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Appropriations Committee
February 10, 2014

[LB689 LB827 LB889 LB936]

The Committee on Appropriations met at 1:30 p.m. on Monday, February 10, 2014, in Room 1524 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB689, LB827, LB889, LB936, and agency budgets. 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'm from south Omaha, representing the 5th Legislative District, and serve as Chair of the Appropriations Committee. I'd like to start off today by having members do self-introductions, starting with Senator Kintner.

SENATOR KINTNER: Well, hi, everybody. I'm Bill Kintner from Legislative District 2, which is half of Sarpy County, Cass County, a little bit of Nebraska City.

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

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

SENATOR HARMS: John Harms, Scotts Bluff County.

SENATOR MELLO: Sitting to my right is Senator John Wightman from the 36th District, representing Dawson and Custer County.

SENATOR CONRAD: Danielle Conrad, north Lincoln.

SENATOR BOLZ: Senator Kate Bolz representing south-central Lincoln, District 29.

SENATOR MELLO: Sitting next to Senator Bolz is Senator Tyson Larson representing the 40th Legislative District from northeast Nebraska, and he should be joining us shortly. Assisting the committee today is Anthony Circo, our committee clerk; and Matthew Ruiz, who is a senior studying international business at the University of Nebraska-Lincoln and is our committee's page. Sitting to my right is Liz Hruska, legislative fiscal analyst; and my left, Sandy Sostad, who is also a legislative fiscal analyst helping us with today's public hearings. On the tables in the back of the room you'll find some yellow testifier sheets. If you're planning on testifying today, please fill one out and hand it to Anthony when you come up. It helps us keep an accurate record of today's public hearing. There is also white sheets on the cabinet if you do not wish to testify but would like to record your position on a specific piece of legislation. When we hear testimony regarding the agencies, we will first hear from a representative of the

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state agency. We will then hear testimony from anyone who wishes to speak on the agency's budget request. We will hear bill testimony in the following order: First will be the introducer. We will then hear those in support of the legislation, followed by those in opposition, then those testifying in the neutral capacity. And we will end with a closing statement by the bill introducer. If you have any handouts, please bring at least 11 copies and give them to Matthew, our page. If you do not have enough copies, he will help make more of them for you. We ask that you begin your testimony today by giving us your full first and last name, and then spelling them for the public record. We will be using a five-minute light system today. When you begin your testimony, the light will, on the table, will turn green. The yellow light is your one-minute warning. When the red light comes on, we please 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, make sure they are on the silent or vibrate mode. With that being said, at this time we will begin today's public hearing with Agency 25, the Nebraska Department of Health and Human Services.

(AGENCY 25 BUDGET HEARING)

SENATOR MELLO: Is there anyone else wishing to testify on Agency 25? Seeing none, that will close today's public hearing on Agency 25, the Department of Health and Human Services, and move us to our first bill introduction of the day, LB689. Senator Kate Bolz. Good afternoon, Senator Bolz. [AGENCY 25]

SENATOR BOLZ: (Exhibit 1) Good afternoon, colleagues. Nebraska's population is aging, there's no doubt about it. Some of you may even feel older just after the past 23 days. So the numbers are clear. I don't think we need to spend time discussing that further. But what we do need to discuss is the support we're providing for Nebraska's eight Area Agencies on the Aging. They provide financial planning, transportation assistance, respite care, and other services to help our aging population stay at home as long as possible. Our own long-term planning committee has identified aging services as a top priority for our attention and I've brought the policy brief from the planning committee for your review. I think it's important to invest in our Area Agencies on the Aging now for several reasons. First, doing so will result in preventing people from entering more costly nursing home care. Second, the Area Agencies on the Aging across the state have waiting lists and must currently triage their requests. And third, and perhaps most importantly, the current funding doesn't match up to the needs in the eight AAA areas. This is particularly true for rural areas. Let me explain just a little bit more deeply. Nebraska distributes our Area Agency on the Aging funds based on something called the Intrastate Funding Formula. This funding formula has several components, including the total number of aging seniors, the number of vulnerable seniors, and the number of aging folks over the age of 75. So there is a fixed formula. Based on the 2010 Census, that formula has left several Area Agencies on the Aging short. That's what this chart coming around to you identifies. A significant number of the Area Agencies on the Aging are short, including Blue River, West Central Nebraska,

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South Central Nebraska, and others. So, colleagues, today I bring to you an appropriations request to bring all of the Area Agencies on the Aging back into the black and I appreciate your consideration. [LB689]

SENATOR MELLO: Thank you, Senator Bolz. Is there any questions from the committee? Seeing none, thank you. We will first take testifiers in support of LB689. [LB689]

MARK INTERMILL: (Exhibits 2 and 3) Good afternoon, Senator Mello... [LB689]

SENATOR MELLO: Good afternoon. [LB689]

MARK INTERMILL: ...and members of the Appropriations Committee. My name is Mark Intermill, M-a-r-k I-n-t-e-r-m-i-l-l, and I'm here today representing AARP. We do support LB689. LB689 seeks to increase the appropriation for community aging services, Agency 25, Program 571. I want to talk a little bit about the services that are included in that program, three basic categories: care management, individual services, and congregate services. Care management is the process of assisting older Nebraskans who need long-term care to identify and arrange the services that will enable them to continue to live in their own home. AARP regularly surveys our members in Nebraska on a variety of issues and whenever we ask where they would like to live, if they needed long-term care services, we get about 90 percent who say that they'd prefer to live at home. The purpose of care management is to help them achieve that goal. Care management is also funded through Program 559, but there has never been sufficient funding appropriated to meet the demand in Area Agencies on Aging and supplemented services through Program 571. The plans that care managers help older persons and their families develop will often include a significant amount of informal support from family and friends. But in some cases they may require the provision of formal paid services. Since most of the people who are served by the program have incomes below 150 percent of the federal poverty level, they don't have the disposable income to pay the full cost of services, so some of the Program 571 funds are used to supplement those costs. Those services have been effective in helping people live as independently as possible at the point in their lives where they begin to need some help. Nebraska's nursing home population peaked in 1993, which was shortly after the care management program was implemented statewide. By 2010 it had dropped by 27 percent. As a result, there have been General Fund savings. I've attached a sheet that summarizes Medicaid spending for services provided to Nebraskans over the age of 65 between 19...fiscal year 1985 and fiscal year 2013. About three-fourths of the cost of Medicaid services to those over 65 is attributable to long-term care services, and in 1985 over 40 percent of Medicaid spending was for services for Nebraskans over 65. By FY '13 it had fallen to just over 20 percent, so we essentially, relative to the rest of the Medicaid budget, reduced the spending on...for services for people over 65 in half. LB689 seeks a million dollars to provide support for community-based services for older Nebraskans

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and I don't make that request lightly. I consider a million dollars to be a sizable request. But to put it in perspective, \$1 million would have covered the FY '13 Medicaid cost of nursing facility care for 27 hours. It would be about the same as providing the state share of nursing home coverage for 40 Nebraskans for a year. If Area Agencies on Aging are able to use the funds to help 41 people to continue to live at home, the General Fund will come out ahead and that I think is a risk worth taking. And I'd be happy to try and answer any questions. [LB689]

SENATOR HARMS: Thank you very much. Thank you for your testimony. Do we have any questions? Seeing none, thank you very much. [LB689]

MARK INTERMILL: Thank you. [LB689]

SENATOR HARMS: Do we have any other proponents for LB689? Welcome. [LB689]

SANDI STEVENS: Thank you. Good afternoon, Senator Mello, who is not here right now,... [LB689]

SENATOR HARMS: That's okay. [LB689]

SANDI STEVENS: ...and the other members of the Appropriations Committee. [LB689]

SENATOR HARMS: I'll take the name. [LB689]

SANDI STEVENS: (Exhibits 4 and 5) Thank you, Senator Harms. My name is Sandi Stevens, S-a-n-d-i S-t-e-v-e-n-s, and I am the director of Midlands Area Agency on Aging. If you don't mind, I'll just call us the AAAs, because this late in the day my tongue doesn't want to say that much anymore. And we are also a member of the Nebraska Association of Area Agencies on Aging, which I'm here to represent. We'd like to thank Senator Bolz for...who also stepped out. I'm not batting very well here...and Senator Harms for introducing LB689. We are very, very grateful for that. The purpose of the AAAs is to help people age in place. We want them to be able to stay in their homes and in their communities as long as they are safely able to do so. And I'm here this afternoon to talk about a lot of different numbers, but I want you to please remember that these aren't numbers, these are people. These are your parents, your grandparents, your neighbors, your constituents, yourselves, either now or in the future. We have all been aware of the aging in Nebraska, and I'm going to start talking about this packet you've had in front of you all afternoon and we finally get to start utilizing some of this stuff. The first one is just our map that shows you which area agency covers which county. And if you would go down to the third page, which is the bar graph, this does a really nice job illustrating the increase in the baby boomers, the folks that were born in 1946 through 1964. And this goes up to 2030, which is the year that the last of them turns 65, so that's why we stopped right there. What I just want to point

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out to you is that this is for folks 65 and over. By the time we get to 2030 there's going to be a 79 percent increase. So when Senator Bolz talked about it's coming, it certainly is. The other thing I'd really like to show you, if you've noticed from 2015 on how much steeper the curve gets right there, that's what's a little scary for us at the AAAs because that's next year. So this is coming and this is coming very, very quickly. Now if you would look at the bigger pages right here, what we have done for you is we want to bring this down to what's going on right now, rather than just projecting, and we would like to have it be meaningful to yourselves. So you should have your AAA that covers your district on top. You've got the information for all eight of them but for the one that is covering you should be right on top. Now all of you are covered by one AAA with the exception of Senator Kintner. You happen to be in two, and, Senator Wightman, you happen to be in two. But you should have the more beneficial information right in front of you. So I'm just going to run you really quickly through this and so you know what you're looking at. We broke it down by the counties that's in our service areas, so you see each county and then you see the total for the AAA service area and then a total for Nebraska. The first three columns is just total population, so Nebraska's population from 2000 to 2010 went up 7 percent. And then we start breaking it down into age brackets and the first group of folks, the 55 through 65, those were the first retirees from the baby-boomer generation. And you can see for Nebraska it went up 51 percent. That is fairly substantial, and this is four years old so it's gone up more since then. My particular--I'm looking at Midlands--my particular AAA went up 41 percent. So you can do that for each age bracket as you go down. And if you see yellow cells, that just means that those particular counties either met or exceed the state average for that demographic, so that just kind of pops that out at you for a little bit. But when we get down to the important stuff, it's in the last three columns. Nebraska went up 23 percent. My particular AAA went up to 15 percent and unfortunately, starting with the FY '15, my funding is going down because of that redistribution. So I'm going to have the challenge of trying to meet all this extra need with fewer funds. So what do I do? Which programs do I cut? How long do we let the waiting list get? So we are really encouraging you to support this legislation, get it out of committee, get it to the General Fund (sic--File) or the general whatever it's called and please support it. Thank you. Any questions?
[LB689]

