thank you, Senator Mello. Thank you for being here. [LB234]

KRIS STAPP: Certainly. [LB234]

SENATOR WIGHTMAN: You talked in the bill it provides for $500,000 per year additional funding, I believe. Is that correct? [LB234]

KRIS STAPP: Uh-huh. Yeah. [LB234]

SENATOR WIGHTMAN: How much funding are you receiving now on this same program? Do you know? [LB234]

KRIS STAPP: In prior to this current year, we were receiving $298,000 for this project. Last year there was some additional money that was actually provided through this similar process. VNA received $50,000 of $150,000. Okay? So... [LB234]

SENATOR WIGHTMAN: So you're getting $294,000, or whatever it was, plus this $50,000? [LB234]

KRIS STAPP: $298,000 plus that $50,000. Now part of the money for that $50,000 was really to be able to look at infrastructure changes related to the federal home visitation dollars and the ability to collect outcomes and data. And that was one of the requirements in addition. [LB234]

SENATOR WIGHTMAN: Is that part of what you determined through the use of the $50,000, that you have additional need for... [LB234]

KRIS STAPP: Well, that was what the state... [LB234]

SENATOR WIGHTMAN: ...$500,000? [LB234]

KRIS STAPP: ...that the state was asking us to do as part of that, was to look at what our ability...our data collection ability was and how that could sync up with the federal benchmarks that the federal home visitation programs have established, and that's a really important thing. [LB234]

SENATOR WIGHTMAN: So you'd be looking at going from $294,000, is that, $298,000 I guess you said that you're getting now. [LB234]

KRIS STAPP: $298,000 plus...and that $50,000, if that stays the same. You know, I don't know that that's how Health and Human Services will, you know, lay that money out, you know, for the next year, if it will stay the same or not. And that $500,000 was really for home visitation not only in Omaha but across the state, the additional $500,000, that ask. [LB234]

SENATOR WIGHTMAN: Say if you were to receive...and then we've discussed this a number of places, on the floor and in here, as to how many bills there are looking for additional funding. If you received an additional $150,000 or $200,000, would that help you at all? [LB234]

KRIS STAPP: Well, it certainly...it certainly would, and I think it would in two ways. It would allow us to reach more individuals. The other thing that it would probably...would allow us to do would be able to pursue an evidence-based program that we could begin to integrate with the attention that the state is really giving to those evidence-based programs. [LB234]

SENATOR WIGHTMAN: Thank you. [LB234]

SENATOR MELLO: Senator Conrad. [LB234]

SENATOR CONRAD: Kris, thanks so much for your testimony and this good information. I just wanted to clarify for the record because it seems like there might be some confusing rhetoric about welfare state or takers or whatever you want to classify it. But this program primarily serves infants and young children. Is that correct? [LB234]

KRIS STAPP: It is. Primarily the situation that you would get into, and actually we can see women prenatally if the situation is such where, you know, there are concerns about the status of the infant and the mother. But sometimes, because we might be working with younger children, sometimes there are older children in the family. You know, probably our greatest focus is probably five years and under, but occasionally we do have older children. I think the story I shared there was an older sibling. [LB234]

SENATOR CONRAD: Very good. And I think that we can all agree that it's pretty difficult for somebody five and under to take personal responsibility and try and change their lives on their own, and that's why it's really a societal and a community effort to make better outcomes for everybody in this state. [LB234]

KRIS STAPP: I believe it is. [LB234]

SENATOR CONRAD: Thank you. [LB234]

SENATOR MELLO: Senator Nelson. [LB234]

SENATOR NELSON: Thank you, Senator Mello. Is it Ms. Stop (phonetically), Step (phonetically)? [LB234]

KRIS STAPP: Well, it's just like it looks. It's Stapp, S-t-a-p-p. [LB234]

SENATOR NELSON: Stapp, all right. I don't want to...we don't want to keep you on the stand a long time, and I don't have any problem, but I do need to clear up some confusion on my part here. The fiscal note says that the appropriation for the nurse visitation program is currently $850,000. Now is this home visitation for teams, is that just part of what you're doing or are we asking...are we asking to increase what you've gotten previously by about 60 percent? [LB234]

KRIS STAPP: They're asking to add $500,000 to the... [LB234]

SENATOR NELSON: But is it $850,000 or is it $298,000 plus $50,000? [LB234]

KRIS STAPP: Okay. When I mentioned the $298,000, that is only the money that VNA receives. There are other programs across the state that receive money from this funding and has back to inception. Lincoln-Lancaster and in the...there's also a program in the northeast part of the state. So when I mention that $298,000, that's really only currently what VNA has been receiving. [LB234]

SENATOR NELSON: All right. Thank you. [LB234]

SENATOR MELLO: Are there any further questions from the committee? [LB234]

SENATOR KINTNER: Mr. Chairman, just one I have... [LB234]

SENATOR MELLO: Senator Kintner. [LB234]

SENATOR KINTNER: So we're talking $500,000 this year and $1 million next year. Is that...Mr. Chairman, can you clarify that for me or...? [LB234]

SENATOR MELLO: I believe the fiscal note from the Legislative Fiscal Office actually looks at it's $500,000 appropriation both years, for a total of $1 million over the biennium. [LB234]

SENATOR KINTNER: Okay. So the $1 million, which is the total. [LB234]

KRIS STAPP: Because it was actually...this would be the third year where they've enhanced the services, so... [LB234]

SENATOR KINTNER: Okay. I just wanted to make...okay. Thank you. [LB234]

SENATOR MELLO: Seeing no further questions, thank you, Ms. Stapp. [LB234]

KRIS STAPP: Thank you. [LB234]

SENATOR MELLO: Are there any further testifiers here today on behalf of LB234? [LB234]

JUDY HALSTEAD: (Exhibit 6) Good afternoon, Chairman Mello and members of the Appropriations Committee. My name is Judy Halstead. For the record, it's spelled H-a-l-s-t-e-a-d. I am currently the health director for the Lincoln-Lancaster County Health Department, and I appreciate the senator being willing to work with us. Trish is a parent who has participated in our program and she is with us today, so I'm going to keep my comments brief. I've provided my testimony to you. I want to tell you just a little bit about Lincoln-Lancaster County Health Department program. We are one of the programs that's funded out of the existing program and we have been doing this in partnership with CEDARS Youth Services here in Lincoln since 2008. Our program actually does use one of the four nationally recognized evidence-based programs. It's called Healthy Families America, and there are three overarching goals of that program. One is to promote positive parenting; a second is to enhance child health and development; and ultimately to prevent child abuse and child neglect. Since 2008, the Lincoln-Lancaster County Health Department has screened 2,000 families in our program and has provided intense home visitation case management to over 500 families. Healthy Families America has shown such substantial positive outcomes for families, we actually have moved all of the families that we serve at the health department under this model. We are fortunate in that the city of Lincoln helps provide close to $1 million for the families that we serve, in addition to the $275,000 we're currently receiving under this funding. We made this switch because we believe in evidence-based programming. We believe in the outcomes that this program is demonstrating. The reason we made this shift was because we also needed to be accountable to our local taxpayers so that they knew that the services that we're providing are making a difference. This fiscal year, and we're working with 193 families with just the intense case management we've been talking about. And afterwards, if Senator Harms still wants to have a few more questions answered related to his questions earlier, I'll be happy to tell you what we're doing with less-intensive families. But 100 percent of the children were on schedule with their well-child checks and immunizations, 97 percent of the children met or exceeded developmental milestones, 95 percent of the families did not have reports of abuse or neglect, and that is significant because these are the highest need of the highest need. Trish will tell you about her background. Most of them have had law enforcement experience. Most of them have had experience in drug and alcohol use and abuse. Most of them have been in

domestic violence situations. So we're very pleased with the outcomes. Sixty-eight percent of the parents reported that they have an increased ability to cope with stress and also reported increased understanding of development in parenting. As I mentioned, we currently serve 193 families. I will tell you, we serve both with nurses and with outreach staff. It does cost between $5,000 and $6,000 per year per family for this level of intense case management. So in answer to Senator Harms's previous question, the $500,000, doing the math quickly, would serve about 100 families on an intensive case management model. But we are very pleased with the outcomes and, as I mentioned previously, we have switched all of our home visitation for this level of care to this model because we're very pleased with the outcome. It does save dollars in the foster care system. We do know that the families who participate in our program don't have children removed from their home. They are able to maintain parenting and they're able to maintain the supports they have. So with that, I'm going to be quiet, because I think you need to hear from Trish and she can tell the story I think better than any of us. So I'd like to introduce Trish and she'll introduce herself. [LB234]

TRISH LEIFERT: (Exhibit 7) I am Trish Leifert,... [LB234]

JUDY HALSTEAD: Will you spell it for them? [LB234]

TRISH LEIFERT: ...T-r-i-s-h L-e-i-f-e-r-t. My entire childhood was a disaster. By the time I was ten years old, I'd lived through many traumatic experiences. My home life was unstable and confusing, so I put all of my energy into school. I was a very intelligent and creative student. I knew that I had something special, but by middle school my grades began to slip for the first time. The more homework I was being assigned, the worst my performance marks were. This pattern continued through high school. I was a devoted student. I was always involved in extracurricular sports and activities. I earned letters even, but there was no time for homework at home, just housework and fighting through my emotional distress alone. When I didn't graduate, I was devastated that I wouldn't even be attending one of the colleges that had sent me letters based solely on my outstanding test scores. I didn't have the support or guidance I needed to make it to graduation and I didn't have anything to keep me from falling apart with my dreams. I ended up on a downward spiraling path to self-destruction. I moved into a small apartment with a controlling, abusive boyfriend. I delivered pizzas and I submerged myself into a world of drugs and drinking. After a couple years in the relationship, I quit working and I had virtually no contact with the outside world. I was completely isolated. I decided to get off the hard stuff and I did that successfully with my own willpower. My boyfriend didn't have the same success. About six months after that, I found out that I was pregnant. I was underweight, malnourished and broke, and I had no clue how to be a mother, and I knew that my boyfriend was not ready to be a father. I thought it would be cruel to bring a child into the kind of life I was living and I saw no way out. I nearly had an abortion, but a rotten experience in the clinic drove me away. I began preparing to have a baby. When I first met my nurse, Jodi, from the parenting support project in

Lincoln, I was about three months pregnant. She started making weekly visits to my home. I'm 100 percent certain that I would have never kept up on my visits if she hadn't come to me. She provided me with information on where I could get food, what I needed to eat, what to expect, and all kinds of things that I didn't know I didn't know. When my daughter was born three months early, it became obvious to me that things would not work out with her father and me. No matter how good things seemed to get, the violence always came back. Jodi helped me find resources and make a safety plan to get me and my daughter out of the situation before I took her home from the NICU at a fragile five pounds. Since then, Jodi has been my guidance and support. The information she brings with her on every visit helps me by learning about what things I can do with Jazlyn to keep her on target with her development. I feel like I've learned to draw a line between the positive parenting habits I learned from my mother and the negative ones that I didn't want to carry into my daughter's life. I've actually been able to help answer a lot of my friends' questions because of everything Jodi has taught me. She's helped me find a therapist that did an integrated mental health and drug treatment program to help me find positive ways to handle my depression and PTSD. In desperate times, she's brought me diapers, toiletries, groceries, and Christmas gifts. She helped me get a cell phone, a bus pass when I didn't have a car, and gas vouchers when I didn't have the money to get to school. If I have a question about parenting or getting over some hurdle life has thrown at me, I know I can talk to Jodi about it and she's always helped me find the help I need if she can't provide it through the program. Having Jodi around has kept me strong in times that I might have given up, and taught me how to find that strength for myself. She's helped me to stay on track with positive goals, and rewards me simply by telling me she's proud. She's truly become the mother figure that I never had, my friend I know I can talk to about anything. Now I've earned my GED and I'm one quarter away from earning my Associate's in Arts degree from SCC. It has always been my dream to attend UNL's College of Architecture. I've been clean for four years with no relapses. I'm getting my life stable enough that Jodi only visits twice a month now and I usually don't have to ask her for much help. But we still look forward to her information and encouragement. I'm the kind of mother that I know I can be proud of. My daughter Jazlyn turned three years old on Christmas. She's an absolute joy. She's smart, healthy, and beautiful, and she loves to visit with Jodi and have her height and weight checked each time. I know that Jodi doesn't have the same experience with the rest of her clients as me, but if each nurse has half of that impact on a mother then that's a step in the right direction for those children. As a community, we can all have the right kinds of guidance and support that kids need in schools, but if the parents are never reached and helped to find a better way at home then it just isn't doing enough. I'm a strong believer in the true good of this program and its ability to contribute positive change. [LB234]

SENATOR MELLO: Thank you for your testimony, Ms. Halstead, and for your testimony, Trish. It was awful brave of you to be up here today and share experiences with us. So thank you. [LB234]

TRISH LEIFERT: Thank you. [LB234]

SENATOR MELLO: Are there any questions from the committee? Senator Harms. [LB234]

SENATOR HARMS: Thank you, Senator Mello. Trish, first of all, thank you very much for telling your story. Takes a lot of courage to come before a group of people like this and tell that story, and I have to tell you, I'm very proud of you just being here; says that you have come a long ways with your life. And I have always believed that the only way you can get yourself out of the situation you're in is through education and I'm glad that you're walking that dream, because that's your hope. That will get you where you want to go. And I thank you for telling us...your story to us and want you to know that we have an interest in you and that we're proud of what you've accomplished. And I wish you all the luck in the world. But whatever you do, stay in school, finish that degree, because that's your dream. You'll be able to walk that pathway and you'll be successful. Thank you very much. [LB234]

TRISH LEIFERT: I appreciate the opportunity. [LB234]

SENATOR MELLO: Are there any more questions from the committee? Seeing none, thank you both. Are there any further testifiers here today on behalf of LB234, proponents? Seeing none, are there any opponents to LB234? Seeing none, is there anyone here to testify in the neutral capacity? Seeing none, that will end today's public hearing on LB234 and take us to our next hearing, LB285 by Senator Danielle Conrad. (See also Exhibit 49) [LB234]

SENATOR CONRAD: Thank you. [LB285]

SENATOR MELLO: (Exhibits 8 and 9) Quickly, and I'm sorry, Senator Conrad. For the record, the committee did receive letters of support for LB234 from both the Nebraska Association of Social Workers as well as Building Bright Futures. That moves us to LB285, Senator Conrad. [LB234 LB285]