SENATOR MELLO: Thank you for your testimony. [LB689]

SANDI STEVENS: Yeah. [LB689]

SENATOR MELLO: Are there any questions from the committee? [LB689]

SANDI STEVENS: Thank you. [LB689]

SENATOR MELLO: Seeing none, thank you so much. Next proponent for LB689.
[LB689]

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DENNIS LOOSE: (Exhibit 6) Senator Mello, members of the Appropriations Committee, my name is Dennis Loose. That's D-e-n-n-i-s L-o-o-s-e. I'm the director of the Eastern Nebraska Office on Aging based out of Omaha, Nebraska. Appreciate the opportunity to be here today to explain the importance of LB689 and thank Senator Bolz for introducing LB689. The Eastern Nebraska Office on Aging services Cass, Washington, Dodge, Douglas, and Sarpy Counties. You've received a lot of data that shows a lot about the growth in the elderly population and the projected growth of the elderly population. I've been involved in aging services since 1978, for the last 36 years, in one form or another. I've been heavily involved in community aging services. At one time I was actually the director of the Nebraska Department on Aging until 1997 when it was merged into Health and Human Services' System. With sufficient resources the eight Area Agencies on Aging and all the folks we partner with are well situated to meet the challenges of the growth. Since the mid-1970s, Area Agencies on Aging have been developing a series of preventative services, health promotion services, a lot of in-home services, and we've been strategically developing that. We're...been working with the assisted-living and skilled nursing facilities and more so with the medical community. We have a whole lot of programs and I'm not going to go through all those programs because that would take an awful long time. But some of those that I'm going to touch on, the Area Agencies on Aging operate the care management program, Medicaid waiver case management, and the related resource development, and the Senior Care Options program. We developed the care management program in Nebraska back in the '80s and we were very careful when we implemented that program in the design and development and implementation that we developed what is now referred to as conflict-free case management. We wanted to make sure that our case managers didn't have a conflict of...tied to an agency. Both in the Medicaid waiver program and in the care management program the caseworkers go in, do an assessment in the person's home, and determine whether or not they can be effectively and efficiently served in that home or in the Medicaid waiver program in an assisted-living facility and that once the plan is developed then it is a participant-driven plan. The participants are given a choice of providers and they choose who they provide...who their providers are. In the Senior Care Options program, if a person is in a long-term care facility and applies for Medicaid, then we do an assessment to determine whether that level of care is appropriate. We've also been provided...partnering more with the medical community on innovations that blend the medical and social models that is more needed to effectively and efficiently serve elders in their homes and not only delay and prevent nursing home placement, but also preventable admissions and readmissions to the hospital by Medicare recipients. I'm not going to go through the census stuff, but the drop in the census days that AARP talked about was a result of strategic planning, developing, implementing less costly and preferred in-home services in assisted-living options. Back in 1985 the state of Nebraska developed their long-term care plan. Part of that plan called for expanding community-based services and also transitioning skilled nursing home beds into assisted-living beds. This plan led to the Area Agencies on Aging

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having the responsibility for the Medicaid waiver case management for those over 65 that determined if the provision of in-home or assisted-living services to those who have a nursing home level of care need can be effectively served in their home or in an assisted-living facility, which are both less costly to the state of Nebraska. At the Eastern Nebraska Office on the Aging last year we were put in the position where we had to start putting services on hold, capping services, and reducing the numbers that we could serve in certain services. We started out with a waiting list and we quickly turned that waiting list into a priority list. Those services are homemaker, bath aid assistance, chore, durable medical equipment, and we currently have a personal emergency response system. Most people refer to that as Lifeline, but that's a brand. And we are at a point where we may have to start putting that one on hold. So what we do, what we've been doing since a year ago December, is we determined those that are most in need and then we go through and when we get an opening in these services, determine who then gets the services. And we quit having the waiting list because nobody wants to know they're 150th on the waiting list. A year ago December we had 637 people on an average monthly in the homemaker program. This past December we were down to 487. In the bath aid program a year ago we had 233 on a monthly basis. Now we're at 151. And the chore, the snow-removal program, thank heavens we haven't had a lot of snows, we were close to 400 and we're down to 180. And what that does is our care managers, we're averaging 24 referrals a month. So they go out and they do an assessment in the home. If they are care management eligible they have to have two deficiencies and activities that (inaudible), then they developed a service plan but it's becoming more and more of an issue because, sorry, but we don't have services to give you so we put you on a priority list. Now some of those folks we've been able to transition to the caregiver support program, to put in respite services, and we also provide them a list of providers. But in some cases they simply have to just hang in there. We were very appreciative of the biennium increases that the Appropriations Committee gave us last year. In the Eastern Nebraska Office on Aging that amounted to \$38,000. We anticipated we needed to stay at that 2012 level of about \$165,000. Because of the formula redistribution, the Eastern Nebraska Office on Aging will pick up I think it's about \$185,000 out of that distribution. So we're hopeful that we can get back to a year ago's level and...but of course, since then their needs have increased and increased. Part of the data that you got in the Eastern Service Area, a majority of the people in the care management program are in their late 70s, 80s. The 85 and over population in just Sarpy County in ten years increased by 89 percent. (Laugh) So that's a pretty staggering number and those are large numbers because of the population base. So obviously, for not just next year but the year after, the year after, the year after, those charts, we're going to need to keep our innovation, keep developing alternatives. And very lastly what I'd like to point out that from an economic standpoint all these services that I'm talking about, with the exception of the care management caseworkers, are done by private and nonprofit agencies. So the more we utilize them, the more people they hire; and the less we use them, the less people that they have. When I started at the Area Agency on Aging three and a half years ago in Omaha we

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had 12 homemaker agencies that we contracted with. Now we have 18, so it's an economic development process and those tax dollars stay right in Nebraska, right in those local communities. Be happy to try to answer any questions. [LB689]

SENATOR MELLO: Thank you for your testimony, Dennis. Are there any questions from the committee? Senator Nelson. [LB689]

SENATOR NELSON: Thank you, Senator Mello. Thank you, Mr. Loose, for coming. Last paragraph on page 2 of your testimony, I just want to be clear on this here. You talk about capping and reducing the numbers we can serve in certain services and then it talks about bath assistance, chore, durable medical equipment, and soon we may need personal emergency response. Now who is providing those services? Are...you talked about nonprofit and profit or is (inaudible)... [LB689]

DENNIS LOOSE: It's private, mostly private agencies. [LB689]

SENATOR NELSON: Okay. [LB689]

DENNIS LOOSE: Home Instead, those types of agencies provide homemaker services. I'd like to point out that the, for example, homemaker, that's not like an everyday thing. That's a couple hours every other week and also the...and bath aid, that's...standard is twice a week for that. We do have some, they only get it once a week, but so, yeah, that's agencies that had a staff that actually (inaudible). [LB689]

SENATOR NELSON: Okay. So these priorities are the ones that you pay first attention to, I guess, and... [LB689]

DENNIS LOOSE: Yeah. [LB689]

SENATOR NELSON: Okay. Yeah, well, you know, I really am supportive of the program, I really am, because keeping people in the home is, you know, a goal that I very much am happy to assist with in any way because of the nursing home expense and everything like that. So I appreciate your testimony and your work. [LB689]

DENNIS LOOSE: Thank you very much. [LB689]

SENATOR MELLO: Thank you, Senator Nelson. Are there any other questions from the committee? Seeing none, thank you, Dennis. [LB689]

DENNIS LOOSE: Thank you. [LB689]

SENATOR MELLO: And as a polite reminder to testifiers, when the yellow light comes on, we just ask that you try to maintain within our five-minute time frame so that we can

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provide enough time for anyone else wishing to testify. With that we'll take any other proponents for LB689. [LB689]

CONNIE COOPER: (Exhibit 7) Good afternoon. [LB689]

SENATOR MELLO: Good afternoon. [LB689]

CONNIE COOPER: Senator Mello and members of the Appropriations Committee, my name is Connie Cooper, C-o-n-n-i-e C-o-o-p-e-r. I am the director of the Northeast Nebraska Area Agency on Aging and a member of the Nebraska Association of Area Agencies on Aging. I'm here to represent rural Nebraska in support of LB689. The Northeast AAA has 22 counties in its service area, from Cherry County to Dakota County down to Platte County, which is about 27,000 square miles. It's a lot of windshield time for myself and my staff. We serve over 6,000 people that are 60 years of age and older. We have 43 senior centers and 719 care management clients. Close to one-third of our total clients are in Senator Larson's district. Services in rural Nebraska bring challenges--finding providers for services, the distance or travel for services, and availability of resources. The six rural AAAs will receive a decrease in funding due to the 2010 Census information and the Intrastate Funding Formula. Northeast's total funding decrease is close to \$50,000. The major impact of this reduction in funding will be cuts to our in-home service program that Dennis talked about: the housekeeping, chore, personal care, and the personal response system and care management. We will be tightening our priority lists for those most in need of services and adding to the waiting list demand. We struggle to keep up with the demand and the needs of the aging population growth as we continue to receive referrals for these services. All older Nebraskans, rural and urban, want to live in their own home for as long as possible. LB689 allows for this rebalance of funding for aging services. I thank you so much for your time and consideration. [LB689]

SENATOR MELLO: Thank you for your testimony, Connie. Are there any questions from the committee? Seeing none, thank you. [LB689]

CONNIE COOPER: Thank you. [LB689]

SENATOR MELLO: Are there any other proponents for LB689? Seeing none, is there any opponents to LB689? Seeing none, is there anyone here in the neutral capacity? Seeing none, Senator Bolz to close. [LB689]

SENATOR BOLZ: Colleagues, I think that the point has been made that this is a fiscally responsible approach and one that responds to the needs of our constituents. So I'm happy to answer any last questions but glad to wrap it up. [LB689]

SENATOR MELLO: Thank you, Senator Bolz. Senator Kintner. [LB689]

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SENATOR KINTNER: Just for clarification so I understand, so the funding reduction is in federal funds? Is that what it is? Where is it...who...what money are we losing here? [LB689]

SENATOR BOLZ: So in 2010 our census, of course, changed. It reflects better the current distribution of senior citizens. Because of the census change, the formula changed, so money shifted around between the Area Agencies on the Aging, and that's why some Area Agencies on the Aging benefited and others continue to see reductions in their funding. That doesn't mean that it's not...that those areas do not have consistent and ongoing demand. It just means that we have a limited amount of money and the formula is static. [LB689]

SENATOR KINTNER: So it is federal funds that kind of went down based on the formula. Is that...or was it state funds? It was federal funds, wasn't it? [LB689]

SENATOR BOLZ: It's both. [LB689]

SENATOR KINTNER: Both. [LB689]

SENATOR BOLZ: It's both but the change occurred because the census triggered change in the formula. So that whole pool of money is distributed differently now. [LB689]

SENATOR KINTNER: And this was because we've seen people kind of going from the west to the east part of the state? Is that... [LB689]

SENATOR BOLZ: That's part of it, folks moving towards areas that have greater health access. [LB689]

SENATOR KINTNER: Thank you. [LB689]

SENATOR BOLZ: Um-hum. [LB689]

SENATOR MELLO: Any further questions from the committee? Senator Harms. [LB689]

SENATOR HARMS: Senator Bolz, first, thank you very much for introducing this. This has been on the radar screens for the long-range planning committee for about, what, about four years, and we finally decided that we would start to focus on this and do a policy brief. And when we do a policy brief we zero into...burrow down into the numbers so we could actually see what those numbers are telling us. And I would urge you if you haven't done this and have a little bit of time, you ought to read this, the policy brief that we've done through the planning (committee). It reveals a whole series of issues that

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deal with the elderly and I'm here to tell you that we're just...we haven't gotten to the point yet, but it's not very far away, where this is going to come before this committee a lot in the future because we have some serious issues in rural Nebraska. And just in regard to the number of elderly that are going to live there, you're going to have transportation issues. You're going to have issues with healthcare. I mean, that list just goes on. And while the young people have left rural Nebraska, all the children are now gone, it's going to be left up to some other way to handle this particular issue. And I can tell you from my experience with my own mother who wanted to stay in her home, the challenges you have as a family to be able to do that. But we did that and we made sure that it was done appropriately. But she was fortunate because she had someone there and I can tell you now that the further you go into rural America and into the heart of it, it's just not there. And so the problems are yet to come and I hope that you understand that as a committee because you're going to be focusing on this question a lot in the future. Thank you very much for doing that and thank you for using the material we had, too, because it's good. [LB689]

SENATOR BOLZ: Sure. Thank you, Senator Harms. [LB689]

SENATOR HARMS: Um-hum. [LB689]

SENATOR MELLO: Thank you, Senator Harms. Is there any other questions from the committee? Seeing none, thank you, Senator Bolz, and that will end today's public hearing on LB689, will lead us to our next bill introduction, LB827 by Senator Harms. [LB689]

SENATOR HARMS: Senator Mello, thank you. Colleagues, committee members, thank you very much for giving me the opportunity to be here. My name is John N. Harms, H-a-r-m-s. I represent the 48th Legislative District. That's all of Scotts Bluff County. Today I'm here to introduce to you LB827 which is a bill which it increases the funding for the federally qualified community health centers in Nebraska. Senator Mello, before I actually start my formal testimony, I'd like to just give you an over...just a brief overview of this testimony, can show you the kind of things I'm going to focus on. And this will be a short presentation, but the testimony and the bill is actually broken down into five components. It's broken down into general information about these federally qualified health centers, which if you're not too familiar with them this will give you some idea a little bit about the centers and what they do and how they function, where the centers are located, and then the economic impact these centers have on the communities they're located in, as well as the entire state, which is how I actually got into it. They have a major impact on the economy. And then the rationale for the senators and the last final thing, Senator Mello, would be the existing funding and the request that we're actually making in regard to this. So with that, Senator Mello, I'll start my formal presentation in regard to LB827. The federally qualified health centers are local, nonprofit, community-owned healthcare providers that serve low-income and they serve

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uninsured citizens in the most medically underserved communities in our state. And I can tell you that the centers that we have, there's not enough of them and there are going to be more built in the future and I'll talk about that a little bit later. But these centers that we have today, these centers provide primary and preventative care and quality services that are affordable, which includes the medical, the dental, and the behavioral health services, and these are really valuable, particularly where I live in rural Nebraska, and again I'll talk about that a little bit later. Ninety percent of the patients that go to these health centers carry an income below 200 percent of poverty; 65 percent are below 100 percent of poverty. If you look at both of the population base that goes...that uses the center, you'll find that approximately 57 percent--and that number is going to fluctuate a little bit--of the people who are patients are uninsured, so that's going to go up and down a little bit. So it's important to ensure that we provide a continuum of care for these individuals. That being said, we have 65,000 low-income Nebraskans that are currently being served by these six centers in our state. The interesting thing about the six centers is that the centers relieve the burden on the private practice doctors, also other facilities, and I guess I probably wouldn't really have understood that until I got involved in our own health center in Gering, Nebraska, which is my district. And they have about 6,000 people involved. For a small region that's a lot of people. And I can tell you, you can't take those 6,000 people and distribute them back into the private sector. It's just not going to work. We don't have the doctors, we don't have the dental, and we definitely don't have the behavioral health side to cover these particular issues. So for us and for a lot of other senators, it's a God blessing that we have it. These centers are basically located in six areas: Charles Drew Health Center which is in Omaha; we have the OneWorld Health Center in Omaha. I have to tell you, on this one I have taken the time to tour the OneWorld Health Center, both my wife and I did, and I have to say that I was just overwhelmed, impressed with what they do there. They serve an awfully lot of people. I think that the number is probably about 24,000--to be exact, 24,673 people--they serve. I was amazed at what they do, how they do it, and the quality that takes place there. Then you have the Good Neighbor Community Health Center in Columbus and of course ours in the Panhandle Community Health Center in Gering, Nebraska, which I said earlier has about 6,000 people participating in it, the Norfolk Community Health Center that's in Norfolk, and the People's Health Center in Lincoln. I'm familiar with the one that we have now, the OneWorld, and I'm also very familiar with the one that we have in Gering. The number of those centers are going to be increasing. There's one being built right now in Grand Island. And through the proposed funding mechanism we want to ensure that these centers are being...are able to continue to provide quality preventative low-cost care and services to a lot of the working poor families. Federally qualified health centers are valuable and instrumental in that they save dollars on a total healthcare cost, providing quality care where it would not otherwise exist, and create a positive economic impact. Centers provide full-time employment for 464 people across...in the communities and across the state of Nebraska. They support another additional 256 jobs in other industries that are supportive of these centers. In 2010 they injected \$29 million of operating expenditures

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directly into the local communities and the overall impact in Nebraska was \$67 million across the state. That's a pretty big economic tool, particularly where I live, in regard to putting that money back into our community. So these centers save about \$1,200 per patient annually in total health costs and they derive about \$24 billion annual savings from reduced emergency care. And what you find is a lot of people who don't have health insurance and don't have one of these centers, the first place they go is the emergency center. It also helps with the hospital cost and also special care costs, including \$6 billion in combined state and federal Medicaid savings. So we save a lot of money on Medicare and the Medicaid side. I think, as you can see, that this has a really big impact on this economy and to the people of this great state and the ability that they can serve. The federally qualified health centers are experienced in working with very low-income patients, and I will tell you that unless you have had the chance to kind of actively take a look at what they do, some...I don't know if people really understand. A lot of low-income families do not feel comfortable going into private practices. They have found a place like OneWorld or the Charles Drew or whatever it might be, they feel very comfortable there because the people are trained and they know how to deal with this type of patient and they know the importance of it. And so they make it...make them feel very comfortable there. And I can tell you that even if the Obamacare expansion would be approved, it's not going to come back in the use of these centers, and the reason for that is because people who are from low income are going to go back to the places they feel warm and comfortable and know that people care about them. And I'm not being critical but I don't know if that's really the feelings of a lot of doctors in the private sector because they just don't have the time to do it. They just don't. And this...these programs are designed to do that. But in the end it's just about providing quality care for people. It's about providing care for people who under most circumstances don't want to be there to start with but they have to be there because that's their only hope. A healthy mind makes a healthy body and the fact is that these centers work on that aspect, they work, they talk about nutrition and they talk about how they can be better and how you can help yourself to this. When you're looking at this and you look across the state of Nebraska, families and children are really, truly, the building block for our economy and for our area, particularly in rural Nebraska, that plays a big, valuable role. Family is very important there, so it's important to provide a continuum of funding to ensure that we're not cutting back in the program or hurting the program that serves such a large number of people in this great state. It has a positive impact in our communities; it has a positive impact in our economy. Currently, each of these centers in Nebraska as they're funded today receives \$350,000. That's all they receive. The new annual funding request, which is \$1.5 million starting in 2014-15, the additional request is...would be distributed to the centers based upon a formula determined on the number of uninsured served in the previous year as reported by the federal government. So as we look at this I think it's really important that we understand how important the role plays and not to intermix this with the extension of Obamacare because I can tell you now these...they'll still go here, they'll still go to these centers. In fact, it'll probably be larger. In my own community, as I said before, there's no way that

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we could handle an additional 6,000 back in the private sector. When I look at that, Charles Drew has 11,000. We have 6,830. The Good Neighbor has 6,180 participants. Norfolk has 4,442; OneWorld, 24,673; and the People's program has 9,423. That's a total of 62,589 that these centers actually serve. Could you imagine if you had to put these back into the private sector? There is absolutely no way we could even begin to handle this. So with that I would just urge you and hope that you would be willing to support this program. I think it's critical. I think it's important. And as I said, I know where I live it's more than just important; it's the livelihood for a lot of people and in healthcare so. There will be some folks will follow me up that probably have more information specifically, but I'd be happy to ask any...answer any questions that I can, so. [LB827]

SENATOR MELLO: Thank you for your testimony, Senator Harms. [LB827]

SENATOR HARMS: You're welcome. [LB827]

SENATOR MELLO: Are there any questions from the committee? Seeing none, thank you, Senator Harms. [LB827]

SENATOR HARMS: You're welcome. [LB827]

SENATOR MELLO: We will first hear from proponents for LB827. [LB827]