SENATOR CONRAD: (Exhibits 10 and 11) Thank you, Chairman Mello. Members of the committee, my name is Danielle Conrad, D-a-n-i-e-l-l-e, Conrad, C-o-n-r-a-d, representing the "Fightin' 46th" Legislative District of north Lincoln. I'm here today to introduce LB285. And because of my insider knowledge of how this committee works, I know my brevity will be rewarded (laughter) and that, in fact, we have a long day in front of us. So I think that Senator Krist did a great job of kind of painting a little bit of the background in relation to his legislation and my legislation and how that relates to the Nebraska Health Care Cash Fund. Simply what my legislation does is it repeals the language that was part of LB969 last session, making a 5 percent reduction per year in

the transfer amounts from the Health Care Cash Fund, starting in fiscal year '14 and ending in fiscal year '16. The reason I brought forward this legislation is because, as you remember, returning members, we had quite a vigorous debate within the committee about this issue. But the investment officer has noted that the sustainability of the fund may be at risk. Because of that information, the committee did institute this language as part of LB969, and in the interim period we did hold an interim study on this issue; and I can report there are many different viewpoints as to the sustainability of this critical fund. I think Jacob or one of the other pages has brought around some information for you that has been compiled by UNMC which speaks to this very question of sustainability. Additionally, I would like to point out that it has been approved but not yet been distributed, an additional $18 million infusion from the Nebraska Tobacco Settlement Fund that could thus improve the sustainability even more so. Yes, there's those handouts that are going around. That being said, I think that we're all committed to seeing this fund be stable, be sustainable, and continue to be effective, because the Nebraska Health Care Cash Fund is a critical statewide resource for our healthcare safety net. I urge you to pass LB285 and would be happy to answer any questions. [LB285]

SENATOR MELLO: Thank you, Senator Conrad. Are there any questions from the committee? Seeing none, thank you. [LB285]

SENATOR CONRAD: Very good. I'll waive my closing at this point in time. [LB285]

SENATOR MELLO: First, we will go to proponents of LB285. [LB285]

TOM MURRAY: Hello, Senator Mello and members of the Appropriations Committee. Again, I'm Tom Murray, associate vice president for health sciences research at Creighton University. My name is spelled M-u-r-r-a-y. My testimony that I gave earlier for LB4 generalizes to LB285, and I again thank Senator Conrad for her introduction of this bill. So in the spirit of brevity, as Senator Conrad has indicated, I won't repeat that testimony. But I would like to just highlight the fact that there are the economic impacts, the impacts on the health of Nebraskans as was the focus of that report. And this fund has also been critical, as I alluded to earlier, to faculty recruitment, to really contributing to the brain gain in the state of Nebraska; and this has impacted all four institutions in the research consortium. I moved to Nebraska from the state of Georgia in 2006, and a key element in my decision making to come to Creighton University was the existence of this fund and the stability that this fund provides for our biomedical research portfolio and our ability to grow that portfolio. With that, I'll close and I'd be happy to answer any questions. [LB285]

SENATOR MELLO: Thank you for your testimony, Dr. Murray. Are there any questions from the committee? Seeing none, thank you. Next proponent for LB285. Seeing none, the committee did receive letters of support from Friends of Public Health of Nebraska

(Exhibit 12), a letter of support from the Nebraska Association of Behavioral Health Organizations (Exhibit 2). And I believe that's it. Next we will take opponents to LB285. Seeing none, are there any testifiers in the neutral capacity? [LB285]

DON WESELY: Senator Mello, members of the Appropriations Committee, my name is Don Wesely. And, for once, I'm appearing on behalf of only myself. I was the Chair of the Health and Human Services Committee, those who will remember, in 1998 when we passed legislation to set up this trust fund. We were very, I think, lucky that everything worked out as we'd hope to, which has the transfer of the intergovernmental transfer funds and the tobacco settlement funds. In 1998, we weren't sure how that was all going to work out. It is an example of how this Legislature works at its best, and that's when there's bipartisanship. I, as a Democrat, chaired the committee and the Vice Chair was Jim Jensen. Together we worked along with the committee to pass the legislation. I left the Legislature to become mayor of Lincoln and I was very pleased that Senator Jensen followed that and actually implemented the plan that we now have before us. And I want to thank this Legislature, this body, this committee, and all that have preceded you for carrying on the idea that this money is to be held in perpetuity; and caring for these people is a priority for us for as long we can see into the future. When we passed the legislation we had two priorities. One was public health and the other was mental health. And looking at how the funding is laid out here, those are the priorities of the funding--well, with research also. We were 49th in the country at that time in public health funding; 49th in the country, mental health funding, and we knew we had to something but we never had money, never enough money. And so when the opportunity came and this Legislature back then, and continues so today, took a lead role and I think an exemplary role that some have followed but not very many. Most took that money and spent it on anything they felt like and it's gone, hundreds of millions of dollars gone. But you and previous Legislatures have seen fit to care for the future and maintain that funding and continue to want to maintain that funding, and I think that's the goal is to make sure it's there for generations in the future. So I thank you for that and just wanted to add that and hope that we can continue to look at ways to make sure that it's sound into the future. [LB285]

SENATOR MELLO: Thank you for your testimony, Don. Are there any questions from the committee? Seeing none, thank you. [LB285]

DON WESELY: That speech was actually on behalf of Jim Jensen, who I didn't see here, and he usually gives it, so. [LB285]

SENATOR MELLO: Are there any further testifiers in the neutral capacity? Seeing none, Senator Conrad waived closing. So that will end today's public hearing on LB285 and take us to our next public hearing on LB119 by Senator Tanya Cook. [LB285]

SENATOR COOK: I'm sorry to have kept you waiting. Hello. [LB119]

SENATOR MELLO: Welcome. [LB119]

SENATOR COOK: Thank you. Is it LB157 that I'm starting with? [LB119]

SENATOR MELLO: LB119. [LB119]

SENATOR COOK: Thank you. Mr. Chair, esteemed members of the Appropriations Committee, my name is Tanya Cook. That's spelled T-a-n-y-a C-o-o-k. I'm the introducer of LB119, a bill to appropriate targeted funds to each of Nebraska's 18 local public health departments. Nebraska's 18 local public health departments have outlined the specific and strategic needs of their service areas and how additional funds authorized under this bill proposal would improve the quality of life, health, and fiscal reality in Nebraska. LB119 proposes to appropriate $200,000 each year to each of Nebraska's public health departments for preventative health programming. These preventative health programs are designed to address the specific health priorities of each of these communities. These specific needs include the need for increased physical activity, decreasing obesity, preventing complications from diabetes, addressing cardiovascular disease and other chronic diseases. Importantly, the increased appropriations are also targeted to improve access to medical homes and dental homes, increasing worksite wellness initiatives, and assuring preventative health services to all Nebraskans. Senators, investments in preventative health measures save money in the long term for the state by keeping chronic illness at bay, keeping catastrophic medical emergencies from occurring in the first place by maintaining a healthy and productive work force and by reducing unnecessary deaths and disabilities. Testimony to follow will outline the specific needs in each of our communities in the realm of public health that can be addressed through the advancement of this bill proposal. This committee will hear how each of the 18 public health departments have outlined their specific needs and how the additional funds will improve the services in their districts. I appreciate your thoughtful consideration of this proposal and ask for your support of the advancement of LB119. [LB119]

SENATOR MELLO: Thank you, Senator Cook. Are there any questions from the committee? Seeing none, thank you, Senator Cook. [LB119]

SENATOR COOK: Thank you. [LB119]

SENATOR MELLO: First, we will take proponents of LB119. [LB119]

JUDY HALSTEAD: (Exhibit 13) I feel like a bad movie: She's back. Good afternoon, Chairman Mello and members of the Appropriations Committee. My name for the record is Judy Halstead, H-a-l-s-t-e-a-d. I'm testifying in support of LB119 on behalf of the Friends of Public Health. I'm currently the health director for Lincoln and Lancaster

County. Despite spending more than twice what most other industrialized nations spend on healthcare, the U.S. ranks 24th out of 30 such nations in terms of life expectancy. According to the American Public Health Association, a major reason for this startling fact is we spend only 3 percent of our healthcare dollars on preventing diseases as opposed to treating them, when 75 percent of our healthcare costs are related to preventable conditions. We need to change this in Nebraska. This effort will provide $200,000 of annual funding to each of the 18 local public health departments across the Nebraska for specifically targeted programs to improve health and promote wellness using evidence-based and promising practices. By focusing funding on prevention, the efforts will prevent disease and health complications by improving health and promoting wellness. Each of the programs will demonstrate measurable, positive health outcomes. Efforts to be funded include local programs in local communities designed to increase physical activity; decrease obesity; prevent complications from diabetes, heart diseases, and other chronic diseases; improve access to medical homes and dental homes; increase worksite wellness to prevent disease and disability; and to assure preventive services are available for children and for adults. This initiative works to save money by focusing efforts on preventing disease and promoting healthy behaviors. The majority of Nebraska's state funds are currently focused on treating health problems, not preventing them. Research has shown the exciting evidence for reducing unnecessary healthcare costs through prevention and health promotion. And this proposal is different because it gives Nebraska an opportunity to actually improve the health of its citizens before serious complications can occur. Outcomes will be measurable and each of you will be able to know if the funds in your local district are making a difference. Each of the 18 local health departments have completed their local health assessments and have or are developing their local community health improvement plans, many of them with their local hospitals, in partnership under the Affordable Care Act. Funds from LB119 will be used to provide services designed to meet the community's health needs and to address long-term healthcare cost containment. This is a challenge that public health is prepared to take on. Because the local health department has assessed its own needs for prevention efforts in the community, some local communities will focus on healthy mothers and healthy babies, as you've already heard, and those programs will be designed to improve maternal health, improve infant and child health, increase positive parenting, increase safe home environments, and increase child developmental milestones. Other communities will focus on fall prevention for older adults in order to decrease hospital visits and emergency medical services calls; to increase home safety for seniors to prevent the falls; to increase medication understanding by seniors to decrease their misuse, because often seniors are confused by the medications that they are taking and when to take them and how to take them; and also to increase vision checks for seniors so that they have appropriate eye care and they can actually prevent their falls by being able to see better. And yet other communities will also focus on preventing complications, such as diabetes, and to increase self-care and self-management; to decrease hospital stays; and to delay or prevent complications and improve their overall health. Some have asked, if we implement Medicaid expansion

and other elements of the Affordable Care Act, won't that address the problem? And I would argue it will significantly help to get people to the door of care if they don't have insurance. However, it will not teach them the skills they need to be able to take care of their healthcare needs, particularly if they haven't been able to access healthcare for years. Until we refocus our efforts on promoting a culture of wellness instead of just treating sickness, the overall health as a state and as a nation will not improve to the degree it needs to for improved quality of life and life expectancy. LB119 begins to make the shift to wellness, and it gives local communities and local public health departments the resources to begin this culture shift. We can and we must create a culture of wellness; and with your support, we can make this happen. Thank you for the opportunity to speak to you today, and I'm happy to answer any questions you may have. [LB119]

SENATOR MELLO: Thank you, Ms. Halstead, for your testimony. Are there any questions from the committee? Senator Kintner. [LB119]

SENATOR KINTNER: Hi. [LB119]

JUDY HALSTEAD: Hi, Senator Kintner. [LB119]

SENATOR KINTNER: We have you...if, let's say, a senior doesn't take care of themselves, what business is it of the state? Well, shouldn't the state just say, okay, fine; if you don't want to take care of yourself, you're going to die. I mean I'm fat. If I stay like this, I'm going to die someday, right? [LB119]

JUDY HALSTEAD: (Laugh) I won't comment on that, Senator Kintner, but I will say as an example with fall prevention, one of the things we know with seniors when they fall, frequently if they fall and break a hip, they're not going home from the hospital; they're going to a nursing home. And a vast number of seniors in nursing homes are being paid for through Medicaid. And so I would argue that some of these preventive efforts are, in fact, saving the state dollars because of the Medicaid costs for long-term care. So I think that we do have not only a compassionate reason to care, but I think we also have a financial reason. And also I think it makes a difference for family members who can be able to keep their family in their own home. [LB119]

SENATOR KINTNER: You know, I care, and I take money out of my pocket and join the organizations I like and I care enough to be discriminate about who gets my money. [LB119]

JUDY HALSTEAD: And I'm sure those businesses appreciate that, Senator. (Laugh) [LB119]

SENATOR KINTNER: But you know what? You know, I'd be disappointed if you didn't

say you're going to save me money, because everyone is going to save the taxpayers' money. We have created this huge welfare state. It's so big and so expensive that we need more programs or more money to keep people from getting on the old programs. Do you see a problem there? [LB119]

JUDY HALSTEAD: I would guess that's a rhetorical question, Senator Kintner. [LB119]

SENATOR KINTNER: It is a little bit, but no one has been able to answer yet. And I'm scratching my head and I'm trying to figure out what we...you've heard the other people coming here for money in other programs. [LB119]

JUDY HALSTEAD: I have. [LB119]

SENATOR KINTNER: So now we've got to figure, okay, we've got all these requests. Which one is more important than the other one? And I'm just having trouble wrapping my arms around that. Probably on their own merit, each one individually sounds pretty good. But you've got to figure out... [LB119]

JUDY HALSTEAD: And I would argue, Senator, that part of what we've talked about is the evidence-based programs. I think the state is trying to move to more evidence-based programs. The local departments certainly are moving towards the evidence-based programs where you should be able to say, how has my dollar made a difference? Just like when you give money to a not-for-profit that you believe in, you expect them to be able to spend that money and you should be able to have an accountability for that. You should expect the same thing from us; and particularly, those of us who have been around for quite a while feel that we do owe you that. We owe you to be able to show that we're making a difference and that we're making improved quality of life and that we're also saving dollars. [LB119]

SENATOR KINTNER: Thank you. You did a good job. Appreciate it. [LB119]

SENATOR MELLO: Are there any further questions from the committee? Senator Wightman. [LB119]

SENATOR WIGHTMAN: Thank you, Senator Mello. Thank you for being here. [LB119]

JUDY HALSTEAD: Thank you. [LB119]

SENATOR WIGHTMAN: I see from the bill that it would provide for an additional $3,600,000 each year from the General Fund, and then that's in addition to what they're getting now. Can you tell me how much they're getting now? [LB119]

JUDY HALSTEAD: Sure. From the General Fund each of the local health departments

are receiving right at $100,000, but that's for disease surveillance and for assessment in the community; otherwise, they're not receiving dollars from the General Fund. They're receiving some of the Health Care Cash Fund dollars, again for targeted efforts; but from the General Fund it's just right around $100,000 for disease surveillance and for assessment. [LB119]

SENATOR WIGHTMAN: So we will be talking about tripling the amount that... [LB119]

JUDY HALSTEAD: It actually would be doubling. It's proposing $200,000 per local health department, and there are 18; so that would be where the $3.6 million comes from. [LB119]

SENATOR WIGHTMAN: But that wouldn't be doubling that. That would be more than doubling the amount they're now receiving if the $100,000 is still going to be there, won't it? [LB119]

JUDY HALSTEAD: Correct. I understand. [LB119]

SENATOR WIGHTMAN: It would be $300,000... [LB119]

JUDY HALSTEAD: For a local health department is getting $100,000 of state General Funds and getting $200,000 from this, it would be doubling our current allocation. But all combined, you're correct, it would be $300,000 total. [LB119]

SENATOR WIGHTMAN: Okay. It seems to me fairly obvious we're going to get to the position that we're not going to be able to figure out how to fund an additional $200,000, and you probably think that as well. You may not tell me that but... [LB119]

JUDY HALSTEAD: (Laugh) I understand where you're coming from. How's that, Senator? [LB119]

SENATOR WIGHTMAN: Okay. Say, when we got all done, we could figure out how to add an additional $50,000, and I'm not saying we're going to do that,... [LB119]

JUDY HALSTEAD: Understood. [LB119]