ANDREA SKOLKIN: (Exhibit 8) Thank you, Senator Harms and Senators, for listening today in support of LB827. Since Senator Harms covered a few things, I'm going to skip over in light of the five-minute time line. But I am testifying today. My name is Andrea Skolkin, A-n-d-r-e-a S-k-o-l-k-i-n. I'm the CEO of OneWorld Community Health Centers and I'm testifying on behalf of the Health Center Association of Nebraska. As you heard that we care for all...about 65,000 patients across the state and I can say, as Senator Harms used us as an example, we increased by 5,000 patients this year, so we are now reaching at OneWorld 30,000 patients. And I imagine when we look at all the numbers from across the state that those...you'll see all of those numbers have increased. Just to shine a little light on our patients, our uninsured patients are entirely low-income, working adult people whose employers don't provide health insurance and people who aren't making enough or they're not working enough hours in order to be able to afford a premium. They're laborers, they're service workers, they're construction, landscape, seasonal employment, restaurant, and many of them have never had health insurance and face the hard realities of going without. Most have never had a healthcare home, which we know and is being touted now as the model that will bring efficiencies and cost effectiveness to healthcare. I am pleased to report that four of six Nebraska Health Centers are now certified as patient-centered medical homes, one is awaiting their certificate, and another one is in process, and I'm sure as Grand Island gets up and operating they, too, will pursue that certification. We're asking you to invest in our cost-effective way to care for the uninsured and to help us expand service to more

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patients. We are still, despite serving 5,000 more people last year, turning away about 500 patients a month. As health centers we see it every day and the challenges people have with accessing healthcare in Nebraska. Our health centers simply do not have the capacity to meet the demand. And it's not just that access to healthcare is available, it's the number of supports that some of our patients need in order to get the healthcare, from culturally appropriate services to interpretation to people with special needs, transportation, weekend hours because they are working. To do all those kinds of things requires additional resources. We are focused on cost and quality and we are a good value for our patients and the communities, but equally we are a good value for the state of Nebraska and the federal dollars that are invested in us. We are not free, as you've heard. We have a sliding fee scale and every person contributes to their care. But our payer mix--that is, the number of patients by source of payment, which the majority is uninsured--isn't adequate to support our work and it doesn't allow us to be the right size to address the unmet needs in all of our communities across the state. Today we ask you to invest in our clinics to support our services for the uninsured. The bill before you would distribute \$1.5 million to our centers; however, we do ask a slight change in verbiage in line 8 of the bill, changing the word "percentage" to "number," because it is our intent that the funds be distributed based on the total number of uninsured. This formula has been agreed to by all health centers across the state based on the number of uninsured served in the previous year as reported to the federal government. The list of how those funds would be distributed is in the testimony and we ask your support of this request to help the medically underserved in our communities live healthier so they can support themselves, their families, and the communities in which they live. I'd be happy to answer any questions and thank you for the opportunity to be here. [LB827]

SENATOR MELLO: Thank you for your testimony, Andrea. Are there any questions from the committee? Senator Kintner. [LB827]

SENATOR KINTNER: Thanks for coming and, like Senator Harms, I was greatly impressed when I toured your facility. You do great work and I would hope most states have a model like ours. I don't know if they do but they sure as heck ought to. Just a kind of a little more of a philosophical question. You know, I'm coming to believe there's almost no charities there, true charities, anymore. They all get taxpayer money. What have you tried to do to get private funds? I know it's a lot easier just to come down here and testify and try to get money from the taxpayers. I'm not saying it's wrong. It's done by a lot of people, versus the hard work of going out there and trying to raise the money and going and making your case to people that would look at that and go, boy, that's a good investment or that's a good place to put some of my donations. That's a hard way to go is to go out there and ask for money and have to produce something and say, here's what you're getting for your money. How hard is...I mean, have you tried that? What's out there, in your opinion? [LB827]

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ANDREA SKOLKIN: Thank you, Senator Kintner. I don't think there's a day that goes by that myself, and I'm sure the other health center directors, aren't on the streets, if you will, asking philanthropies for money. It's a daily job and we...so the private sector or the philanthropy has stepped up. Unfortunately, the availability of that is uneven across the state in terms of access to it. In Omaha we are able to access probably a little more than other parts of the state. But from the...what I hear from the charity hat or the philanthropy hat is, yes, we'll help you, but this is a government function and the government needs to step up. So it's like any nonprofit: It's a combination or a patchwork of private philanthropy and government, but also what our patients...our patients for us is about 45 percent of our revenue. So we do ask. [LB827]

SENATOR KINTNER: I mean, I'd like to mail some of them our constitution. Maybe that might help them get their priorities straight. Thank you very much for all you do. Thank you for coming here today, appreciate it. [LB827]

SENATOR MELLO: Thank you, Senator Kintner. Are there any questions from the committee? Senator Nelson. [LB827]

SENATOR NELSON: Thank you, Senator Mello. Hi, Andrea. How are you? [LB827]

ANDREA SKOLKIN: Hi. [LB827]

SENATOR NELSON: Thanks for coming today. [LB827]

ANDREA SKOLKIN: Thank you, Senator. [LB827]

SENATOR NELSON: I don't have figures before me, but you were before us a year ago asking for money, for funds. Do you remember what you asked for at that time? [LB827]

ANDREA SKOLKIN: Oh, my goodness. [LB827]

SENATOR NORDQUIST: We did dental, did some dental funding. [LB827]

SENATOR NELSON: Was that dental? [LB827]

ANDREA SKOLKIN: Yes. We did come before you for General Fund for an increase to support dental for us that allowed us to hire a new dentist. [LB827]

SENATOR NELSON: Okay. So that was what the \$1.8 million was for? [LB827]

ANDREA SKOLKIN: I don't think it totaled, Senator Nelson, last year... [LB827]

SENATOR NELSON: I think the fiscal note shows that the current appropriation is,

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yeah, \$1.8 million in General Funds, and now this would increase that by another \$1.5 million. And this is just a one-time request? [LB827]

ANDREA SKOLKIN: Senator, I think I understand what you're saying. The total General Fund appropriation with the increase from last year, which was, I believe, \$300,000 across the state, brings it to the \$1.8 million. That \$1.8 million is distributed pretty evenly to each health center across the state to provide healthcare to the uninsured. And so what we are saying today is that we need help growing our capacity, that the numbers of patients exceed what we're able to do, and we need to grow and ask your support to help us do that. [LB827]

SENATOR NELSON: Well, is that money going...when you talk about increasing your capacity, what, hiring more people and putting up another building? [LB827]

ANDREA SKOLKIN: In this instance the money is not used for buildings; in this instance it is used for staffing, for trying to hire new physicians across the state, and dentists. [LB827]

SENATOR NELSON: Which is going to require more space and rent, more rent money and things of that sort, if you can't handle them within your structures now, because you have three floors of the Exchange Building... [LB827]

ANDREA SKOLKIN: Um-hum. [LB827]

SENATOR NELSON: ...plus two additional buildings. [LB827]

ANDREA SKOLKIN: Senator, what we are trying to do is to really...at OneWorld but probably across the state is to grow into the need. For us this money will not be used for new buildings and structures. This is to provide care to the patients that are already asking for care and we're not able to provide it within our existing structures. [LB827]

SENATOR NELSON: If we appropriate this money, is that going to bring in additional federal and state funds for you? Or is this just in addition to what your amount authorized is at the present time? [LB827]

ANDREA SKOLKIN: Senator, that's a hard question. One, we use leverage wherever we can leverage it. Right now it stands on itself, but it does help us leverage federal money when there is a state investment. [LB827]

SENATOR NELSON: Okay. Do you have a figure in mind of the total amount of federal and state funds that you get right now at OneWorld, which you would be familiar with? [LB827]

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ANDREA SKOLKIN: Our...I can only speak for myself. I don't have the data in front of me. But we have about a \$3.9 million federal grant for operating for a \$25 million budget. [LB827]

SENATOR NELSON: Okay. All right. Thank you very much. [LB827]

ANDREA SKOLKIN: Um-hum. [LB827]

SENATOR MELLO: Any other questions from the committee? Seeing none, thank you, Andrea. [LB827]

ANDREA SKOLKIN: (Exhibits 9 and 10) Senator Mello, if I might, we do have two letters of support that we would like entered in, one from the Friends of Public Health in Nebraska and the other from the Public Health Association of Nebraska. [LB827]

SENATOR MELLO: We will read those into the record. Thank you, Andrea. [LB827]

ANDREA SKOLKIN: Thank you. [LB827]

SENATOR MELLO: (Exhibit 11) Are there any other testifiers in support of LB689 (sic)? Seeing none, the committee received a letter of support from--sorry, LB827, I apologize--a letter of support from the Nebraska Hospital Association. And the committee is just receiving letters in support from Friends of Public Health and Public Health Departments (sic--Association) of Nebraska. With that, is there anyone here in opposition to LB827? Seeing none, is there anyone here in the neutral capacity for LB827? Seeing none, Senator Harms, would you like to close? [LB827]

SENATOR HARMS: Thank you, Senator Mello. I would really encourage you as colleagues to approve this request. I think it's really important and whereas, like I said, like where I live I don't see this getting any better. I've said on the floor more than once that we come from...my area is a rather poor county. And when you look at the number of people that we are serving pretty much spells that out, and the percentage of those that are on Medicaid also spells that out. So I'd hope that you'd be willing to do that for all of Nebraska and I'd be happy to answer any questions. Thank you. [LB827]

SENATOR MELLO: Thank you, Senator Harms. Is there any other questions from the committee? Seeing none, thank you, Senator Harms, and that will close today's public hearing on LB827 and lead us to our next public hearing on LB889 from Senator Annette Dubas. Good afternoon. [LB827]

SENATOR DUBAS: Good afternoon, Senator Mello, members of the Appropriations Committee. My name is Annette Dubas, A-n-n-e-t-t-e D-u-b-a-s, and I represent Legislative District 34. I'm here to introduce to you LB889, a bill dealing with the