SENATOR WIGHTMAN: ...but an additional $50,000. Would that be helpful in getting to where you want to go? [LB119]

JUDY HALSTEAD: Of course it would be helpful. Any efforts that we can make toward improving our access for our constituents and for your constituents to be able to look at community-based planning for those individuals and provide services to help prevent complications or disease, certainly all of that would be helpful, Senator. We can always

build on it. [LB119]

SENATOR WIGHTMAN: Thank you. [LB119]

SENATOR MELLO: Senator Bolz. [LB119]

SENATOR BOLZ: Hi, Judy. [LB119]

JUDY HALSTEAD: Hi, Senator. [LB119]

SENATOR BOLZ: Could you tell me, are your programs means-tested or are they available to anyone who needs some assistance? [LB119]

JUDY HALSTEAD: It depends on the program, Senator. Specifically, some of ours are means-tested. It depends on the individual program. For example, we have a diabetes program that has been a grant-funded program that provides access to individuals who are uninsured or who are underinsured and can't provide for their diabetic testing strips, and we work with them. And that program has been very successful because we've provided access to that. It's decreased 911 calls to Lincoln Fire and Rescue. It's decreased hospital visits just by being able to provide access to test strips for diabetics who don't have any insurance and can't afford to do that. That is a low-income program. Our other population-based programs, it may look at chronic disease prevention. It is not means-tested and is open to anyone in the community who might have heart diseases, for example, who might have high blood pressure; want to work on reducing those types of health problems. [LB119]

SENATOR BOLZ: That's helpful. Thank you. [LB119]

JUDY HALSTEAD: Thank you. [LB119]

SENATOR MELLO: Are there any further questions from the committee? Senator Nelson. [LB119]

SENATOR NELSON: Thank you, Senator Mello. Thank you, Ms. Halstead, for coming in. Several of the letters in support and in your testimony talks about...they talk about local programs in communities designed to increase physical activity, decrease obesity. And that's tied in with diabetes, cardiovascular disease, and everything. Can you...and this is important now, obesity, and it's being addressed across the state, because I think Nebraska is rather high in obesity. [LB119]

JUDY HALSTEAD: We are. [LB119]

SENATOR NELSON: Can you describe what kind of a program will decrease obesity,

what they do? [LB119]

JUDY HALSTEAD: You bet. There are a number of different programs that can be enacted depending on the area of the state and depending on the resources you have available. There is a program, for example, called Living Well that works with individuals who can learn from a registered dietician their healthy eating habits. A healthful way to reduce weight is to reduce their carbohydrates, meaning cutting out on potatoes and breads and pastas. It's a good health access to...I'm looking at Senator Kintner because I know it's his favorite--excuse me, Senator Nelson--but to be able to help them learn some healthy choices for their eating, also to improve physical activity. It's very difficult for some people who don't have access to a membership to a Y to know that there are walking programs in their neighborhood. In Lincoln, for example, we have different walking paths that are available that are marked, that says this is how much is a half-mile, this is how much is a mile, and help individuals learn how to do that even when they don't have funds to join a Y or to join a fitness center. Also providing that support for reducing their tobacco use also helps with some of those long-term chronic health issues. And so those are various programs that can be implemented regardless of where you are in the state and also depending on what types of resources those individuals have who want to take advantage of the programs. [LB119]

SENATOR NELSON: You have some of these in existence now? [LB119]

JUDY HALSTEAD: We do. [LB119]

SENATOR NELSON: We hear about evidence-based assessments. What are you showing so far? [LB119]

JUDY HALSTEAD: For example, on a separate program than what I mentioned to Senator Bolz, we've been looking at diabetics and trying to increase their physical activity and having them walk, just walk, to increase their physical activity, and then measuring what's called their hemoglobin A1c, which is how you measure the stability of blood sugar with individuals who have diabetes, how well controlled are they. We know that when they eat properly, when they manage their blood sugars, when they have physical activity, that they do well and their blood sugars are better measured. And so we look at those. We look at individuals who have high blood pressure and look at their compliance with medications and see where their blood pressures are to make sure that their blood pressures are stable. So we look at a number of those different outcome measures to make sure that their health is improving or that they've at least stabilized what their health conditions are. [LB119]

SENATOR NELSON: That's very helpful. Thank you. [LB119]

JUDY HALSTEAD: Yes, thank you. [LB119]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Judy. [LB119]

JUDY HALSTEAD: Thank you. [LB119]

SENATOR MELLO: We will now take our next proponent for LB119. [LB119]

MARGARET BRINK: Good afternoon. [LB119]

SENATOR MELLO: Good afternoon. [LB119]

MARGARET BRINK: (Exhibits 14 and 15) I'm delighted to be here, and thank you for being state senators. Appreciate that. My name is Margaret Brink, M-a-r-g-a-r-e-t B-r-i-n-k, and I am representing the State Association of Local Boards of Health. You'll see the letterhead on the information that's coming around. As a retired reacher turned full-time volunteer, community and public health advocate, I serve as president of the Board of Health for the Four Corners Health Department, which is Butler County, Polk County, Seward and York County. I am chairman of the Nebraska State Association of Local Boards of Health, and I am now on the board of directors for the National Association of Local Boards of Health. The contributions and oversight responsibilities of the boards of health and their importance to LB119 is why I share this information today with you. The public health departments that are covering our state are providing an amazing service for their communities and are a huge asset to the health and wellness of our citizens. By statute, each health department is required to have a board of health with specific composition and responsibility. So each board has a medical doctor, a dentist, and each county has a county commissioner or supervisor, and a spirited community member. Some of the boards have chosen to include a veterinarian. There are about 235 board of health members across our state who have dedicated their skills and knowledge on a voluntary basis to their local health departments and to their communities. So if we would visualize a map of Nebraska and we would think about those of you on the committee here, you are all covered by a variety of health departments based on population and area. So some of you are covered by the Douglas County Health Department, some of you by Lincoln-Lancaster Health Department, Sarpy/Cass Health Department, Panhandle District, North Central Health Department, and Two Rivers Health Department. So I'm...certainly you probably know your health director and you know the significant contribution to the ongoing public health and wellness in your communities. The functions of the board of health include policy development, building partnerships among community stakeholders, monitoring and planning the programs and initiatives that protect and promote the health of the communities. But one of the most important roles is partnering with our communities to establish priorities for the public's health. We are the stewards of the resources needed for the departments to perform the essential public health services. We assume the

ultimate responsibility for public health performance in the community by providing the necessary leadership and guidance to support the mission of our health departments. As board of health members, we are knowledgeable of community public health issues, with due diligence of our health director, and our involvement in strategic and improvement planning for our departments. Having additional funding through LB119 to meet specific prevention programs the community has identified as a priority need will be significant. The conversation with you today is important to me because I want you to be assured that as board of health members we take the financial monitoring and the budget planning very seriously. We are and have been good stewards of the state's public health funds allocated to the districts. And the return on the investment prevention dollar is 1:5, and that's important. But here's an analogy I'd like to share. When you drive and come here to work at the Legislature, you might drive your little red pickup truck, and that faithful vehicle has served you well because you use your cash to carefully maintain and prevent problems from happening that could be very costly. So you regularly kick the tires, check the oil, get the tune-up on the engine, and have the transmission checked so you don't break down as you travel. All of these are prevention and maintenance behaviors. You know the importance of taking care of your vehicle or little red truck. Spending dollars on prevention is similar. There is a need to teach and encourage maintenance behaviors for our health. There are just some human body parts, unlike the little red truck, that can't be replaced or repaired without some great expense involved. We need to be changing our health behaviors so we don't end up with an expensive repair job or even destroying the engine when it could have been prevented. Promoting, teaching, and stressing healthy living and healthy behavior is a great return on the investment dollars. The health departments have plans ready to do the important prevention work if there is an opportunity and funding. That is why we encourage the support of LB119 and putting prevention dollars to work at the public health department level where we as the board of health members will continue to practice responsible stewardship and oversight and continue to assure the Nebraska families and communities that we have opportunities to practice healthier behaviors. An ounce of prevention is worth a pound of cure.--Benjamin Franklin. Support LB119 and the little red truck running.--Margaret Brink. Thank you for your time and attention, and are there any questions of me? [LB119]

SENATOR MELLO: Thank you for your testimony, Ms. Brink. Are there any questions from the committee? Seeing none, thank you. [LB119]

MARGARET BRINK: Yes. I also have a letter from the Public Health Association of Nebraska. [LB119]

SENATOR MELLO: Next proponent for LB119. [LB119]

ANN FROHMAN: Good afternoon, Chairman Mello, members of the committee. My name is Ann Frohman; that's spelled A-n-n F-r-o-h-m-a-n. I'm an attorney and

registered lobbyist for the Nebraska Medical Association here today to testify in support of LB119. The last time I was here I was agency director and had a budget book, and I'm pleased to say that I enjoy coming up here without it. This bill, the members of the Nebraska Medical Association are fully in support of for a number of reasons. First and foremost, I think that it should be explained that the physicians in Nebraska have had a longstanding collaborative relationship with the public health departments; in fact, a very seamless relationship dating back to their very existence. I don't know that that can be said in all states but that is the case here for the most part. The proposals that Senator Cook had identified in her introductory statements are proposals that the Nebraska Medical Association has reviewed, and we do believe that they are based in science and those are good projects to be spending the resources on. And also in terms of the community collaboration that we see going on here in the public health departments, we think these initiatives do save lives and that, in the long run, I know you look at biennium budgets and I know that's a big part of what you do; but if you can extend your trajectory out somewhat, the bang for the buck is here. And, Senator Kintner, in your comments on return on investment, you know, priorities, how do you pick; I do look at return on investment as a big piece of that. And in this situation you look both at qualitative and quantitative, and you have both here. The dollars you spend...if you remember anything, I think it's Judy Halstead's testimony of 75 percent of all the medical dollars we spend around preventative conditions, I think in this country or maybe it's Nebraska, 3 percent of our actual dollars are spent in this area. Can we do more? Will we get more out of it? It's a good return on investment. And in terms of prioritizing, how do you manage your limited resources? That's kind of the thought process I would put behind it that would put this one up at the top, because in the long run you've got to look out past that biennium and look at how do we start bending this cost curve. The fiscal challenges are huge in this state, in this country. Embedded in that are healthcare costs. And any time you have someone bringing up something, you want to pause and look real hard if it's on a healthcare issue. Thank you. [LB119]

SENATOR MELLO: Thank you for your testimony, Ms. Frohman. Are there any questions from the committee? Seeing none, thank you. Next proponent. Good afternoon. [LB119]

ROGER WIESE: (Exhibits 16 and 17) Good afternoon, Senators. And likewise, thank you very much for serving. Chairman Mello and members of the Appropriations Committee, my name is Roger, R-o-g-e-r, Wiese, W-i-e-s-e. I am testifying in support of LB119 on behalf of North Central District Health Department and public health. I am currently the health director of North Central District Health Department in O'Neill, Nebraska, in Holt County. North Central District Health Department includes nine counties in north-central Nebraska, covering counties on our western end from Cherry all the way to our eastern end, Antelope, Pierce, and Knox. We are the second largest geographic health district in the United States. We cover over 14,500-plus miles and have a population of 45,000-plus. We have nine people in our office. That is one person

per county. The professional role our office takes in the healthcare system is simply to strategically guide our district in the most effective and achievable means for improving the health and well-being of our population. This strategy places a priority on prevention and integrating recommendations and actions across multiple settings to improve health and quality of living throughout one of the most proven cost-savings manners that are around, not only in the health industry but through many industries, and that is prevention. Our rural public health department, as well as all other departments in Nebraska, work with systems, organizations, and communities to improve the health through prevention. We do this by implementing processes and programs that have been proven to work, not just locally but nationally as well, as we try to follow many national programs. We bring this to the table when we work with our public health partners--and I stress, our partners, i.e., law enforcement, schools, healthcare providers, mental health, first responders, youth, and general citizens, just to name a few of our organizations, as well as elected officials. Public health thinks in terms of generations, not just an individual's life. Our goal is to get out in front with prevention whenever possible. To do that means working with organizations, communities, and policy work. We work effectively and we work efficiently without duplication of efforts. We work with many of our community partners and are seen as the leaders in our communities when it comes to guiding efforts related to the general health and wellness of the citizens within our counties. In our office, in particular, we recently completed planning efforts that will guide our public health prevention for the next three years. Our office was the agency in charge of this. Over the course of the last six months, we have had 41 different agencies across nine counties as active participants in our planning process. The strategic plan that was put together is not solely the plan within our office itself, but rather one of the best examples of planning through multiple organizations that I can think of. Our strategic plan for the next three years is a community plan. Our office is the leader and the guiding force in this plan. Ultimately, we are the responsible party for community health planning within our district, and we accept that role. This effort, LB119, will provide $200,000 of annual funding to each of the local 18 health departments across Nebraska for specifically targeted programs to improve health and promote wellness in Nebraska using evidence-based models and promising practices. LB119 begins to make a shift to wellness and it gives local communities and public health departments the resources to begin this culture shift--and I stress, culture shift. As stated before, we can and we must create a culture of wellness. Please, with your support, we will make this happen. Thank you for the opportunity to speak with you today and I will gladly try to answer any questions that you may have. [LB119]

SENATOR MELLO: Thank you for your testimony, Mr. Wiese. Are there any questions from the committee? Senator Bolz. [LB119]

SENATOR BOLZ: Good afternoon. [LB119]

ROGER WIESE: Good afternoon. [LB119]

SENATOR BOLZ: I'm just curious, with all of the public dialogue around violence prevention recently, do any of our public health programs relate to mental health? [LB119]

ROGER WIESE: Mental health is a program and an area that is...has been a tough one, especially rurally, to get involved with. We are on a planning committee with our behavioral health, Region 4 Behavioral Health, within our health district. Out of our office we personally do not provide any services related to mental health. However, we do coordinate significantly with our domestic violence abuse programs and Region 4 Behavioral Health, and try to coordinate any activities that they have. Specifically some of the ones we've been working with, with Region 4 Behavioral Health, have been around substance abuse and...or excuse me...yes, substance abuse among youth and across the life span. As you know, it's really coming out in mental health now that the association...you've probably seen this a lot in some of the most recent newspaper and media guise is that the relation...the increased relationship of substance abuse and substance misuse is correlating significantly with mental health issues that we are seeing across our state and across nationally as well. And one reason why it might be across a little bigger area in Nebraska, in rural Nebraska: lack of providers, plus Nebraska also ranks relatively high on some at-risk behavior when it comes to drinking, especially binge drinking rates among youth and actually binge drinking rates among our older adults as well, middle-aged older adults. [LB119]

SENATOR BOLZ: Thank you. [LB119]

SENATOR MELLO: Are there any further questions from the committee? Seeing... [LB119]

ROGER WIESE: Or I could expand on some of the questions that you had earlier on some of the other bills. [LB119]

SENATOR NELSON: Certainly. [LB119]

SENATOR MELLO: Senator Nelson. [LB119]

ROGER WIESE: I just thought...if I may make a comment, if it's appropriate? Senator Harms, you had addressed earlier, and I just kind of made the note because I thought it was very interesting, not seeing much coordination between agencies when you were talking about LB234, if I am correct. I see public health, especially in Nebraska, with all the partners that we have to work with and a few of the names that are...or a few of the agencies that I mentioned earlier, we take a strong role in coordinating with many agencies. Probably the one thing that you gain as state legislators and providing dollars and the good stewardship that we try to have with those dollars is those dollars do not

stay back in our pockets or even within our agency or even within a program specific within our agency. Public health is working with many numerous different agencies across our board. We work and do oral health programs across our nine counties. There is no way that we do that solely out of our office. The funds that we have in any context have to be spread out over a number of different agencies. And as you had mentioned, Senator Bolz, with mental health; we may piggyback with some dollars on that. But I tell you what, it's mainly our resources of time and talent within our office that we utilize in working with other agencies. We really are one of those core agencies that I see in coordinating with other agencies across. So when you talk about coordination and collaboration between agencies, personally I think public health does that very well and really a number of the agencies that are our public health partners do that very well in working with us. [LB119]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Mr. Wiese. [LB119]

ROGER WIESE: Thank you very much. [LB119]

SENATOR MELLO: (Exhibits 18, 19, 20, and 21) Are there any further proponents of LB119? Seeing none, the committee received several letters of support: One letter from Brown County Sheriff Bruce Papstein (Exhibit 17); one from the Public Health Association of Nebraska, Pat Lopez (Exhibit 15); one from the Nebraska Academy of Nutrition and Dietetics from Heather Comstock; one from the Nebraska Hospital Association from Bruce Rieker and Timoree Klingler; one from Public Health Solutions District Board of Health, Bruce Kennedy; and one from Saline County Commissioner Janet Henning. Are there any opponents to LB119? Are there any testifiers in the neutral capacity? Seeing none, Senator Cook, would you like to close? [LB119]

SENATOR COOK: (Exhibit 22) Yes, very briefly. Thank you very much, Mr. Chair and committee members, for taking time to consider this proposal. I do have, if the pages can give me a hand, a handout which would include ideas that each of the local health departments have put forward as to how they might use the $200,000. I just wanted to thank you for your consideration, and reemphasize the fact that as we move ideally into an environment where we are compelled, as term limited legislators, to plan for the future, I think that public health is a wonderful investment. Because I think many of us, as committed as we are to public service, would not mind if some of the challenges that we faced in terms of budgeting and emergencies, some of that time and some of those dollars were put towards something with more of a future orientation. So thank you very much. [LB119]

SENATOR MELLO: Thank you, Senator Cook. Are there any questions from the committee? Seeing none, that will end today's public hearing on LB119 and take us to our next bill hearing, LB157, by Senator Tanya Cook. (See also Exhibit 49) [LB119]

SENATOR COOK: Yes, thank you, Mr. Chair. Once again, my name is Tanya Cook. It's spelled T-a-n-y-a C-o-o-k. I am the introducer of LB157, a bill to appropriate targeted funds to expand dental services at Nebraska's six community health centers. Dental health is a key indicator of overall health and can sometimes be a precursor to a more serious and expensive health complication. Throughout Nebraska there's a severe lack of access to both preventative and acute dental care for low-income citizens. LB157 recognizes that investments in dental healthcare saves healthcare dollars in the long term, especially when providing preventative care to children, by making sure that preventable ailments are treated and that our youth are healthy enough to learn, thrive, and to avoid expensive and debilitating declines in health. This legislation would appropriate $150,000 to expand dental services to uninsured low-income Nebraskans through the six community health centers throughout the state. Those community health centers are the Charles Drew Health Center, OneWorld Community Health Centers, Good Neighbor Community Health Center, Panhandle Community Health Center, Norfolk Community Health Center, and People's Health Center. As I testified in the previous bill proposal, taking advantage of and building upon our previous investments in a strong, dynamic, and adaptable public health infrastructure poses a true opportunity to slow the growth in our state's healthcare expenses and improve the quality of life in our state. In this case, advancement of LB157 will take advantage of Nebraska's previous investment in public health infrastructure to provide important access to dental care where that care is currently not available. Testimony to follow will outline the specific needs that our constituents face in relation to the lack of access to dental care, as well as the importance of dental care in overall health, well-being, and productivity. There's a real need for this access to basic preventative dental care, and LB157 provides a solution. I appreciate your thoughtful consideration of this proposal and ask for your support of the advancement of LB157. Thank you. [LB157]

SENATOR MELLO: Thank you, Senator Cook. Are there any questions from the committee? Senator Kintner. [LB157]

SENATOR KINTNER: I don't know if you're best to answer this or someone behind you, but how is this different from Medicaid? [LB157]

SENATOR COOK: Well, some of the people who would access this would not necessarily be Medicaid eligible for the preventative dental services that we would be providing. Or let's say an issue arises as you identify, let's say, an infection in someone who is eligible. Medicaid may not cover that. And what ideally, since this is kind of a public health theme this afternoon, ideally we are seeing children and adults, who are low income and do not have health insurance, on a regular basis so that emergencies are avoided, kind of ballooning our Medicaid challenges with them in the later times. Is that helpful? [LB157]

SENATOR KINTNER: Yeah. Maybe I'm just shocked by seeing, through hearing after hearing after hearing, after program after program after program. My head is spinning... [LB157]

SENATOR COOK: Yes. [LB157]

SENATOR KINTNER: ...and I'm going, holy cow, the poor taxpayer. So okay, thank you very much. [LB157]

SENATOR COOK: Thank you. [LB157]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Senator Cook. [LB157]

SENATOR COOK: Thank you. [LB157]

SENATOR MELLO: First we will take proponents for LB157. [LB157]

REBECCA RAYMAN: (Exhibit 23) Good afternoon. My name is Rebecca Rayman, R-e-b-e-c-c-a R-a-y-m-a-n, and I'm the current chair of the Health Center Association of Nebraska, and I come here today representing Nebraska's six federally qualified health centers that provide healthcare homes for over 63,000 patients in Nebraska. In 2011, our health centers served over 19,000 patients with dental services for nearly 50,000 visits. I am the executive director of the Good Neighbor Community Health Center and East-Central District Health Department in Columbus. I speak in support of LB157 and I thank Senator Cook for introducing this bill and her dedication to oral health of low-income Nebraskans. Today we ask your help. Our health centers are at capacity for dental care, yet there is still a tremendous need for us to expand services. In addition to the important reason of providing relief from pain and prevention of a lifetime of oral health problems, there are compelling budgetary, educational, and work force reasons that support this bill. Nebraska's federally qualified health centers are community-based organizations. We provide comprehensive primary care to people of all ages and backgrounds, according to their ability to pay. In 2011, 89 percent of our patients had incomes below 200 percent of poverty, and 65 percent of our patients were racial or ethnic minorities. These are the people in our communities that are in high need of dental services that we're bringing to your attention today. Senator, the ability of Medicaid patients to access dental services in our communities is extremely limited, and in most cases our health centers know of no dentist in the area to whom they can refer patients. Our uninsured patients are primarily low income and rarely can afford the rates of private dental practices. Additionally, our centers provide many enabling services for our patients that are difficult for dental practices to provide. By way of an example, statewide our health centers provide interpretation services in 25 different languages. Children without good dental care have lower school attendance rates and poorer

school performance. Most concerning, of course, is the pain that they experience by not having preventative and prompt care that comes from having a dental healthcare home. Low-income and minority children are disproportionately affected by a lack of access to dental services. Adults face similar issues which impact not only their health but the strength of our work force and the success of their employment if not facing debilitating oral health issues. Additionally, those without a dental home contribute to higher Medicaid costs for treatments that could have been prevented. They add to the uncompensated care in hospitals by the use of emergency rooms for dental issues. A 2012 study by the Pew Center reported that a major driver of dental-related hospital visits is the failure of states to ensure that disadvantaged people have access to routine preventative care from dentists and other providers. They reported that research shows the average cost of a Medicaid enrollee's inpatient hospital treatment for dental problems is ten times more expensive than the cost of preventative care delivered in a dentist's office. And I would add to that, that the average cost of an ER visit is $1,319 in 2010, and I got that figure from the U.S. Department of Health and Human Services, Agency for Research and Quality. For that price, we can provide 22 dental visits for 1 ER visit. The FQHC that I oversee in Columbus has one full-time dentist, one hygienist, and we also have UNMC dental students that come through our agency. Even with having the dental students, we are short needed dental providers. We turn people away from dental services every day and are not even able to keep a waiting list, because when we had a waiting list, it was four months long and was not practical. We open up our schedule only one week at a time. People call starting usually at 3:00 a.m., and by 8:00 a.m. all of our appointments are gone. We do operate a walk-in emergency clinic on Monday mornings. It is a first-come, first-served clinic, and we're very busy, always having to turn people away. This clinic was designed to help people...to help keep people out of the emergency room, and we believe if we have two dentists we could be even more effective in this. Thank you. And I would be happy to answer any questions that you have. [LB157]

SENATOR MELLO: Thank you for your testimony, Ms. Rayman. Are there any questions from the committee? Senator Wightman. [LB157]

SENATOR WIGHTMAN: Thank you, Senator Mello. Thank you for being here,... [LB157]

REBECCA RAYMAN: Thank you. [LB157]

SENATOR WIGHTMAN: ...Ms. Rayman. You're asking for $900,000 and I understand that's additional funds from what you're now receiving. How much are you now receiving... [LB157]

REBECCA RAYMAN: Each... [LB157]

SENATOR WIGHTMAN: ...for this particular service? [LB157]

REBECCA RAYMAN: Right. For this particular service, we receive no dedicated funds from the Legislature. We do receive funds for the health center in general, but no dedicated funds for dental. [LB157]

SENATOR WIGHTMAN: Are some of the funds that are not dedicated used for dental or...? [LB157]

REBECCA RAYMAN: I use some of the funds for dental. I use at this time $12,000 a year for dental in our health center. [LB157]

SENATOR WIGHTMAN: And under this, there would be six different healthcare facility centers and so you'd be looking at increasing what's about $12,000 now to $162,000, I gather. [LB157]

REBECCA RAYMAN: Well, it would be an increase of $150,000. It would allow us to hire a second dentist and to put that dentist to work seeing individuals so we wouldn't have such a long waiting list and people wouldn't be forced to go to the ER. [LB157]

SENATOR WIGHTMAN: You've been here some of the afternoon, I think, haven't you? [LB157]

REBECCA RAYMAN: Yes, I have. [LB157]

SENATOR WIGHTMAN: And obviously if we look at all this funding, we're probably going to run out of funds long before we get there,... [LB157]

REBECCA RAYMAN: Yes. [LB157]

SENATOR WIGHTMAN: ...at least I suspect. [LB157]

REBECCA RAYMAN: I think it would take the wisdom of Solomon. [LB157]

SENATOR WIGHTMAN: That's just fine. I don't know if we have that wisdom as far as finding the money. Say if you were to get $150,000 or $200,000 a year, let's say $300,000. That divides by six rather easily. [LB157]

REBECCA RAYMAN: Uh-huh. [LB157]

SENATOR WIGHTMAN: How helpful would that be? [LB157]

REBECCA RAYMAN: Whatever we get, Senator, will help to make a difference. You

know, certainly if we can add a full-time dentist to each health center, that in our agency, I can't speak for all agencies, but in our agency that would be about 2,500 more patients served. If we got a proportion of that, if we, for example, got a third of that, the $50,000, I think we could probably take that and divide it by three. And for those patients who are in that category, it would be very helpful. [LB157]

SENATOR WIGHTMAN: Okay. I've heard one of the previous testifiers talk about that he had a district I think of about 45,000 people. [LB157]

REBECCA RAYMAN: Uh-huh. [LB157]

SENATOR WIGHTMAN: There are some that small and then there must be some of the six that are much, much larger than that, including Douglas County, I assume. [LB157]

REBECCA RAYMAN: Well, the health centers are a little bit different. We're not restricted geographically. I think it's kind of confusing because I'm both a health department and a health center, so my geographic area with a health department is well-defined through a four-county area. For the health center, we don't turn people away who come to the health center. Our particular health center sees people from 28 counties. But, yes, some health centers are much larger. You're going to be hearing from Andrea Skolkin with OneWorld, which is a much larger health center than our health center, but I think... [LB157]

SENATOR WIGHTMAN: How many people are in your health center? [LB157]

REBECCA RAYMAN: How many people come to our health center? [LB157]

SENATOR WIGHTMAN: No, how much population is in your... [LB157]

REBECCA RAYMAN: Well,... [LB157]

SENATOR WIGHTMAN: ...is served by your health center? [LB157]

REBECCA RAYMAN: Yeah. Well, again, we serve people from 28 counties. I have people who drive as far away is 150 miles for care to come into our health center. So it's difficult to define, you know, what is the potential in the geographic region. But I can tell you, we currently served last year 6,150 individuals but we could have served many more if we had had the capacity to do so. [LB157]

SENATOR WIGHTMAN: Okay. Thank you. [LB157]

REBECCA RAYMAN: Thank you, sir. [LB157]

SENATOR MELLO: Thank you, Senator Wightman. Senator Kintner. [LB157]

SENATOR KINTNER: Hi. [LB157]

REBECCA RAYMAN: Hi, how are you? [LB157]

SENATOR KINTNER: Fat and happy. [LB157]

REBECCA RAYMAN: Oh. (Laughter) [LB157]

SENATOR KINTNER: When I was a kid, and that was probably--let me put the decade--early '70s, so Medicaid was less than a decade old, poor people had terrible teeth, terrible teeth. [LB157]

REBECCA RAYMAN: Uh-huh. [LB157]

SENATOR KINTNER: And I looked at them; I'd go, oh, jeez, I don't want to ever be like that; I'm going to take care of my teeth; I'm going to work hard, I'm going to get a good job and a good education; I'm going to make sure my teeth are never like that. If the government just steps in and fixes your teeth, what incentive is there for anyone to have good behavior, to work hard, to try to achieve something in their life if the government will step in and fix it if they don't do it? [LB157]

REBECCA RAYMAN: I think for some of those children that you grew up with, it would have been great if they could have seen a hygienist who could have taught them how to take care of their teeth. We see...I have a patient in mind who is probably about 35 years old who came into our health center. We were able to help her out with dentures. And she had been unable to find a job for about five years because no one would hire her because so many of the jobs that are low paying are jobs that are service jobs, a waitress or are even clerking in Walmart. Walmart wants you to have a nice smile for the people. And she was able to locate employment. So while it's not a perfect system, I think that good dental care actually helps people to get employed who have been unemployable in the past. One of the things that this patient told me is she actually came to talk to our board, which is how I heard her story personally, but one of the things that she told the board is that we'd actually given her life back; that she said that she found herself always going everywhere, she always had her hand over her mouth because she was so ashamed of her smile. And what we did was give her a smile that allowed her to be employed and allowed her to participate and become an active member of society. So I would hope that the kids who are growing up today, that we could get them into good preventative care with a hygienist. Some of their parents haven't had that experience and aren't the best at providing that care for them. [LB157]

SENATOR KINTNER: But if they don't take care of their teeth, can't they look at her and

go, well, jeez, if I don't take care of my teeth they're going to fix mine like they fixed hers, no problem? Where is the incentive for people who want to take care of themselves... [LB157]