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emergency medical services funding. Voluntary EMTs across the state serve an essential role in our very rural state. Approximately 80 percent of the geographical area of Nebraska is served by volunteer emergency services. We need to make sure we adequately fund their training and certification. This bill will create a separate line item in the state budget for funds appropriated to reimburse EMS squads for certification and training costs and statewide training conferences. The state has in the past appropriated these funds but it's never been clear in statute and this bill makes sure that it is its own line item. I'm very happy to bring this bill to you. I think our emergency services personnel, our volunteer firefighters are a group of men and women who we just do not truly appreciate to the degree that we should. I think we very much take for granted that when we pick up a phone or dial 911 wherever we're at that, you know, they're going to be there. And they are. But as I stated, many of these people are volunteers, especially as you get out into the more rural areas. Of the 8,300 licensed providers that we have, approximately 80 percent of those people are volunteers. So these are people who are freely giving of their time and, I mean, this is certainly not an easy job to do, as I stated, especially in the rural areas. More often than not they're going to know the people that they're responding to in very often tragic and serious situations. I know that we have been providing funding for their training and what have you, but I think it's...the work that they do, the services that they provide to this state are so critical that they really do deserve that specific line item so that we are appropriating the appropriate amount of financial resources for them to get their training so that they're being reimbursed. They're providing their services for nothing. I think the least that the state can do is make sure that they have access to the training that they need to do their jobs. So I'd hope that the committee would lend its support to this bill and would be happy to try to answer any questions you may have. [LB889]

SENATOR MELLO: Thank you, Senator Dubas. Are there any questions from the committee? [LB889]

SENATOR HARMS: I just have one. [LB889]

SENATOR MELLO: Senator Harms. [LB889]

SENATOR HARMS: Thank you very much for introducing this, Senator Dubas. Do you know whether or not we have any shortages with the emergency medical technicians and the emergency medical responders? I know that one time there were some real concerns about rural Nebraska and liability and all of those things. Where are we? Do you know? Have any idea? [LB889]

SENATOR DUBAS: I've got some numbers here. [LB889]

SENATOR HARMS: Okay, good. [LB889]

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SENATOR DUBAS: And I know there are some people behind me who may be able to reinforce those numbers. For first responders to emergency medical responders, we've seen about a 44 percent decline in those responders. In EMTs we've seen about a 20 percent decline. And actually in paramedics and advanced paramedics we've seen a little bit of an increase. But total loss of providers across the board we're looking at about a 24 percent decline. [LB889]

SENATOR HARMS: Do you think that that's being caused because they're concerned about liability or training or certification? [LB889]

SENATOR DUBAS: There's probably a, yeah, a variety of reasons. I mean certainly the amount of time that's required of them and the training, it's not just an hour or two, and the cost for those training I know plays into that. [LB889]

SENATOR HARMS: Okay. [LB889]

SENATOR MELLO: Senator Kintner. [LB889]

SENATOR KINTNER: Thanks for coming with this bill. I'm...it's of great interest. (Laugh) The money goes to HHS. I can say we park it there until it's doled out. How is it doled out? How do they get their hands on it? How is it disbursed? [LB889]

SENATOR DUBAS: I think maybe that's part of the question and the reasoning behind this bill is because that money is there but there's not always a clear ability to track it to see how it finally ends up getting to where it needs to go and to ensure that all of the money that should be going there is getting there and that they're receiving the resources that they have. And I know there will be some people... [LB889]

SENATOR KINTNER: You mean we appropriate money and maybe it doesn't go to where it's supposed to go? [LB889]

SENATOR DUBAS: Well, I'm not saying that that is necessarily the case here but it could be. [LB889]

SENATOR KINTNER: Okay. So I'll ask that question behind you. Okay, thank you. [LB889]

SENATOR MELLO: Any further questions from the committee? Senator Nelson. [LB889]

SENATOR NELSON: Thank you, Senator Mello. Thank you, Annette. Appreciate your coming. I'm looking at the fiscal note--\$250,000 for initial training, emergency medical and emergency medical responders. How many, if you know, how many will that train,

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\$250,000? [LB889]

SENATOR DUBAS: I couldn't give you the exact number and as I said I'm...there are some people behind me who will be able to give you some more specific numbers on that. [LB889]

SENATOR NELSON: All right. All right. And do you have that in front of you? [LB889]

SENATOR DUBAS: The fiscal note? [LB889]

SENATOR NELSON: Yeah. [LB889]

SENATOR DUBAS: Yes, I do. [LB889]

SENATOR NELSON: Yeah. Third one there, for statewide educational conferences conducted, that doesn't really make sense to me there. What are we talking about there, the \$220,000? [LB889]

SENATOR DUBAS: I think again those are training opportunities, conferences for these different positions to attend for either renewal certification or certification. [LB889]

SENATOR NELSON: Well, maybe someone else can elaborate a little bit for me. [LB889]

SENATOR DUBAS: To give you some more specifics, yes. [LB889]

SENATOR NELSON: Okay. All right. Thank you very much. [LB889]

SENATOR MELLO: Are there any other questions from the committee? Seeing none, thank you, Senator Dubas. Proponents for LB889. [LB889]

BRUCE BEINS: Thank you, Senator Mello and members of the Appropriations Committee. My name is Bruce Beins. It's B-r-u-c-e B-e-i-n-s. I am the advocacy chairman for the Nebraska Emergency Medical Services Association. I'm also in my 30th year as a volunteer EMT from Republican City, Nebraska, which is out in Senator Christensen's district. And I'm very happy to be here because I get to speak a little bit about my passion, which is providing EMS in Nebraska. We've got 425 EMS services in Nebraska and 329 of those are basic life support services, and then about 95 of them are advanced life support services. As Senator Dubas said, we have 8,300 licensed providers in the state right now and about 80 percent of those are volunteer. We are facing a crisis with those numbers. To give you some more background on some numbers that Senator Dubas had, from 2008 until October 2013, we lost 497 first responders; we lost 1,587 EMTs; and we actually gained 274 paramedics for a total loss

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of 1,810 EMS providers. Why we lost them we're really not sure. An unintended consequence of that loss means we also went from 406 instructors to 309 instructors. That's a 24 percent decline in that five-year period. Now those numbers are pretty scary. We've been talking about a crisis in rural EMS for a long time, since I started testifying the Legislature in 1996. We're seeing it come around now. We train about 400 EMTs, about 150 first responders, and 100 paramedics every two years. So that's kind of the numbers that we train right now. We've got an EMS system that's not a system of design; it's a system of evolution. When I was a child, the EMS service was provided by the funeral home, which was kind of a conflict of interest. (Laughter) It evolved from there to turning it over to fire departments, stand-alone EMS services, and evolution just kind of took its course from there and that's the system we have. What that means is, is in our rural areas, and even in some of the suburban areas around some of the metro centers, it is volunteers that are providing the service and they, you know, give of their time to provide this needed service to the citizens. There's no controlling authority for EMS in the state of Nebraska. There's no law that says any city or county has to provide EMS services. So that creates kind of a funding vacuum, if you would. The personnel was provided by the volunteers and that's when we came to the Legislature to ask for some money for training. It started in 1996. Our licensing is paid by General Funds, so the money comes out of General Funds. I don't have to pay to have a license. And then any training money that we have has come from the Appropriations Committee starting back in 1996. The problem is with that, when we came to the Appropriations Committee the second time, which was in 2007, and asked for some additional funds because the tuition rates have gone up, the book rates have gone up, we weren't able to cover it, we thought we had really good numbers and we put those numbers...we got them from HHS and we put them before this committee and we received the appropriations where we should be able to pay for the training of the EMTs and paramedics and first responders. And once the money funneled through HHS, they were only reimbursing about 25 percent of that cost. Trying to get accurate numbers, even numbers today, has been very difficult. December 31 ended a renewal period for all first responders and EMTs in the state. The numbers I gave you were through October. When I asked for the current numbers now six weeks after renewal, I was stonewalled. I couldn't get numbers. We've heard that we've lost another 1,400 EMTs on top of the numbers I've gave you. So we are looking at a crisis. Is funding the answer to that crisis? I think it's a big part of it. The money that we can use to fund to get people into classes is going to go a long ways towards supporting the system that we have. And with that, I'd sure answer any questions. [LB889]

SENATOR MELLO: Thank you for your testimony, Bruce. Are there any questions from the committee? Senator Nordquist. [LB889]

SENATOR NORDQUIST: Thank you, Mr. Chairman. Thank you for being here. So the dollar amounts shown on the fiscal note, do you have a general sense of how much of that could be...would be pulled out of the current appropriation to public health? [LB889]

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BRUCE BEINS: Not knowing what the current appropriation, how they're spending it, it makes it very difficult. It just makes it...we know that some of it's being spent. We don't know if all of it's being spent and we don't know if it's being spent to where the original legislative intent or our intent when we asked for it, we don't even know that for sure. So that makes the fiscal side of it...we're hoping that maybe through the testimony in the committee that maybe we can get to the bottom of some of these numbers. [LB889]

SENATOR NORDQUIST: Thank you. [LB889]

SENATOR MELLO: Senator Kintner. [LB889]

SENATOR KINTNER: Well, thank you for coming here. And since I've got you here,... [LB889]

BRUCE BEINS: Um-hum. [LB889]

SENATOR KINTNER: ...I'm going to ask you some process questions and some questions that maybe you can answer about your district which maybe we can apply to the state. Number one, how much training does it take to start off to be an EMT? Right? [LB889]

BRUCE BEINS: Um-hum. [LB889]

SENATOR KINTNER: Is that...I'm using the right term, "EMTs"? [LB889]

BRUCE BEINS: Yes. [LB889]

SENATOR KINTNER: Okay. All right. [LB889]

BRUCE BEINS: To be an EMT it varies a little bit. There is national standards for training EMTs. You have to keep in mind that as an EMT in rural Nebraska I have to be able to respond to everything from delivering a baby to all kinds of medical emergencies, plus trauma emergencies, so there's a wide range of things I have to be adequately educated on. Depending on the training agency, it would go anywhere from 150 hours to maybe as much as 200-225 hours of training. Now that goes from community colleges all the way up to Creighton where you can get maybe a broader education to get your certification. [LB889]

SENATOR KINTNER: Okay. And then of course there is continuous training. [LB889]

BRUCE BEINS: Right. [LB889]

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SENATOR KINTNER: As technology changes you're always going back. Is that usually at a community college or something not too far away? Or do you have to... [LB889]

BRUCE BEINS: That also varies. Probably one of the biggest opportunities for our continuing education is the conferences, the educational conferences. There's three major conferences in the state and then a lot of regional, one-day conferences. Some of our hospitals do provide some training. We do some training within our squads. We have to have a certain amount of training to keep our certification up. [LB889]

SENATOR KINTNER: All right. I'm going to ask you about your district. I've been to your district. I know it's a pretty good-sized district and it's some pretty rural areas in your district. [LB889]

BRUCE BEINS: Um-hum. [LB889]

SENATOR KINTNER: What are their response times in a rural district like yours when someone dials that 911? Give me a range of response times. [LB889]

BRUCE BEINS: Okay. My area is probably on the bad end of the scale. There is four EMTs on my service that covers my service area. I am the only one that is even close to town. The rest of them are farmers, so they're out doing their thing. So number one, if they hear their pager over the roar of the tractor or, you know, if they're not in the middle of pulling a calf or something, then they have to respond, you know, three to five miles, where I'm less than a mile. Even with that, our response time runs about six minutes. That is...that's from page until we get to the ambulance, not from the ambulance to where the patient is, because that could be anywhere from in town to ten miles out of town. So our initial response time is generally how services are kind of judged by how quick can you get to the ambulance. [LB889]

SENATOR KINTNER: Okay. [LB889]

BRUCE BEINS: In the cities it's not unusual to see two- to three-minute response times. [LB889]

SENATOR KINTNER: Okay. Are there holes in coverage in your area that you just don't have good response times to because of location, where everyone is, where the fire station is versus the far edge or anything? [LB889]

BRUCE BEINS: In my area I wouldn't say there's holes in coverage from anything other than lack of manpower. I'm here today, so 25 percent of my service is down. [LB889]

SENATOR KINTNER: Okay. [LB889]

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BRUCE BEINS: The three that are still there are engaged in farming. So if a call went out to our community today, it's really going to depend on whether we can...somebody else will respond. So that would be our holes in coverage and I think you'd find that a lot in the rural areas is that it's all manpower dependent. [LB889]

SENATOR KINTNER: Wow. You know, people dial that 911 and they just think it's an automatic response. So, okay. [LB889]

BRUCE BEINS: And people think that there's some provision for EMS, that somebody has to provide it, and of course they look to government to be that person. [LB889]

SENATOR KINTNER: Okay. Well, thank you very much. Appreciate it. [LB889]

BRUCE BEINS: Thank you. [LB889]

SENATOR MELLO: Any other questions from the committee? Bruce, one quick question. [LB889]

BRUCE BEINS: Um-hum. [LB889]

SENATOR MELLO: Do you remember the dollar amount that was appropriated in the 2007-2008 biennial budget specifically? [LB889]

BRUCE BEINS: We added \$160,000 a year. [LB889]

SENATOR MELLO: Okay. [LB889]

BRUCE BEINS: So it was \$320,000 per biennium. [LB889]

SENATOR MELLO: All right. Thank you for testimony. [LB889]

BRUCE BEINS: Thank you, Senators. [LB889]

SENATOR MELLO: Next proponent for LB889. [LB889]

MICHEAL DWYER: (Exhibit 12) Good afternoon, Chairman Mello and members of the Appropriations Committee. My name is Micheal Dwyer, M-i-c-h-e-a-l D-w-y-e-r, and I'm a member of the Nebraska State Volunteer Firefighters Association and the Nebraska Fire Chiefs Association legislative committee. I'm also a 31-year member of the Arlington Volunteer Fire Department and captain of the rescue squad in Arlington. I'm here today to testify in support of LB889. I'm going to try to go through my, out of respect for your time, try to go through my testimony fairly quickly and then we can allow for questions at the end. Currently, as has been mentioned, over 80 percent of

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Nebraska is covered by volunteer fire and rescue services. To try to put a name to the face, currently, whether it's a child choking in Nebraska City, a car accident near Albion, or a cardiac emergency in Chadron, the goals and the risks for us are the same. The men and women of Nebraska's volunteer fire service leave family, leave dinner sitting on the table, climb out of a warm bed in the middle of February to risk their lives to protect the lives and the property of Nebraskans. EMS in Nebraska is changing radically. While the vast majority of Nebraska is served by volunteers, the standards for care and for education are increasingly becoming professional standards. The time and the cost to keep up with those standards can become a significant hardship for the members, for the men and women who are charged to protect Nebraskans. When I was first certified as an emergency medical technician in 1984, the course I took was 81 hours. Today that same certification, as was mentioned, is well over 160 hours and the extra coursework that goes with that--homework, continuing education--is significant. To be clear, these are college-level courses that we're asking volunteers to take. LB889 provides at least some measure of clarity that the funding the Legislature intends for volunteer EMS training actually goes to those who provide the care. In Arlington Fire and Rescue's case, in October of 2012 we started an EMT class. We finished that class in February of 2013 with all six of our members passing the class and we were never reimbursed for the \$6,000 that our department had to fund-raise to pay for that class. In addition, the Nebraska Emergency Medical Services Association, who you'll hear from in a moment, is a wonderful organization who has dedicated leadership and provides invaluable training and resources to Nebraska's EMS providers. Allocating funding for NEMSA would encourage more members to attend conferences that are not only valuable but in some cases are required by the state of Nebraska as part of our continuing education standards. Given the alarming loss of volunteer EMS providers in Nebraska, imagine the cost to replace even part of Nebraska's 8,000-plus volunteer EMS providers with paid providers. LB889 provides some measure of support in the effort to stem the exodus. While not the final answer, this is certainly a great step. Thank you, and I would welcome any questions. [LB889]

SENATOR MELLO: Thank you for your testimony, Micheal. Are there any questions from the committee? Seeing none, I did see that in your testimony, in your written testimony and in your verbal testimony you mentioned a specific case of not being reimbursed \$6,000. I do see the CEO of the Department of Health and Human Services in the room, and so I'll make sure as we're doing our research in regards to whether or not the money that we appropriate is going to the appropriate places, this is one case that I'll make sure that we follow up with CEO of Department of Health and Human Services on to find out why you were not reimbursed for that specific class. [LB889]

MICHEAL DWYER: Yeah. And I appreciate that. And it's really easy to beat up on HHS and I'm one of the ones that likes to do that. On the other hand, as I understand the reimbursement mechanism that's required by the state that you have to budget for a calendar year, and that budget has to be completed within that calendar year. In a

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practical sense, given the amount of time that it takes and just the scheduling of EMS classes, you can't always do that. So part of what we would hope out of LB889 is it clarifies and allows at least a little bit more flexibility so that we're not trying to jump through two and in some cases three years of funding hoops. One of the dynamics is when we complete the class the reimbursement isn't available until those individuals have actually passed the course. [LB889]

SENATOR MELLO: Um-hum. [LB889]

MICHEAL DWYER: Quite frankly, I'd like to see some kind of a measure in the middle that offered some kind of reimbursement when everybody takes the course in good faith. But some of those classes are extremely difficult. Some of the tests, excuse me, are extremely difficult. I know I have a member on my department that I'd absolutely trust with the life of my kids but he couldn't pass the test. I would like to see a little bit more training. I apologize that long winded. I hope that helps your answer. [LB889]

SENATOR MELLO: That's all right. Senator Nelson. [LB889]

SENATOR NELSON: Thank you, Senator Mello. Thank you, Mr. Dwyer. From your testimony there it cost six of you--not you, but six of your members--about \$1,000 apiece. Would that be right? [LB889]

MICHEAL DWYER: That's correct, including the classes and books. That's a round figure but it's pretty close. [LB889]

SENATOR NELSON: Okay. And that was for technicians, the medic, or...? [LB889]

MICHEAL DWYER: Yes, EMT-Bs, um-hum. [LB889]

SENATOR NELSON: Okay. So then I...if I could transfer that, that \$250,000 is going to take care of about 250 of them for initial training. It...that's the figure here that's shown in the fiscal note. Okay. [LB889]

MICHEAL DWYER: And I would believe that to be correct. I would be dishonest if I said I was enough of a mathematician to do that math, but... [LB889]

SENATOR NELSON: Well, okay. And then \$220,000 for--I guess it's a little clearer over here--statewide educational conferences. [LB889]

MICHEAL DWYER: Yeah. [LB889]

SENATOR NELSON: Do you have those conferences now? [LB889]

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MICHEAL DWYER: We do, I believe, and there's going to be some testifiers behind me that are much more qualified to answer this. [LB889]

SENATOR NELSON: Oh. [LB889]

MICHEAL DWYER: And I hope you'll answer that again. But personally, I've attended those conferences there. They provide a wide variety of speakers on a whole bunch of topics from literal skills to coping, quite frankly. And what doesn't get taught in those classes is the comradery, the opportunity to build relationships with the other people that do the same kinds of things. And I don't know that there's any way in the universe to place a value on just that interaction with the rest of the people at those conferences. [LB889]

SENATOR NELSON: But there are continuing education... [LB889]

MICHEAL DWYER: Yes. [LB889]

SENATOR NELSON: Okay. [LB889]

MICHEAL DWYER: Yes. [LB889]

SENATOR NELSON: Thank you. [LB889]

SENATOR MELLO: Seeing no further questions, thank you, Micheal. [LB889]

MICHEAL DWYER: Thank you. [LB889]

SENATOR MELLO: Next proponent for LB889. [LB889]

ARNIE HIGGINS: Chairman Mello, distinguished committee, my name is Arnie Higgins, A-r-n-i-e H-i-g-g-i-n-s. I am a proponent of this bill due to the fact that I deal with students on a quarterly basis, a half-year basis, a biannual basis. To elaborate on Mr. Dwyer's statement, as far as I know, the cost of where I educate my people is over \$1,500 per class. Okay, that being said, there are a lot of people and I know personal accounts of people who decided not to take a class because of costs. And a lot of the people that I know have quit either the EMS program or the EMS per se as the whole state have decided to get away from it because of the costs. These dollars not only help but they also make it just a little more viable for our people to get their continuing ed, get their initial training. I liken to is I want somebody there if something happens to my family. Even though I am a provider myself, I have that mind-set and that's the way I think it should be and I totally support this bill. Thank you for your time. [LB889]

SENATOR MELLO: Thank you for your testimony, Arnie. Are there any questions from

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the committee? Senator Conrad. [LB889]

SENATOR CONRAD: I just...just briefly I want to thank you for making the trip in today. This is a constituent of mine and he has expressed a great deal of expertise and passion on this topic and it does not fall on deaf ears to this committee, so thank you for making the time to come down. [LB889]

ARNIE HIGGINS: Thank you, Senator Conrad. [LB889]

SENATOR MELLO: Thank you your testimony, Arnie. Next proponent for LB889. [LB889]