REBECCA RAYMAN: Well,... [LB157]

SENATOR KINTNER: ...if the government is going to step in and just fix everything for them? [LB157]

REBECCA RAYMAN: Quite a lot of the work that we do in community health centers with dental care revolves around prevention, so we really want to teach those families how to prevent those problems so that we don't have to step in and do the dentures. It's much more cost-effective. But I do kind of share your frustration sometimes that...the direction we're going, but I truly believe that prevention is the key. We save so much money if we just prevent it up-front. And again, I can see 22 people, 22 dental visits for the cost of 1 ER dental visit, and that's a significant difference. [LB157]

SENATOR KINTNER: Thank you. [LB157]

REBECCA RAYMAN: Thank you so much. [LB157]

SENATOR MELLO: Senator Harms. [LB157]

SENATOR HARMS: Thank you, Senator Mello. I'd have to tell you that I believe these health centers are extremely important, particularly where I live. There are a lot of dentists who will not take Medicare (sic) patients,... [LB157]

REBECCA RAYMAN: That's correct. [LB157]

SENATOR HARMS: ...I'd probably say the majority of them don't take it. They will not take low-income people who do not have insurance,... [LB157]

REBECCA RAYMAN: That's correct. [LB157]

SENATOR HARMS: ...because you have to pay up-front. They now require you to pay up-front before you have the service. So what happens then for these families, the families who don't have the education or the dollars go untreated, unserved, and the illness then that comes with the infection that goes into that body is pretty critical. I've read some research that tells that...or shows pretty clear that you can tell a great deal from a person's health by their teeth, and by not getting appropriate care early sometimes other illnesses go by unchecked. [LB157]

REBECCA RAYMAN: That's correct. [LB157]

SENATOR HARMS: And you can actually prevent some people from developing certain illnesses or diseases that we could catch if we had better dental care. So it's always hard to find where the magic number is here, but I do know that these health centers are very important for a variety of reasons. There are just a lot of people who are poor but don't qualify for Medicaid. And where I live, we don't pay a lot of money for jobs. There are not a lot of jobs, that are really high-skilled, available, so a lot of individuals struggle with that. I know there are times where they come, I don't know, once every other, two years, they do free dental care. [LB157]

REBECCA RAYMAN: Uh-huh. [LB157]

SENATOR HARMS: They do that out at the fairgrounds in Mitchell, Nebraska. People are there at 3:00 in the morning, crawling over the fence to get in line, fighting to get in line... [LB157]

REBECCA RAYMAN: Yeah. [LB157]

SENATOR HARMS: ...to get their teeth taken care of. So I think we have to be just a little careful when we start saying that, you know, just the government is going to take everything...take care of everyone. These people can't take care of themselves. They don't, first of all, they don't have the income. [LB157]

REBECCA RAYMAN: Yeah. [LB157]

SENATOR HARMS: They don't have the jobs. They're in rural Nebraska and it's a tough row for them the way that it is. So I would just tell you, I think your health centers do a great job and they're a lifesaver for many of the people in rural Nebraska, where I live. Because without it, I don't know what we'd do. So thank you for your services. [LB157]

REBECCA RAYMAN: Thank you, Senator. And I will say that the Mission of Mercy, we always send our dentists and some of our staff to help support Mission of Mercy so that we can provide some care in some other areas of this state. And you are right on with periodontal disease or gum disease making a huge difference in your health. We know that individuals with periodontal disease are more likely to have preterm labor and delivery of a preterm infant, and they're more likely to have heart disease. Thank you. [LB157]

SENATOR MELLO: Senator Wightman. [LB157]

SENATOR WIGHTMAN: Thank you, Senator Mello. I'll try to limit this to one question this time. Usually I'm unsuccessful, I might add, but... [LB157]

REBECCA RAYMAN: Well, then I'll wish me the wisdom of Solomon. (Laugh) [LB157]

SENATOR WIGHTMAN: Okay. It seems like every time we talk about funding one of the healthcare centers, we talk about each of them getting the same amount, but yet... [LB157]

REBECCA RAYMAN: Uh-huh. [LB157]

SENATOR WIGHTMAN: ...the population must vary substantially, maybe four or five to one, between one health center and the other. Can you tell me how...is there any way to split money other than each healthcare center getting equal amounts? Can that be based on population? [LB157]

REBECCA RAYMAN: I think there's quite a few different ways to split...you know, that you could split that formula up, but I think all of the health centers are at capacity. All of the health centers have more individuals to see. In the case of our area, certainly we're in a rural area. We're located in Columbus, Nebraska, where there's like 21,000 people. That's a little bit different than being located in Omaha where there's 400,000 and some people. But at the same token, there are some things that are harder for us. It's much harder for us to recruit physicians to rural areas. It's much harder for us to recruit dentists. We have a van that's on the road all of the time. We pick up individuals in our four-county area because transportation is a huge issue. When you're inside a metropolitan area, you may have some access to bus service or you may have some access to transportation that is often very difficult in rural areas. We might travel 45 minutes each direction to pick somebody up to provide healthcare. That means it just costs a lot. We have to have a van driver. We have to have a service to do that. So I think all of the health centers have challenges, Senator, depending on where they are. Certainly the largest health centers are located in urban areas where most of the population is located. [LB157]

SENATOR WIGHTMAN: Thank you. I could think of a follow-up question or two,... [LB157]

REBECCA RAYMAN: Yeah. [LB157]

SENATOR WIGHTMAN: ...but since I've said I would use only one or try to, I won't. (Laughter) [LB157]

REBECCA RAYMAN: Okay. [LB157]

SENATOR MELLO: Thank you, Senator Wightman. Are there any further questions from the committee? Seeing none, thank you, Ms. Rayman. [LB157]

REBECCA RAYMAN: Thank you so much. [LB157]

SENATOR MELLO: Next proponent for LB157. [LB157]

ANDREA SKOLKIN: (Exhibit 24) Senator Mello, members of the committee, my name is Andrea Skolkin, A-n-d-r-e-a S-k-o-l-k-i-n, and I'm pleased to be here today to provide testimony in support of LB157. I am the chief executive officer of OneWorld Community Health Centers located in Omaha and in Plattsmouth. In 2012, our center cared for over 8,500 just dental patients through 16,000 visits. Like the other health centers across the state, we cannot keep up with the need for dental services without a resource to expand our provider network. And like the other health centers, we document every day the growing demand and the long delays as people in our community look to find affordable dental care. As you've heard from the previous testimony of Rebecca Rayman, dental services for people with low incomes that do not have health insurance or dental insurance, as well as those enrolled in Medicaid, are the highest need that we see. In addition to the routine appointments and preventive screening that you and I are accustomed to, our patients are also in dire need of pain-relieving and quality life-enhancing treatments, such as fillings, root canals, extractions, crowns, and dentures, and there's also a very high need for emergency oral health services. And, sadly, we don't have the capacity to meet that need. We know from the patients that we see every day, this impacts their ability to work and serious dental problems prevent them from earning a living for their families. In the metropolitan area alone, a survey, a health assessment done by our county health departments, noted that 30 percent of adults had not visited a dentist, and in Sarpy County that was 27 percent. Alarmingly, when we look at younger children ages two to five, 35 percent have not been to a dentist. The school nurses in our metropolitan area tell us that oral healthcare...besides oral healthcare, mental healthcare are their top needs in what they see in schools. A research study on Nebraska 3rd graders back in 2005 showed that 60 percent of them had tooth decay, and among the recommendations was expansion of oral healthcare at Nebraska's community health centers. Two thousand twelve, a final report from Nebraska, the Oral Health Access for Young Children Program cited a need for more accessible, culturally competent oral health providers and programs. Just recently, a small story, a 2nd grade child was referred to our health center and to the medical clinic after weeks of not paying attention in school. He complained that he was hungry and he said it only hurts when he eats. Upon examination, the nurse practitioner could see the problem, that it was not necessarily totally physical but it was in his mouth; then referred to our dental clinic. We found abscess in the student's mouth. We were able to fix that and the child went back to school. Oral health is essential to good overall health. Good oral health improves a person's ability to speak, to smile, to smell, taste, touch, chew, swallow, and make facial expressions to show feelings and emotions. Barriers such as limited access to and availability of dental services, lack of awareness for the need for care, the cost and fear of the cost of dental procedures can limit someone's use of preventive services. While Nebraska health centers across the state have worked hard

to find grant and philanthropic money for this purpose, we've reached the limit of what we can accomplish without a steady revenue source for meaningful service expansion and, thus, LB157 is a solution. I thank you for the opportunity to be here today and to emphasize the importance of oral health across the state. I'd be happy to answer any questions. [LB157]

SENATOR MELLO: Thank you for your testimony, Ms. Skolkin. Are there any questions from the committee? Senator Kintner. [LB157]

SENATOR KINTNER: I'll ask you the same question I asked her, so you probably heard it. So what's the incentive for somebody, if they look at their friends, get free dental care, and you know if they know something goes wrong, what's the incentive for me? Well, why should I work, make myself better if I know the government is going to step in and give me that free dental care? [LB157]

ANDREA SKOLKIN: Senator Kintner, thank you for the question. I would like to share with you that, first of all, the community health centers don't provide free dental care. All of our patients pay on a sliding fee scale what they can pay based on the number of people in their household and their income. So they are contributing to their care. When we look at Nebraska Medicaid, it is very difficult to be eligible for Medicaid, the breakpoint being above 58 percent of poverty, which is really, really low income. So a lot of people are left without. So the incentive is that the community health centers are teaching people about the importance of care and in time they are able to, when their teeth are fixed, get a job and then be able to pay for their own dental care. [LB157]

SENATOR KINTNER: You know, since I visited with you and I toured your facilities,... [LB157]

ANDREA SKOLKIN: Uh-huh. [LB157]

SENATOR KINTNER: ...I knew that there was a sliding scale at yours, so that's a very good answer. Thank you. [LB157]

ANDREA SKOLKIN: Uh-huh. [LB157]

SENATOR MELLO: Are there any further questions from the committee? Senator Conrad. [LB157]

SENATOR CONRAD: Thank you, Ms. Skolkin, a quick question. How long have you been with the federally qualified health center in your community? [LB157]

ANDREA SKOLKIN: Senator Conrad, about eight and a half years. [LB157]

SENATOR CONRAD: About eight and a half years. Oh. [LB157]

ANDREA SKOLKIN: Uh-huh. [LB157]

SENATOR CONRAD: Okay. Very good. And so you've had frequent interactions with vulnerable Nebraskans who utilize your services, some of the working poor and some of the most needy. Is that right? [LB157]

ANDREA SKOLKIN: That's the majority of our patient population. [LB157]

SENATOR CONRAD: Okay. In your experience in that eight and a half years of service, are you aware of any individuals who would forgo a good-paying job with benefits in light of the trade-off for potentially some dental services or other health services at your health center or anyplace else for that matter? [LB157]

ANDREA SKOLKIN: No, Senator, I can honestly say that all of our patients, their goal is to have a good-paying job to sustain their families. [LB157]

SENATOR CONRAD: Very good. Thank you. [LB157]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Andrea. [LB157]

ANDREA SKOLKIN: Thank you. [LB157]

SENATOR MELLO: Are there any further testifiers here today in support of LB157? [LB157]

JESSICA MEESKE: Good afternoon. My name is Jessica Meeske. It's spelled M-e-e-s-k-e, and I'm a pediatric dentist in Hastings and I'm testifying in support of LB157. I chair the Medicaid committee for the Nebraska Dental Association. I also sit on the Governor's Medicaid Reform Council. I'm testifying today on behalf of the NDA. Dental disease, as others have mentioned, is one of the greatest unmet needs. You talk to any Head Start worker, school nurse, pediatrician, family practice doc and they're going to tell you the greatest unmet healthcare need that they see come through their offices and schools is dental. And dental care in Nebraska is primarily delivered through our private practice system, such as my private practice in Hastings and Grand Island. However, not every Nebraskan is able to access care through the private practice system. Community health centers play a role in our dental safety net system throughout our state, and what they do is they care disproportionately for that group of people that doesn't always fit into my practice. And I know the question is coming so I want to make sure I answer it up-front. My practice sees 65 percent Medicaid. I want to be somebody who's part of the solution in trying to make it better, but still everybody

doesn't fit into the private practice center. And while many of the patients that they see are uninsured and much of what they do is emergency care, they're also a dental home. And a dental home is that place where they can go to get all kinds of dental needs met, not just their emergency services. Funding for these clinics comes through federal block grants, Medicaid, some sliding scale fees, and, as we're talking about today, state appropriations. The amount of funding this bill is seeking is $900,000 for six clinics. I don't have one of these clinics in my community. I have to send kiddos that I might not be able to help to Rebecca's clinic down in Columbus. I have children from North Platte, from Scottsbluff from Panhandle Community Services being referred to Hastings because of the severity of their dental disease and they can't be treated in a dental office. To help make better sense of these real dollars, because I am assuming the question is coming, last year dental Medicaid expenditures were approximately $38 million. In my practice, when I need to take one youngster to the operating room to treat their severe dental disease, you can be looking at anywhere between $3,000 and $5,000 per kiddo, okay? So that's just one kid getting treated one time in an operating situation. When I want you to think about these kids, these kids have very severe tooth decay, broken down often to the gum line, draining abscesses, toothaches, faces that are swelling, and the kids aren't eating or sleeping at night. Now my practice has four pediatric dentists and each of us treat five to seven kids each week in the OR. Not all of those are Medicaid, but the majority of them are. The amount of $900,000 would pay for 225 children to receive dental treatment in the OR, or it could be invested in benefits that are going to reach many, many more kids than that. And those 225, they're being paid with Medicaid. They don't come out of this particular funding source. As was mentioned before, the mouth is a gateway to the rest of the body and often an indicator of overall health. The NDA is proud to support and partner with our dentist members who have dedicated their careers to caring for Nebraska's most vulnerable populations, and we encourage you to support this bill. I also would be happy to entertain any questions. [LB157]

SENATOR MELLO: Thank you for your testimony, is it Dr. Messkey (phonetically)? [LB157]

JESSICA MEESKE: Uh-huh, Meeskey (phonetically). [LB157]

SENATOR MELLO: Meeskey (phonetically). [LB157]

JESSICA MEESKE: Uh-huh. [LB157]

SENATOR MELLO: Are there any questions from the committee? [LB157]

SENATOR KINTNER: I've got one small one. [LB157]

SENATOR MELLO: (Laugh) Senator Kintner. [LB157]

SENATOR KINTNER: You're 65 percent Medicaid? [LB157]

JESSICA MEESKE: Yes. [LB157]

SENATOR KINTNER: It's none of my business how you make that work, but... [LB157]

JESSICA MEESKE: Uh-huh. [LB157]

SENATOR KINTNER: ...you must have a real heart to really just help people. You must have a heart about the size of Texas because that's...you're losing money with each person you see, aren't you? [LB157]

JESSICA MEESKE: No, not necessarily. A lot of it is understanding the combinations and what are best practices in order to make that work so...plus, if I'm spending a lot of my time trying to prevent the disease, it takes me much less time to work with a family to prevent it while the problem is small than to take a kid and completely sedate them in your office, taking two hours of my time, you know, $1,000-plus of Medicaid dollars to do it. And while we have lots of challenges in how to better take care of the Medicaid-eligible population, there's a lot of us that are very committed to seeing them and we're trying to help work with our peers as well as the Medicaid-eligible population to make it work. And there's a lot of cool things that are going on. I'll just share one of them with you. One of the things that a lot of docs will talk about when they see a lot of Medicaid is sometimes having problems with patients that no-show appointments, and that creates problems in your day when you're seeing a lot of patients. So rather than me complaining about why the Medicaid patient is having trouble keeping their appointment, what we've done is implemented a texting system that will automatically send them a text message, because many of them have cell phones. And when they get that message or reminder, it encourages them to bring their kid in. So it depends how you look at it. Is the glass half full or half empty? I tend to look at it as the glass is half full. I appreciate the question. [LB157]

SENATOR KINTNER: Yeah, that's amazing. I know, I've talked to a dentist in my district. I'm guessing 25 percent take Medicaid,... [LB157]

JESSICA MEESKE: Uh-huh. [LB157]

SENATOR KINTNER: ...75 percent don't, at least in my largest county,... [LB157]

JESSICA MEESKE: Uh-huh. [LB157]

SENATOR KINTNER: ...(inaudible) from what I can tell. So that's amazing that you're able to prosper. And I'm telling you, you've got to have a big heart to do that because it

would be a lot easier to go for the full-pay people. [LB157]

JESSICA MEESKE: And Cass County, is that one of your counties? [LB157]

SENATOR KINTNER: Yeah. Yes, it is. [LB157]

JESSICA MEESKE: Yeah, that's where I grew up and I'm the product of a mom who was a school nurse for the Conestoga Public Schools for 20-some-plus years and then at Plattsmouth Public Schools. And I can remember my mom calling me and saying, what do I do with all these kids where I've tried to find them a dental home, I've tried to help connect them with somebody that can fix their needs? And I said, Mom, call OneWorld. And OneWorld came out with a mobile dental clinic and they took the kids that didn't fit into the private dentists there and they were able to help get those kids back into health. And I also want to tell you, I'm a school board member. This isn't just personal because it's my patients and the kids in my community that have dental needs. It's very personal from the standpoint, if these kids are missing school, I'm the one that you all hold accountable if they're not making the test scores on the state tests. So it's really all tied together. Also, your very, very good questions earlier about adults and if we just give them everything what's the incentive, you have to remember a lot of those low-income adults can be a single mom. And if that single mom is experiencing pain, it's very difficult for her to take care of her youngster and get the homework done at night and get to parent-teacher conferences. I teach a course at the College of Dentistry on Medicaid and on the culture of poverty, and I'm going to make sure you get my notes so it will help you to understand this issue. It's very, very complex to understand. And all your questions have just been wonderful, but it's multifactorial in why we have this problem. [LB157]

SENATOR KINTNER: In Plattsmouth, it's Dr. McKnight and his son who take care of the Medicaid. [LB157]

JESSICA MEESKE: Yes, they do. [LB157]

SENATOR KINTNER: Yes. [LB157]

JESSICA MEESKE: And they're wonderful. [LB157]

SENATOR KINTNER: They sure are. Thank you. [LB157]

JESSICA MEESKE: Thank you. [LB157]

SENATOR MELLO: Senator Nelson. [LB157]

SENATOR NELSON: Thank you, Senator Mello. Thank you, Dr. Meeske, for coming in.

Your practice is basically pediatric dentistry? [LB157]

JESSICA MEESKE: Yes, uh-huh. [LB157]

SENATOR NELSON: Is that correct? [LB157]

JESSICA MEESKE: Uh-huh. [LB157]

SENATOR NELSON: The example you gave of going into surgery,... [LB157]

JESSICA MEESKE: Yes. [LB157]

SENATOR NELSON: ...was that with a child, $3,000 to $5,000? [LB157]

JESSICA MEESKE: Uh-huh. [LB157]

SENATOR NELSON: Okay. So your quest here is to increase the amount of prevention and get the information out so you don't reach that stage. Is that correct? Have I understood? [LB157]

JESSICA MEESKE: That's right, because the question that keeps coming up is how many dollars are we going to continue to throw into prevention and everybody is going to come back and want more and more and more. But remember, you're looking at an appropriations bill with a $900,000 price tag, and you've got a dental Medicaid expenditure that is nearing $40 million. So what we're trying to do is figure out what can we do to help this vulnerable population so we're not spending $40 million and we can maybe ratchet that back. [LB157]

SENATOR NELSON: Thank you. [LB157]

JESSICA MEESKE: Uh-huh. [LB157]

SENATOR MELLO: Senator Harms. [LB157]

SENATOR HARMS: Thank you, Senator Mello. First of all, thank you very much. I'd have to tell you that I think when you took your medical oath, you meant it, didn't you,... [LB157]

JESSICA MEESKE: Uh-huh. Uh-huh. [LB157]

SENATOR HARMS: ...because your firm is willing to open your doors and you're willing to serve the people and you're committed to that. And I want to thank you for that because, to be honest with you,... [LB157]

JESSICA MEESKE: Thank you. [LB157]

SENATOR HARMS: ...I think it's kind of a rarity to hear someone like you come before our group and to tell your story about the fact that you are willing to work with Medicaid patients, low-income families. So I just want to say thank you very much because you definitely are a model that other people should follow. Thank you. [LB157]

JESSICA MEESKE: Well, thank you very much. [LB157]

SENATOR HARMS: Uh-huh. [LB157]

JESSICA MEESKE: I think you can look at it as a burden or you can look at it as a privilege, and I look at it as a privilege. [LB157]

SENATOR HARMS: Well, I appreciate that. Thank you. [LB157]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Dr. Meeske. [LB157]

JESSICA MEESKE: Thank you. [LB157]

SENATOR MELLO: Are there any further proponents for LB157? [LB157]

DEB SCHARDT: Senator Mello, committee, my name is Deb Schardt, S-c-h-a-r-d-t, and I'm a public health dental hygienist representing the Nebraska Dental Hygienists' Association, and we are in support of LB157. The silent epidemic of poor oral health in America was highlighted by the U.S. Surgeon General's 2000 report "Oral Health in America," which also called attention to the disparities that persist in oral health status, access to care, and unmet need for dental care. Oral health is essential to overall health and, thus, is an important part of comprehensive healthcare. Federally qualified health centers play a key role in these strategies, as they are uniquely positioned to increase access to oral health services in the communities experiencing the most acute access problems. Health centers provided comprehensive primary care to 19.5 million patients in 2010, while also serving as an affordable and convenient access point to oral health services for underserved communities and populations. More than 3.8 million patients received dental services at health centers in 2010. And there were more than 9.2 million visits to dental providers employed in health centers. Many preventive outreach programs can also be run through these health centers. By enhancing affordability for needy patients and providing other services, such as transportation, translation, and case management, health centers address barriers to access for the most vulnerable and underserved patients in the nation. Nationally, there are 130 million Americans that have no dental insurance; 47 million live in areas where it's difficult to access dental

care; 17 million low-income children go without dental care each year; and 833,000 emergency room visits in 2009 were the result of preventable dental problems, up 16 percent from 2006. The oral health goals of Healthy People 2020 seek to reduce the incidence and prevalence of dental problems by reducing delays and barriers to timely prevention and treatment. And 2 of the 17 oral health objectives specifically call for health centers to expand their role as a source of access to dental services. Health centers play an important role in attenuating racial and ethnic disparities, while serving as critical access portals to affordable, culturally competent oral health services in underserved communities. Oral health services offered in health centers are vital components of the strategy for meeting the Healthy People 2020 oral health objectives and fulfilling the public health infrastructure that increases access to affordable, timely, and culturally competent oral healthcare. These health centers are the cornerstone of the national strategy to address the silent epidemic of unmet need for oral health, and we request your support in increasing funding to expand dental services to uninsured low-income Nebraskans for the six FQHCs in Nebraska. [LB157]

SENATOR HARMS: Well, thank you for your testimony. Do we have any questions? Seeing none, thank you very much. [LB157]

DEB SCHARDT: You're welcome. [LB157]

SENATOR HARMS: Do we have anyone else who would like to speak in favor of LB157? Welcome. [LB157]

BRUCE RIEKER: (Exhibit 25) Thank you. Good afternoon, members of the Appropriations Committee. My name is Bruce Rieker, it's B-r-u-c-e R-i-e-k-e-r, vice president of advocacy for the Nebraska Hospital Association, testifying in support of LB157 and supporting our very valuable partners, the federally qualified health centers, who do an exceptional job of easing the burden on our hospitals as well as helping control the costs of healthcare in preventing more costly care when situation warrants, that health deteriorates to a point where they need hospital care. LB157, as it's already been said, recognizes the importance of preventive care. And when we look at this and then the focus on children, you know, one of the things that we as a Hospital Association look at, and we think it's a responsibility of all of us that are involved in government, is the duty to protect those who cannot protect themselves or care for those who cannot care for themselves. And I'm talking about the children, and it's something to not punish a child or deny them care for maybe the lack of responsibility of a parent or the fact that they just simply cannot provide that care. Plus, the education that comes with the preventive care will help them be more ready to learn. It will help them become more productive members of society. And it makes our education system more efficient, as well as helping that individual, like I said, probably gain meaningful employment but maybe break the cycle of the lack of knowledge about proper healthcare. Some things: Senator Kintner, appreciate your questions about the incentive

and I'll try to tackle some of those but...or see what I can do to handle that. But I'm going to try and put it in dollars and cents. And I'm not here to criticize any healthcare provider, but there are many healthcare providers who do not take Medicaid patients and I can't blame them. The financial incentive is not there because of the negative margin that comes with providing care. And Dr. Meeske, I've worked with her for many years. She is an anomaly, and respect and appreciate what she does greatly. However, more and more of our hospitals that we represent are starting to have to hire dentists as well as oral surgeons because there is not preventive care in their communities. And so we're trying to do what we can but there is a growing pressure on our hospitals. Now I'm not saying that all of this equates to cost shifting; however, of the 89 hospitals we represent, they have net patient revenues of about $4.7 billion per year annually. But we provide $1.1 billion of uncompensated care, which equates to roughly a 23 percent cost shift, for those people who are not paying, either in bad debt, charity care, uncompensated care for Medicaid or Medicare. The incentive: one, it makes sense to do what's in the public good of public health; but two, for all the employers out there that are providing insurance to their employees or for all those individuals who purchased their own health insurance, you know, they're paying that cost. That cost is shifted, you know, maybe not dollar for dollar, but there is a cost shift. The 89 hospitals we represent are nonprofit, but they're not in the business of going out of business. And so we need to be able to meet the community demands that our communities want, so there is that shift to every one of us in the room that pays for our healthcare and it...that ounce of prevention is definitely worth more than that pound of cure as to what we pay collectively for not providing the preventive care that our federally qualified health centers provide. [LB157]

SENATOR HARMS: Thank you, Bruce. Do we have any questions? Seeing none, thank you very much for your testimony. [LB157]

BRUCE RIEKER: Thank you. [LB157]

SENATOR HARMS: Do we have any other proponents? (See also Exhibits 3 and 26) Seeing none, do we have any opponents? Seeing none, do we have anyone who would like to speak in a neutral capacity? Seeing none, Senator Cook, would you like to finish? You waive. Senator Cook waives, so that closes the hearing for LB157. We will now open the hearing for LB187. Welcome, Senator Nelson. [LB157]

SENATOR NELSON: Good afternoon, Senator Harms and other members of the Appropriations Committee. My name is John Nelson, spelled N-e-l-s-o-n, and I represent District 6 in central Omaha. I am here today to introduce LB187. In the interest of time, my introduction will be even shorter than Senator Conrad's. Nebraska statutes 38-1149 and 38-1150 require that Nebraska employ a licensed dentist as the state dental health director within the Department of Health and Human Services. However, for the past seven years, this position has not been filled with any regularity.

The dental director plays a significant role in coordinating efforts to assure that we have sound dental public health policies. The director serves an important role within the Department of Health and Human Services by working with public health professionals, the Office of Rural Health, and Medicaid. The director also coordinates with key players, such as dental schools, private practice dentists, community health centers, school nurses, and WIC programs. Essentially, the director provides much needed expertise and leadership to help direct state and community resources to where they are most needed. Nebraska was also recently denied the renewal of a large federal grant through the Health Resources Administration, in part because it does not have a permanent dental director in place. Currently, Nebraska is not specifically allocating funds for a state dental director. LB187 would appropriate $150,000 in each of the next two fiscal years for the purpose of funding the position of dental health director for the state of Nebraska. With that, I urge the committee to advance this bill, and I would be willing to take your questions. [LB187]

SENATOR HARMS: Thank you, Senator Nelson. Do we have any questions for Senator Nelson? [LB187]

SENATOR KINTNER: I think I've got a question. I don't know if you can answer it or someone behind you can answer it. By the way, now you're a big spender now. No, I'm kidding. How does this (laughter) fit in with what we just heard? The director, as I understand, could leverage grants and stuff to try to promote preventative care. Is that what I understand? [LB187]

SENATOR NELSON: As I see it, Senator Kintner, one of the basic functions of the state health director is to coordinate and obtain resources, and that would be federal grants. We lost, as I said, a large federal grant of...not...that wasn't the only reason, that we didn't have a state health director. But in looking at the response from that agency, they said, we don't see any prospect for continuing efforts or sustainability because you don't have a state dental health director. And this could be called dental day this afternoon because all that we've heard about dental, especially oral care and preventative care. And if we can get these resources through the state dental director and get them disseminated and have the coordination with all of the various groups that are working here, I think it would be very helpful and, for $150,000 a year, a wise expenditure of funds, because I think we would save and economize in several ways and be able to go out with a better effort throughout Nebraska in caring for these individuals. [LB187]

SENATOR KINTNER: Yep. Thanks. [LB187]

SENATOR HARMS: Thank you, Senator Kintner. Thank you, Senator Nelson. Any other questions? Seeing none, thank you, Senator Nelson. [LB187]

SENATOR NELSON: Thank you. [LB187]

SENATOR HARMS: Do we have any proponents that would like to speak on behalf of LB187? Welcome. [LB187]