COLLIN WARREN: Good afternoon, Chairman and all other Senators. It's really great to be here. My name is Collin Warren, C-o-l-l-i-n W-a-r-r-e-n. I come from the Plattsmouth area, so it's good to always see Senator Kintner when I get a chance. He's in and out of my county every now and again, so it's always good to see you, sir. You've heard from a person that deals with as a captain on a squad, you've heard from our advocate that comes down here quite frequently and talks to you, and you just heard from an actual instructor, so I thought it'd be great for you to hear from an actual student. Here I am. (Laughter) I took my first responder when I was on Tekamah Fire and Rescue when I was 18 years old. They paid for it and I was very grateful for that. I probably wouldn't have been able to. I moved to the Cass County area. I work for the school so now I'm in that teacher role so I see students every day. I can't imagine what they would do if someone would not pay for their education. And I thank all of you for allowing us to have that because I was not able to pay for my EMT-B. Someone came out and said, I will pay for your class. So someone came up behind me, grabbed me, gave me a hug, essentially, and gave me the chance to go save your mom, your dad, your grandma, your grandpa. I am so grateful for that. And the reason I do what I do is because a longtime friend of my family saved my grandfather's life. He cut his leg off in a tree accident. He's walked on both of his legs until the day he died because of that man. And that's why I do what I do. And I am so in favor of this bill because I know there is many, many, many others of us that want to that can't because, Collin, I don't have the money to do it. And conferences are very difficult for me to go to. But luckily that I'm on those committees as the chaplain of the Nebraska Emergency Medical Services Association, I get to go to those educational classes that the conferences put on, cutting edge, right on the top of everything that's new that I may not get from that department setting from regular members. I get to see international speakers. Wow. It's awesome. So I'm here today because I got the chance to do that and I want you to see that now I was able to do that. And if you can give 1 more or 250 more of me that chance, I hope you do. Thank you very much. [LB889]

SENATOR MELLO: Thank you for your testimony, Collin. Are there any questions from the committee? Senator Kintner. [LB889]

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SENATOR KINTNER: Well, thanks for coming down. I guess you figured out you can always find me down at Stan's Bakery, right? (Laugh) [LB889]

COLLIN WARREN: Yeah, that's usually where you are. [LB889]

SENATOR KINTNER: It's kind of...you know, I was just...been absolutely fascinated as I've gotten to know so many firefighters. Is this something you wanted to do from a very young age and you just, when you got 18, boom, you jumped into it? Tell me about how this became part of your life. [LB889]

COLLIN WARREN: Actually, we were out at my dad's parents' house and my mom's parents were there cutting wood for their wood fireplace. I was eight years old. I was loading the truck with wood when my grandfather come falling out of the tree screaming. My dad's best friend grabbed him, threw him in the back of his truck, called on the way to the fire hall, they loaded him up, and from that point on I just saw something. From there I was in the Boy Scouts. The first thing I did was my lifesaving merit badge. From there I went into a lifeguard and from then on I've done nothing but try to help people out. I'm also a CPR instructor so...and I teach with the people at UNMC and/or Methodist or just for, you know...I teach the school kids and all of the teachers at Conestoga so that way that they are ready for any type of an emergency. And it's not just CPR; it's first aid, too, so. [LB889]

SENATOR KINTNER: I'm absolutely amazed at you guys, how much you give of yourself, how your family life revolves around the fire station, it's the most amazing thing, and the billions of dollars you save our state and by volunteering your services. So I appreciate all you guys do and I'm glad you all came down here. [LB889]

COLLIN WARREN: Thank you, Senator Kintner. [LB889]

SENATOR MELLO: Senator Conrad. [LB889]

SENATOR CONRAD: Thank you very much for sharing your experience. And just a quick question that occurred to me during your testimony: Are you seeing an evolution in this area where there's a greater awareness and more tools provided to first responders like yourselves in dealing with behavioral health situations in addition to physical health issues? [LB889]

COLLIN WARREN: (Laugh) It's funny, and I don't laugh at your question. [LB889]

SENATOR CONRAD: No, no. [LB889]

COLLIN WARREN: It's funny that you say that. I can honestly say yes. And the only

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reason I can say that is because I was actually a behavioral patient at one of our conferences. There was actually a class for behavioral situations. And the awareness is very great and we do show it at our conferences. And people from around the state that come to those conferences actually request to come to those classes so they have a greater chance of learning a little bit more about those situations. [LB889]

SENATOR CONRAD: Great. Thanks very much. [LB889]

COLLIN WARREN: Um-hum. [LB889]

SENATOR MELLO: Seeing no further questions, thanks for coming in today, Collin. [LB889]

COLLIN WARREN: Thank you very much, guys. [LB889]

SENATOR MELLO: Any other proponents for LB889? [LB889]

DEB VonSEGGERN: Good afternoon and thank you very much for this time to talk to you all. My name is Deb VonSeggern. That is D-e-b V-o-n-S-e-g-g-e-r-n. And just a little background of myself is I am the president of the Nebraska Emergency Medical Services Association. And they sent me in to do the cleanup so I'm the last one. I wanted to give just a little background of myself. And it was interesting that Senator Kintner asked why you get into it. I do like to share just a little bit about that. When I was 25 years old my child went into cardiac arrest. He is...he was eight years old and it was from a foreign body air obstruction. I was never trained on how to do that. By the grace of God, he's still here 25 years later. He is also a fireman, by the way. Once you catch it, you go on. That spearheaded me wanting to do more and now that's what brings me to sit in front of you. As you have heard through the people who have spoke before me, we have lots of passion for what we do. And you'll hear that over and over again because our system is based off of an 80 percent volunteer program that is giving to the state and to the public safety of all of our residents. It would be amazing how much money that would cost--in the billions, as you said--to pay for it. Some of the problems that you have already heard is about the funding that we already have appropriated and then having to find where that went to. We were actually in a meeting with...at the state level. And when we had spoke about this bill it was stated to us that not all of it's used and that we already have appropriated. And part of the reason you had heard the...Micheal Dwyer talking about that case study that he did is because of the hoops that you jump and the deadlines that we have to meet on getting those reimbursements in by the fiscal year. And a lot of those courses end...his ended early in February but most of them end in May and June. And then there is a national testing fee that has to go with that, and sometimes it takes a couple months to get into that. So they run into a lot of problems and we do not get to use those reimbursements and then they don't know where they're at. So that is an issue that we would like to address with that. The other thing is that you

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had asked about conferences, Senator Nelson, and I wanted to explain a little bit about the conferences. In the world of EMS we get our continuing education in, in various ways. We have in-house training which is usually done by one of your members and it's usually on a local level according to what is needed in your local service and your local protocol. Then you have the colleges and the training agencies that are allowed to give those standardized con-ed hours out to that. The difference with our conferences, and we do have quite a few of them throughout the state and they are set up and we bring in the...for con-ed purposes, and it all follows con-ed purposes, is on the cutting edge and the competency, things like that, that is required in order for us to keep up our hours. And it is also based now because of our medicine being based off of scientific, evidence-based medicine of best practices that we are actually looking forward. This is something new in the con-ed world of EMS is to not be reactive but to be proactive. And so those conferences actually take that into accounting of educating our EMS providers into thinking about the patient care outcomes as a whole on the best practices, and that's what those conferences are based off of. And so they take a little different role than what other con-ed and in-house training would do. And the other reason why we would like to encourage and help pay tuition for those conferences is that if they just do in-house training, they're retraining the same maybe not best practices that they're doing within their in-house training and that we can show them different best practices and may be better at patient outcomes. And some of even the educational statistics that have come out is not creating that silo effect and bringing them into that bigger arena. I only wanted to talk about one more thing and that was about the baby boomers. I think you guys have heard through some of the other LBs that have come through you here prior to us the age that...the aging population. They are telling us that in the EMS world, and I want you to think about the numbers you have heard about how we have downsized in our numbers here, our call volume will be higher. I am from a department that has 13 people on it. Six of them are EMS providers, one of them being me, which I am here now. We run one to two calls daily and I work in Omaha and I live in North Bend. And so that really does...we have seen an increase of over 33 percent in our calls in the last two years and they are anticipating that our calls will double within the next five years. I thank you very much for your time and I'm here for questions if you need them. [LB889]

SENATOR MELLO: Thank you for your testimony, Devon (phonetic). Is that how you pronounce it? [LB889]

DEB VonSEGGERN: I'm Debbie VonSeggern. (Laugh) [LB889]

SENATOR MELLO: Okay. Any questions from the committee? Seeing none, thank you. [LB889]

DEB VonSEGGERN: Thank you for your time. [LB889]

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SENATOR MELLO: Are there any other proponents for LB889? Seeing none, are there any opponents to LB889? Seeing none, is there anyone here in the neutral capacity on LB889? Seeing none, Senator Dubas, would you like to close? [LB889]

SENATOR DUBAS: I would, thank you, Senator Mello. And thanks to those who came forward and testified today. I think there's a couple of very compelling reasons why we would want to make this a specific line item in the budget. Transparency, we're always looking for ways to make government more accountable and more transparent. This will give us that opportunity. This is a program and a service that is so, so vital to our state of Nebraska. The work that these people do, 80 percent of them on a volunteer basis, is...I just...there's just not enough we can say good about what they do. And while they are trained in their local area and very often are serving mostly people in their local area, they are trained to take care of everybody across the state. So if one of you comes out to visit me in Fullerton and, God forbid, you're in an accident, my stellar Fullerton Fire Department and EMS people are going to be there to take care of you. And no matter where we go in this state, it's those volunteers who are going to step up and respond to the emergencies. And so, you know, what we're talking about here is just paying them back a little bit for the cost that they're incurring to volunteer their services. So I hope the committee will see their way clear to make this a part of the budget as a line item and that we can reimburse these people with the financial resources that they need to carry on and do the very important work that they do. [LB889]

SENATOR MELLO: Thank you, Senator Dubas. Are there any questions from the committee? Senator Kintner. [LB889]

SENATOR KINTNER: I just thought of something. Did you look at giving the money directly to the volunteer firefighters, our EMT association, and let them distribute it out, rather than parking it in a state agency? [LB889]

SENATOR DUBAS: No, I didn't look that direction. I'm trying to decide how that would look and how you would disburse it and how it would...I mean, there's so many different sizes. I mean, I'm just not quite sure how that would look. [LB889]

SENATOR KINTNER: Because we give all kind of money directly to organizations and they put it out there, it would seem like they would know how to disburse it. They would know...I would think they would know how to do it. It just seems to me that that might solve a couple problems at one time if we just gave the money directly to them and I...so I just was trying to figure out if...where your mind was on that and... [LB889]