JESSICA MEESKE: Thanks for having me again. So for the record, my name is Jessica Meeske, M-e-e-s-k-e, and as I mentioned, I'm a pediatric dentist in Hastings. I'm testifying on behalf of the Nebraska Dental Association in support of this bill. For 17 years Nebraska had a really tremendous state dental director; however, from 2006 until present we've either not had a state dental director or have not been able to retain one very long. As a pediatric dentist, whose practice is one of the largest dental Medicaid providers in rural Nebraska, I heavily rely on the state dental director to assist me in many aspects of caring for the high-risk population. The primary role of your state dental director is to prevent dental disease before it occurs. And it's much easier and cheaper to keep our citizens free of disease than to spend many more dollars down the road treating it, as I've talked about. Treatment of tooth decay is very expensive, costing taxpayers several million dollars a year in Medicaid fees; often causes kids to miss many hours of school and their parents and adults to miss many hours from work. This isn't to mention the pain and suffering that many experience from this preventable disease--tooth decay. In addition, untreated dental disease can have severe and costly ramifications for Nebraskans on the medical side, including those with chronic illness and the developmentally disabled population. More specifically, the chief dental officer spends a great deal of time working to prevent tooth decay before it occurs. He or she writes grants for the state that fund preventive programs that reach thousands of Nebraskans, and most recently, as was mentioned by the senator, HRSA decided not to fund Nebraska for a half-a-million-dollar grant. And in their reasoning, and I sit on the committee that looks at these responses of these grants that come in, the most profound reason we didn't receive the money is there was no dental director in place, nor is there sustainable funding identified to support such a position. Second, a state dental director implements public health policy and programs that prevent disease. An example is overseeing and coordinating a school-based sealant program, so a school nurse, let's say from Weeping Water, Nebraska, could call the state dental director and she could arrange for a team that would go out and make sure that 3rd graders have sealants on their six-year molars--a protective coating that would help prevent tooth decay. Third, when there's specific patient groups that aren't receiving care, the dental director works to link them with places they can get care. That might be my private practice. It might be a federally qualified health center. It might be the Mission of Mercy that was out in Mitchell, Nebraska, several years ago, which I was at as well. But it's difficult to navigate the system for Nebraskans to know where they can get care. It's much simpler for us, because if we have an insurance plan everybody accepts it makes it much simpler. Fourth, a state dental director is active in the coordination of your dental public health activities with other HHS agencies, both at a state and a federal level. He or she interfaces with agencies like the Rural Health Commission, the Office of Public Health, Medicaid, community health centers, work force agencies. And when

there's a lack of coordination between these various agencies, oftentimes services are duplicated or they're just completely overlooked. And I can assure you this is often the case that I experience. Probably the most specific example I can give you of how I interact with our state dental director was the role she played in a local program in Hastings called "Son Risa." "Son Risa" means smile in Spanish, because the program that I was involved in starting targeted low-income, Hispanic kids who didn't fit into any program. And for $5,000 a year, which did not at that time come from state money, it came from the feds, we took care of 100 children and their basic dental needs, not orthodontia, not cosmetic dentistry; sealants, exams, cleanings, fillings, crowns, x-rays for $5,000. And if you remember what I told you we can spend on one child in the operating room, it can be between $3,000 and $5,000. That program is no longer in existence. We got a huge bang for the buck for 100 kids at $5,000. So as a final note, in recent Pew reports from the Pew Center on the States, Nebraska received a grade level of a D in terms of our efforts to create school-based sealant programs. Nebraska retaining a state dental director is a good investment for public health of Nebraskans, saves money in the Medicaid program, and keeps children in schools and adults working. The cost of the bill is $150,000, as compared to our dental Medicaid budget of approximately $38 million. And I thank you for your consideration. [LB187]

SENATOR MELLO: Thank you for your testimony, Dr. Meeske. Are there any questions from the committee? Seeing none, thank you. [LB187]

JESSICA MEESKE: Thank you. [LB187]

SENATOR MELLO: Next proponent for LB187. [LB187]

PAT BRINKMAN-FALTER: Good afternoon, Senator Mello and committee. My name is Pat Brinkman-Falter, B-r-i-n-k-m-a-n-hyphen-F-a-l-t-e-r. I am a board member of the Nebraska Rural Health Association. I am also president of the Nebraska Dental Hygienists' Association and I practice hygiene in rural Nebraska. I am here in support of LB187 and represent the hygiene association. Nebraska has been without a dental director for the past year and a half, and in this time the funds appropriated for the office have been relinquished to other programs. And so as a direct result, as Senator Nelson and Dr. Meeske said, we have lost a $500,000 grant, HRSA grant, which supported a number of dental health programs in the state. In addition, the lone remaining dental coordinator also just left due to lack of funding for her job. So Nebraska is now without any dental representation at all. The loss of funding for our state's underserved and to those without a dental home represents a real problem that impacts all healthcare in the state. Without available dental care, the oral health of these Nebraskans is at risk. Last year over 14,000 children were served by Program in a Box, that was funded by that HRSA program, along with others in WIC, Head Start, and public health clinics. This program allowed for earlier intervention and referrals to a licensed dentist to reduce the number of children that would be seen in an emergency room or require hospital

dentistry, and it also utilized measurable data collection for the state to show need and benefit. However, without a state dental director, Nebraska lacks the essential infrastructure that can support a unified statewide approach to oral health. It is critical for our state to have coordinated efforts in disseminating current information to the National Oral Health Surveillance System so that we have a reporting and tracking tool that is usable for implementing programs that work, they're able to receive federal funding, and they have sustainable growth. Study after study confirms that changes in the oral cavity, such as periodontal disease and other manifestations of poor oral health, are common in patients without care and contribute to increased morbidity and mortality because of systemic consequences. In 2010, 22 percent of low-income adults had not been to the dentist for five years or more. If these patients can't find a dentist or they neglect to do so, they're back in the emergency room. Nearly 1 million Americans visit the emergency room each year because of dental pain at a cost that runs into the hundreds of millions of dollars, according to a recent Pew study. A 2000 study...2007 study found in the Journal of Public Health Dentistry showed that the sealants result in a 68 percent to 87 percent reduction of cavities, and fluoride varnish reduced decay by 38 percent to 66 percent. Again, as Dr. Meeske stated, a recent Pew study gave Nebraska a D for their utilizing the sealants in school-based programs. Clearly, the funding for a dental director is important to the safety and well-being of Nebraskans. Not only will the office be able to secure funding like the HRSA grants for basic dental care to our residents, but the savings will be realized in lowered emergency room visits. Programs can once again be implemented for fluoride applications and sealants in children's teeth, the promotion of water fluoridation for communities, research in epidemiology. Health education and communication will be reinstated, resulting in improved access to care and correct information being disseminated to the underserved. Also, a dental home can be established in the public dental clinics for Nebraska's vulnerable. The state dental director is key to coordinating efforts to assure that the citizens of Nebraska have access to dental care. Thank you for your attention. [LB187]

SENATOR MELLO: Thank you for your testimony, Ms. Brinkman-Falter. Are there any questions from the committee? Seeing none, thank you. [LB187]

PAT BRINKMAN-FALTER: Thanks for having me. [LB187]

SENATOR MELLO: Next proponent for LB187. [LB187]

REBECCA RAYMAN: (Exhibit 27) Hello. My name is Rebecca Rayman, R-e-b-e-c-c-a R-a-y-m-a-n. I am the current chair of the Nebraska Healthcare Center...or the Healthcare Center Association of Nebraska, and we're in strong support of LB187. Federally qualified health centers are community-based organizations that provide comprehensive primary care and preventative care, including dental care. We provide services to persons of all ages and backgrounds, according to their ability to pay. One of the things that I would like to say is that the state dental director position is really vital

for the leadership, especially for oral health issues in our state. When we were starting our dental clinic in 2004, it was the state dental director who came out who helped us order the equipment that we needed. She helped us figure out what we needed to do to be in compliance with state regulations as far as the clinic was. And she helped us set up our policies and procedures, and I cannot tell you how helpful that was. In addition, the state dental director came out when our dentist was gone and we only had one dentist to help fill in for us. We also were the recipient on my East-Central District Health site of a grant that allowed us to apply dental sealants in the WIC clinic, and that's the grant, the $500,000, that was lost. And I can't tell you how wonderful that was to be able to provide preventative care for so many more children through the grant. And I would urge you to strongly support this. [LB187]

SENATOR MELLO: Thank you for your testimony, Ms. Rayman. Are there any questions from the committee? Seeing none, thank you. [LB187]

REBECCA RAYMAN: Thank you. [LB187]

SENATOR MELLO: Next proponent for LB187. [LB187]

BRUCE RIEKER: (Exhibit 28) Members of the committee, my name is Bruce Rieker, B-r-u-c-e R-i-e-k-e-r, vice president of advocacy for the Nebraska Hospital Association, testifying in support of LB187. And the reasons that we support it is that the appointment of a health director will result in better coordinated oral health for Nebraskans and a corresponding reduction in long-term care. It is definitely a step in the right direction. In a parallel universe, on the east side of this building there's the HHS Committee and the Banking, Commerce and Insurance Committee that have LR22 that they are considering, which is a study to look at modernizing and redesigning how we deliver care, and it would be incredibly important if we had the benefit of a state dental director helping coordinate those efforts on a statewide, unified basis. This, we applaud Senator Campbell and Senator Gloor for putting that together, many reasons that it came to be, but it is very much in line with what we are doing at the Nebraska Hospital Association as well. We go through a rigorous policy-setting process that, as we survey our members, involve as many as we can of our 89 hospitals that we represent. The number one priority identified last year, and we've been working on and we will work in conjunction with the Legislature, is redesigning how we deliver care. The involvement of patient-centered medical homes, accountable care organizations, care management, managed care, the whole gamut, we need to look at that and to become much more efficient and effective. And I think that...or we think that it would be a very strategic and valuable investment to have a dental health director leading the charge from the dental side of healthcare delivery. With that, we urge you to support funding this position. [LB187]

SENATOR MELLO: Thank you for your testimony, Mr. Rieker. Are there any questions

from the committee? Seeing none, thank you, Bruce. [LB187]

BRUCE RIEKER: You're welcome. [LB187]

SENATOR MELLO: Are there any further proponents for LB187? Seeing none, the committee did receive letters of support from the Nebraska Dental Assistants' Association, Jennifer Todd; from the South Heartland District public Health Department; Friends of Public Health in Nebraska from Kay Oestmann; the Nebraska Medical Association from Dan Noble; and from Public Health Association of Nebraska from Pat Lopez. (Exhibits 29, 30, 31, 32, and 33) Are there any opponents to LB187? Seeing none, are there any testifiers in the neutral capacity? Seeing none, Senator Nelson, would you like to close? [LB187]

SENATOR NELSON: I'll waive my closing. [LB187]

SENATOR MELLO: Senator Nelson waives closing. That will end today's public hearing on LB187 and take us to our last public hearing on legislative bills, LB20 by Senator Jeremy Nordquist. [LB187]

SENATOR NORDQUIST: (Exhibits 34, 35, 36, and 37) All right. Thank you, Mr. Chairman. Members of the esteemed Appropriations Committee, for the record, my name is Jeremy Nordquist. I represent District 7 in downtown and south Omaha. I'll note that this is LB20, introduced on the first day of session and got a hearing on the last day of hearings, but I'll take that up with the Chairman later. (Laughter) All right. LB20 is a bill that would increase the appropriation to the Rural Health Incentive Program, Program 175, to provide financial incentives for newly graduated health professionals to practice in medically underserved areas. The Rural Health System and Professional Incentive Act was passed in 1991 and created the Nebraska Student Loan Program and the Nebraska Loan Repayment Program. Those two programs together are collectively referred to as the Rural Incentive Program. Just a little bit of detail about these two programs: The Nebraska Student Loan Program provides student loans to Nebraska medical, dental, physician assistant, and graduate level mental health students who agree to practice in an approved specialty in a state-designated shortage area. These students must be Nebraska residents and agree to practice one year in a state-designated shortage area for each year...for each year a loan is received. The number and the amount of loans are determined annually by the Rural Health Advisory Commission based on state funding. There will be someone from the Rural Health Advisory Commission testifying after me. The other component, the Nebraska Loan Repayment Program, assists rural communities in recruiting and retaining primary healthcare professionals by offering state matching funds for loan repayments of health professionals' educational debt. The Nebraska loan repayment requires a 50 percent local match fund, reaching an annual maximum of $40,000 per year. The Nebraska Loan Repayment Program requires a three-year practice obligation in a

state-designated shortage area. Nebraska, as we all know, is currently experiencing a shortage of medical professionals and most counties are designated as medically underserved in a variety of health professions. For example, there are 1,200 primary care physicians in Nebraska, according to UNMC, which is less than the need of our population. Of the 93 counties, 11 of them do not have a primary care physician at all. And the number of primary care physicians older than 65 has grown 78 percent in the last five years. These kind...the kind of incentives that LB20 would help grow are necessary to attract and retain new medical practitioners. Nationally, the average medical student loan debt is over $166,000 and these programs provide new graduates with incentives to practice in primarily rural underserved areas. As of October 2012, there are 87 rural incentive program recipients who are currently practicing under obligation in Nebraska. The number of rural incentive program recipients is directly proportionate to the amount of state appropriations that we have available, and demand is high. There is a waiting list. And ultimately, the funds, total funds, have declined because there was a couple years where we used some settlement dollars that helped support this program. Those have gone away. And I'll just say while this certainly will not solve our provider issue, it certainly is one step that we should take a look at as an Appropriations Committee, taking a look at to make this investment. And as Bruce Rieker said on the previous bill, I think this very much also should be part of the discussions of LR22. And I think Senator Gloor, who is a cosponsor of this, and Senator Campbell are both also very supportive of this idea. With that, thank you, Mr. Chairman. I'll take any questions. [LB20]

SENATOR MELLO: Thank you, Senator Nordquist. Are there any questions from the committee? Seeing none, thank you, Senator Nordquist. [LB20]

SENATOR NORDQUIST: All right. [LB20]

SENATOR MELLO: First we'll take proponents for LB20. [LB20]

MARTY FATTIG: (Exhibits 38, 39, 40, 41, and 42) Good afternoon. Senator Mello and members of the Appropriations Committee, I am Marty Fattig, spelled M-a-r-t-y F-a-t-t-i-g, and I am the CEO of Nemaha County Hospital, located in Auburn, Nebraska. I am also serving in my third term as a member of the Rural Health Advisory Commission and I am currently serving as its chair. Although I am a member of the Rural Health Advisory Commission, I am not here representing the commission, and the opinions expressed here are my own. I am here in support of LB20, which will expand the Rural Health Provider Incentive Programs. And I might also add that Dr. Meeske is a product of these programs. The Rural Health Incentive...and Professional Incentive Act was passed in 1991, creating the Rural Health Advisory Commission, the Nebraska Student Loan Program, and the Nebraska Loan Repayment Program. The Nebraska Student Loan Program awards forgivable student loans to Nebraska medical, dental, physician assistant, and graduate-level mental health students who agree to participate

in an approved specialty in a state-designated shortage area. Approved specialties are defined as follows: medical and physician assistant students must agree to specialize in family practice, general surgery, general internal medicine, general pediatrics, obstetrics and gynecology, or psychiatry; dental students must agree to participate in general dentistry, pediatric dentistry, or oral surgery; and mental health students must be enrolled or accepted for enrollment in a training program that meets the educational requirements for licensure by the Department of Health and Human Services licensed mental health practitioner or licensed psychologist. In 1994, the Nebraska Legislature appropriated funding for the Nebraska Loan Repayment Program for health professionals willing to practice in state-designated shortage areas. Initially, only physicians, nurse practitioners, and physician assistants practicing in one of the defined primary care specialties, clinical psychologists, and master's level mental health providers were eligible for loan repayment. In 1998, pharmacists, occupational therapists, physical therapists, and dentists were added to the program. The approved specialties are the same as the specialists defined under the Nebraska Student Loan Program listed previously. The Nebraska Loan Repayment Program is kind of unique in that it requires the community participation in the form of a local match, and a three-year practice obligation for the health professional. Communities must do their own recruiting, using the availability of the Loan Repayment Program as a recruitment/retention tool. Once the health professional is recruited, the local entity and the health professional must together submit a loan repayment application to the Rural Health Advisory Commission. The cash fund that is mentioned in the bill simply allows for the distribution of the money received from the community to the provider, and does not represent any additional costs to the state. While the Nebraska Rural Incentive Programs primarily focus on rural shortage areas, federally qualified health centers may request to be designated as state-designated shortage areas for family practice and/or general dentistry. As a state-designated shortage area, the FQHC may then qualify for the benefits under the state incentive programs. In 2008-2009, the Legislature increased the Rural Incentive Program budget by $250,000 per year for four years. This funding increase was from the Merck settlement in the form of cash. The Legislature provided for the use of $250,000 from the Merck settlement each of the four years for the state match for the loan repayment, and $250,000 per year cash spending authority for the local match funds required for the Nebraska Loan Repayment Program. This funding ended with the last fiscal year. Currently, there are 17 applications waiting on the waiting list for the Loan Repayment Program, and we do not have the resources to fund these applicants until funding for the next fiscal year is received. By that time I am sure we will have received additional applicants which will need to be funded. I come before you today to ask the commission to support LB20, which will allow the commission to provide incentives to more providers willing to practice in state-designated shortage areas. Many additional types of providers have become eligible for the incentive programs without any additional funding being added, and the amount of funding granted to each eligible provider has doubled without the additional General Funding being appropriated. This means we are providing incentives to fewer

providers each year. Many rural providers are nearing retirement and communities are going to be looking for the commission for incentives to attract the needed new providers. As the Affordable Care Act expands medical coverage for Nebraska residents, additional providers will be needed across the state, and the Rural Incentive Programs will be needed to allow rural communities to compete with their urban counterparts. Rural Nebraskans are aging and becoming less mobile. It's going to be extremely important to the future of rural communities to have medical care available for their residents. LB20 is one tool, if passed, that will significantly impact the quality of life in these rural communities. I would also like to say that I have letters of support from Dr. Bob Rauner, from Box Butte General Hospital, from Alegent Creighton Health, and from the Nebraska Hospital Association. [LB20]

SENATOR MELLO: Thank you for your testimony, Mr. Fattig. Are there any questions from the committee? Seeing none, thank you, Marty. [LB20]

MARTY FATTIG: Thank you. [LB20]

SENATOR MELLO: Next proponent for LB20. [LB20]

SUSAN WALLIS: Hello. [LB20]

SENATOR MELLO: Hi. [LB20]

SUSAN WALLIS: (Exhibits 43 and 44) Senator Mello and members of the committee, my name is Susan Wallis, that's S-u-s-a-n W-a-l-l-i-s, and I'm testifying on behalf of the National MS Society and the more than 3,500 people living with multiple sclerosis here in Nebraska. We are in support of LB20, Rural Health Professional Incentive Program. LB20 would increase the appropriation to Rural Health Incentive Program to provide more financial incentives for newly graduated healthcare professionals to encourage them to practice in medically underserved areas. Nebraska is currently experiencing a shortage of medical professionals and most counties are, therefore, designated as medically underserved in a variety of health professions. With the average medical student graduating with over $160,000 in student loan debt, the Rural Health Incentive Program provides new graduates with incentives to practice in these medically underserved areas. Providers in rural communities are critically important to people living with MS in rural Nebraska. MS is an unpredictable, often disabling disease of the central nervous system. MS interrupts the flow of information within the brain, and between the brain and the body. Symptoms range from numbness and tingling to blindness and even complete paralysis. The progress, severity, and specific symptoms of MS in any one person cannot yet be predicted. Research has found that those living with MS in rural communities, similarly to others with chronic health issues, have less access to physicians and healthcare resources. They also report lower health-related quality of life. They are less likely to be on MS specialty medications. They have more

transportation and distance barriers. Research also indicates that those living with MS in rural areas receive their diagnosis a year and a half later, delaying the start of important MS treatments. These rural residents are more likely to have primary progressive MS, which is the most disabling course of the disease. Approximately half of people with MS in rural communities are not taking any FDA-approved medications. These treatments are proven to slow the disease progression and are vitally important to keep people with MS as mobile and independent as possible. People living with MS in rural communities report that medical services are located too far away from their homes to access and travel an average of 103 miles for MS-focused care. This highlights how important it is for us to encourage providers to practice in rural communities. LB20 would increase incentives for providers to practice in rural communities. Additional providers in these communities would mean greater access to care and, ultimately, better disease management for people living with multiple sclerosis. Approximately 60 percent of people that are diagnosed with MS cannot work within ten years of their diagnosis. Perhaps earlier intervention and appropriate treatment could help us keep more people with MS in the work force. On behalf of the National MS Society, along with the 3,500 Nebraskans living with multiple sclerosis, I urge you to support LB20. Thank you. [LB20]

SENATOR MELLO: Thank you for your testimony, Ms. Wallis. Are there any questions from the committee? Seeing none, thank you. [LB20]

SUSAN WALLIS: Thank you. [LB20]

SENATOR MELLO: Next proponent for LB20. [LB20]

DON WESELY: (Exhibit 45) Mr. Chairman, members of the Appropriations Committee, for the record, my name is Don Wesely, W-e-s-e-l-y. I'm here representing the Nebraska Nurses Association. I'm passing out a letter that was written to you by Linda Jensen. I won't go through the letter. I will point out just one fact she includes here. There are 45 counties currently having a nursing shortage...55 counties, and the shortage of nurses in Nebraska is predicted to be 5,300 by the year 2020. So the problem we have now is only going to get worse and this will help make sure nurses are available to rural Nebraska. And I'll end my testimony. [LB20]

SENATOR MELLO: Thank you for your testimony, Mr. Wesely. Are there any questions from the committee? Seeing none, thank you, Don. [LB20]

DON WESELY: Thank you. [LB20]

SENATOR MELLO: Next proponent for LB20. [LB20]

JERUSHA HANCOCK: Good afternoon. [LB20]

SENATOR MELLO: Good afternoon. [LB20]

JERUSHA HANCOCK: (Exhibit 46) Chairman Mello, members of the Appropriations Committee, my name is Jerusha Hancock. That's J-e-r-u-s-h-a H-a-n-c-o-c-k. I'm a staff attorney with the Health Care Access Program at Nebraska Appleseed. Nebraska Appleseed is a nonprofit, nonpartisan, public interest law firm fighting for equal justice and opportunity for all Nebraskans. We're here in support of LB20. We'd like to thank Senator Nordquist for his dedication to ensuring that everyone in Nebraska has access to quality affordable healthcare. The implementation of the Affordable Health Care Act through healthcare exchanges and the Medicaid option provides Nebraska with an unprecedented opportunity to offer affordable care to those who have gone without it for far too long. This increase in healthcare access presents us with a great opportunity and an obligation to ensure that our healthcare system functions in the best way possible for those it serves. LB20 is an important part of ensuring that our provider capacity can support the increased access. Currently, 11 Nebraska counties, all of them rural, do not have a primary care physician. By increasing the appropriations for the Rural Health Professional Incentive Fund we can begin to address this shortage and ensure that all Nebraskans have access to a primary care provider. Access to a primary care provider has been shown to prevent illness and death, and is associated with a more equitable distribution of health in populations. The number of professionals funded under this program is directly proportionate to the appropriation. And while demand for more rural providers remains high, the availability of funds has been decreasing. We can help ensure a more equitable distribution of primary care providers in Nebraska by increasing the fund for this program. For these reasons, we would ask the committee to advance LB20. [LB20]

SENATOR MELLO: Thank you for your testimony, Ms. Hancock. Are there any questions from the committee? Seeing none, thank you. [LB20]

JERUSHA HANCOCK: Thank you. [LB20]

SENATOR MELLO: Are there any more proponents for LB20? [LB20]

JESSICA MEESKE: Good afternoon. My name is Jessica Meeske, M-e-e-s-k-e. I'm a pediatric dentist in Hastings and I'm speaking in favor of LB20 because both myself and my husband are very grateful recipients of the Rural Nebraska Loan Repayment Program back in the 1990s. In addition, this program has since helped each of us to recruit two physicians and two dentists into our practice, giving us a competitive edge over other practices in our state that lure new graduates, with all the amenities of city life. Now I fondly remember the first time I heard of this program. We were sitting at the OK Cafe in Hastings and a couple of ob-gyns there were trying to recruit my husband. The other two docs wanted to meet at 6:30 a.m. in the morning so they could get back

to their morning farm chores, and I was seven months pregnant and thinking this isn't how I was used to being wined and dined (laughter), as far as looking at communities where I was going to spend the next 30-40 years of my life. I distinctly remember ordering an egg white omelet and a cappuccino, which I quickly learned was not on the menu of this diner. The waitress, who seemed to be older than dirt and not in the mood to be humored in the morning, said to me, Honey, I don't know what a cup of "chino" is, but we don't serve that at the OK Cafe. In my case, the loan repayment program was based on dentists per county, and based on that criteria I never would have qualified for the program. However, because pediatric dentists at that time were in short supply in rural Nebraska, I petitioned the Rural Health Commission based on the fact I would see a disproportionate share of low-income children, those on Medicaid, those with special healthcare needs, and some developmentally disabled adults. Fourteen years later, I'm still seeing that population and I'm still practicing in rural Nebraska. I was very pleased the commission was open-minded and creative in letting me plead my case. Having this program available early in my career helped me to see more Medicaid and not feel pressured to "disclude" this insurance program, which as we know can reimburse at lower fees. The Rural Health Incentive Program has become much more for me than simply a loan repayment program and a way to recruit new doctors. It was an impetus to set up my practice as a unique model that was different from other types of dental practices. Our uniqueness doesn't just come from our ability to see a large capacity of Medicaid and underserved, but it also allows us and taught me how to forge partnerships with the public schools, the school nurses, Head Starts, the local hospital, etcetera. In summary, I love that I live and practice healthcare in rural Nebraska. Had this program not been in place, I'm not sure we would have chosen rural Nebraska, as there were far glitzier places to practice, with Whole Foods grocery stores and the like. I'm really proud that the same babies my husband might deliver, we get to care for mom and baby in our practice. We get to watch that kid hit his first baseball at the local ball field. And when that kid gets a ball in his mouth and knocks a tooth out, which is always in the dirt, of course, I get to take care of that kid's dental emergency. And eventually, like many of my patients, I get to hand that kid his diploma on his graduation day when he walks across the stage, knowing I might have made a difference in his life. My experience with the Rural Health Advisory Commission has been a very positive one. Most doctors don't typically stay connected with state agencies that they might be associated with for just a few years. However, I can assure you that "Marni" Janssen, its director, makes sure that the taxpayers of Nebraska see the rewards of their investments for many years after the contract with young doctors is far over. "Marni" is an outstanding recruiter for rural Nebraska and makes sure that each of us are doing what we're supposed to by reinvesting our talent and our time back into our practices and our communities. But not only that. "Marni" calls me regularly because she wants me to recruit the next generation of dentists that may go to Nebraska. I hope you'll continue to further invest in this worthy program. I'd like to think you got your money's worth when my husband and I decided to spend our careers in central Nebraska. Thanks. [LB20]

SENATOR MELLO: Thank you for your testimony, Dr. Meeske. Are there any questions from the committee? Senator Wightman. [LB20]

SENATOR WIGHTMAN: Thank you, Senator Mello. Thank you for being here again. [LB20]

JESSICA MEESKE: Yeah, sorry. [LB20]

SENATOR WIGHTMAN: And with regard to the $600,000, now it says in the bill that it would be an additional $600,000 of General Fund, and you may not be able to answer this but I wasn't here... [LB20]

JESSICA MEESKE: Yeah. [LB20]

SENATOR WIGHTMAN: ...when some of the earlier testifiers... [LB20]

JESSICA MEESKE: No, I can't answer... [LB20]

SENATOR WIGHTMAN: Okay. [LB20]

JESSICA MEESKE: ...the technical questions regarding... [LB20]

SENATOR WIGHTMAN: Okay. [LB20]

JESSICA MEESKE: ...that money in the bill,... [LB20]

SENATOR WIGHTMAN: Thank you. [LB20]

JESSICA MEESKE: ...just to say how it made a difference for us. [LB20]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Dr. Meeske. [LB20]

JESSICA MEESKE: Thank you. [LB20]

SENATOR MELLO: (Exhibits 22, 23, 24, 25, 27, 28, 29, 30, 47, and 48) Are there any more proponents for LB20? Seeing none, the committee received a large handful of letters of support for LB20: one from the Nebraska Medical Association from Dan Noble; one from the Nebraska Association of Behavioral Health Organizations from Topher Hansen; one from Nebraska Rural Health Association from John Roberts (Exhibit 34); one from Dr. Michelle Sell (Exhibit 35); one from Dr. David Isom (Exhibit 36); one from Dr. Jared Kramer from the Howard County Medical Center (Exhibit 37); one from Dan

Griess, the chief executive officer of Box Butte General Hospital (Exhibit 40); one from the Nebraska Hospital Association, Bruce Rieker (Exhibit 42); one from Dr. Bob Rauner from the Nebraska Academy of Family Physicians (Exhibit 39); and one from Rod Triplett from Alegent Creighton Health (Exhibit 41). Are there any opponents to LB20? Seeing none, are there any testifiers in the neutral capacity? Seeing none, Senator Nordquist, would you like to close? [LB20]

SENATOR NORDQUIST: Just if Senator Wightman had a question regarding the fiscal component, we can get that on the record. [LB20]

SENATOR WIGHTMAN: That was the first of about three, but go ahead. [LB20]

SENATOR NORDQUIST: Just so that right now it's about $620,000 of General Funds. This would double the size of the program. And then we also give the cash fund authority because in the Loan Forgiveness Program there's the fifty-fifty local match, so we open that authority up for them. So, you know, I introduced it at doubling the program, knowing that I served on the committee with John Wightman, who likes to split the middle and is a tough negotiator. (Laughter) So we can certainly have that discussion as we finalize our budget. [LB20]

SENATOR WIGHTMAN: Now did you say you are receiving cash funds in addition to the...? [LB20]

SENATOR NORDQUIST: Yeah, so the two components, there's the student loan program, which you have to be a Nebraska student and you sign up for that while you're in school, and then there's the loan forgiveness, which communities have to put 50 percent on the table and they try to recruit practitioners. So for that one there is a 50 percent local match by either the hospital or foundations or however they come up with it. [LB20]

SENATOR WIGHTMAN: Thank you. [LB20]

SENATOR NORDQUIST: Yep. [LB20]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Senator Nordquist. [LB20]

SENATOR NORDQUIST: Yeah. [LB20]

SENATOR MELLO: And that will close today's hearing on LB20. Briefly, the committee did receive letters of support for LB157 from Building Bright Futures, and LB4 and LB285 from the Health Center Association of Nebraska. (Exhibits 26 and 3) That will end today's public hearings on our legislative bills and the committee will take a brief,

brief five-minute recess prior to beginning Agency 25's budget hearing. Thank you. [LB20]