SENATOR DUBAS: And I'm not sure that the question is where the money needs to go. We know where the money needs to go. It's just making sure that the money that's appropriated is getting to where it needs to go and, as the people are taking their

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courses and their training, that they are able to apply for that reimbursement. So, you know, they have to be licensed at the state level; having it stay at this level probably would make the most sense. I'm always... [LB889]

SENATOR KINTNER: Okay, well, I just wanted to make sure they can get it with the least amount of hoops to jump through, least amount of red tape. [LB889]

SENATOR DUBAS: I can't disagree with you on that. [LB889]

SENATOR KINTNER: And probably a government agency isn't the place to get the least amount of red tape, but not...you know, that's just, you know, the way they operate. I'm not trying to put anyone down or just putting disparaging remarks on anyone. But I'm just wondering if you'd looked to that so. [LB889]

SENATOR DUBAS: No, I'm...no, we hadn't looked at that. [LB889]

SENATOR KINTNER: Okay. [LB889]

SENATOR MELLO: Seeing no further questions, thank you, Senator Dubas. That will close today's public hearing on LB889 and lead us to our last public hearing of the day, LB936 by Senator Bolz. [LB889]

SENATOR BOLZ: Good afternoon, colleagues. It's late in the day and I'll cut to the chase. This bill is about providing access to developmental disability services for children who are wards of the state. For kids who are in the custody of the state, these services are essential. They're essential to their developmental progress; they're essential to their reunification with their families; and they're essential to their stability within the child welfare system. Currently the only way a child being served by our child welfare system can get services is if they are what is called priority one status which means that they are homeless or an immediate harm to themselves or others. If they are not priority one status, they must wait their turn on the developmental disabilities waiting list, and this wait may be significant in spite of real, significant, and dramatic needs, needs like autism, needs like cerebral palsy, developmental disabilities, epilepsy, behavioral health needs, and more. Colleagues, this bill provides resources to the Division of Developmental Disabilities to provide services to high-needs kids in the child welfare system. It would allow us to draw down additional funds. It would allow us to better and more proactively serve kids in the child welfare system because we could plan for their needs and organize around their needs rather than react to them in a crisis approach, and it allows for budgeting and being more thoughtful about the kids that we're serving and how we're serving them. Currently, we set up contracts between child welfare services and developmental disability services that can be very costly and not always planned ahead. So, colleagues, I appreciate your consideration as we discuss the creation of the State Ward Permanency Pilot and I'm happy to answer any questions

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you have at this point. [LB936]

SENATOR MELLO: Thank you, Senator Bolz. Are there any other questions from the committee? Seeing none, thank you. We will first hear from proponents for LB936. [LB936]

MARLA FISCHER-LEMPKE: (Exhibit 13) Good afternoon. My name is Marla Fischer-Lempke, M-a-r-l-a F-i-s-c-h-e-r-L-e-m-p-k-e. I'm here to represent the Ombudsman's Office. We are here to support LB936 and to share with you some of what we know about the need for systems to come together to serve families. A number of children involved in the child welfare system also have a developmental disability. They likely are not meeting developmental milestones as children without disabilities. The instability of multiple placements within the child welfare systems exacerbates the delay in their development. Because this is true, it is vitally important that these children and the families who care for them as they work to achieve permanency are able to access any and all services that will achieve this goal. The state has a duty to ensure its systems don't act as an additional barrier to already complicated situations. LB936 attempts to ensure collaboration between systems so that children and families are better served. With the silo effect among systems, workers of one system are often not familiar with the services of other systems or how to navigate them. LB936 builds connections between the silos so that not only are children better served, so are families. Ensuring support for the whole unit will likely make permanency more successful. Several months ago I spoke with a CFS worker. The worker described a child who clearly had a developmental disability but the worker seemed completely unaware of developmental disability services. In fact, it seemed the worker was intimidated to try to navigate the system simply because she was unfamiliar with it. As this example demonstrates, it's important that the pilot process incorporate cross-training among caseworkers of both systems for successful outcomes. Not only will these dual-system services be helpful for the child to be able to have help gaining necessary life skills through habilitation, but they assist the family, as well. Further, it's even more crucial that these services are offered in a timely manner when a child is the one in need. If a child is simply put onto a waiting list for these services, it's likely other developmental milestones could be delayed or missed. Finally, we're pleased that this pilot is designed to be data driven. Frequent reports will be utilized, offering an ongoing dialogue about its effectiveness, as well as possibilities for modifications along the way. We're also supportive of creating any opportunities for collaboration and communication between systems, resulting in better outcomes for Nebraska families. And I have...I'm glad to answer any questions. [LB936]

SENATOR MELLO: Thank you for your testimony, Marla. Are there any questions from the committee? [LB936]

SENATOR KINTNER: Mr. Chairman, I've got a point of information to you about the

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whole process here. Is that a... [LB936]

SENATOR MELLO: Yeah. [LB936]

SENATOR KINTNER: I mean, is that proper? The Ombudsman's Office is a creation of the Legislature, correct? [LB936]

SENATOR MELLO: Correct. [LB936]

SENATOR KINTNER: Why are they here lobbying us if they're a creation of us and they're here to facilitate some things we've sent them off to do? It would be like Legislative Fiscal Office, who is supposed to provide us numbers, coming and lobbying us on something. Is that...is this normal? I'm asking that...I'm not casting aspersions on anyone, but I'm just asking if that is a normal process for this committee to have a creation of the Legislature come lobby us. [LB936]

SENATOR MELLO: Actually, it specifically lays out in Marla's testimony, I think the second line is, they are authorized by statute as an independent office for citizens who have complaints about actions of administrative agencies of state government and I believe, if you read through her testimony, that is kind of the focus of what they're...what they do is they provide the Legislature feedback on administrative cases that they take on our behalf and on behalf of the citizens. And so it was just today over the lunch hour, actually, the Ombudsman's Office testified in support of a legislative resolution that furthered investigatory matters of the Department of Corrections. And so in circumstances they are able, when it comes from a matter that's initiated usually from their office, which this particular issue was partially initiated from their office from Senators Campbell, Lathrop, myself, and others, I know Senator Bolz and others throughout the interim of this past year, this is something that we've seen before. [LB936]

SENATOR KINTNER: Mr. Chairman, just asking for some historical perspective. I'm not attacking anyone or... [LB936]

SENATOR MELLO: Yeah. [LB936]

SENATOR KINTNER: I just wanted to make sure that this is normal operation procedure. Thank you very much. Okay. [LB936]

MARLA FISCHER-LEMPKE: And if I could, I...just basically, our office notices...we notice issues within systems. We just appreciate any opportunity that is going to facilitate greater communication, and so that's what I was trying to point out here. [LB936]

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SENATOR KINTNER: Thank you. Appreciate it. Yep. [LB936]

SENATOR MELLO: Any further questions from the committee? Seeing none, thank you, Marla. [LB936]

MARLA FISCHER-LEMPKE: Thank you. [LB936]

SENATOR MELLO: Proponents for LB936. [LB936]

DAVID NEWELL: (Exhibits 14 and 15) Good afternoon, Chairman Mello, members of the committee. My name is David Newell, D-a-v-i-d N-e-w-e-l-l. I am the CEO of Nebraska Families Collaborative. And I won't be reading my testimony to you. I'll be highlighting just a few things. I would like to thank Senator Bolz for introducing LB936 which NFC strongly supports. LB936 focuses in attention on a subgroup of the most vulnerable kids in Nebraska. So children who are state wards are the most vulnerable children in Nebraska and children with disabilities within that population are even more vulnerable. And that is why this legislation is so important. NFC provides the ongoing case management for child welfare children in Douglas and Sarpy Counties in collaboration with the department and we have a no-reject, no-eject contract with the department which means that we must serve all children and families that are referred to us. In your handouts, one of the handouts is a memo from the department that explains the current prioritization process for children who are state wards and believed might also have a developmental disability. And as you've heard, there's been a change in the process where it used to be that these children were automatically prioritized, and that is no longer the case, and that has significant impact on kids. So DD services in Nebraska are voluntary and are based on a child's eligibility and need while child welfare services are mandatory, and it's an important distinction to make. And in our particular case, if a child's...we are the payer of last resort. So if Medicaid won't pay for a service and special ed won't pay for a service and insurance won't pay for a service and behavioral health won't pay for a service, child welfare in the state must pay for that service. And it's based on the best interest of the child, which is overseen by the courts, and frequently these services are court ordered. In the handouts you also have two case examples. One is at the end of my testimony and the other is a separate handout which is...there are examples of two youths that would be impacted by this pilot. In the separate handout what you see is a youth who has been in the system for some time and he's in the system for what's called...it's child welfare 3a no-fault decision, which means that his parents haven't done anything wrong that would require him to be in the child welfare system. And he's currently on the wait list for DD services and if he had DD funding he would no longer be in the child welfare system. This particular youth last year was the most expensive child we served and for a cost of around \$255,000 for last year. So these are kids who are highly complicated. There aren't a lot of them. Right now, just to give you a sense of the size of the issue, right now at NFC we're serving nine youth who are both DD approved and funded. We have 12 youth who are

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approved that are eligible but they're awaiting priority funding. We have three youth who we've submitted applications and those have been denied and they're in the appeal process. And then we have 13 youth who are in the application process, so their applications are pending right now. So we're not talking very many children, but we're talking very complicated children and as a result fairly expensive. The average age of these kids is around 15 and they are predominantly boys. And oftentimes what we're finding is that these kids have been in the special ed system for quite some time but they haven't risen to the occasion of DD application until their teens. The other youth who is at the end of my testimony is a youth who is about to age out. And the Legislature should also be commended for introducing legislation for adult guardians. That's another critical need in our state. This youth is an example of that need. However, it's not just for adults. One of the other issues that we struggle with in Nebraska is when a child is a ward of the state and you apply for eligibility for services, the guardian is the same department that is denying eligibility for the service. And so there are important due process concerns that I would hope that the committee would explore. But with that, any questions? [LB936]

SENATOR MELLO: Thank you for your testimony, David. Are there any questions from the committee? Seeing none, thank you, David. [LB936]

DAVID NEWELL: Thank you. [LB936]

SENATOR MELLO: Next proponent for LB936. [LB936]

SENATOR HARMS: Welcome. [LB936]

KIM HAWEKOTTE: (Exhibit 16) Good afternoon, members of the Appropriations Committee. My name is Kim Hawekotte. It's K-i-m H-a-w-e-k-o-t-t-e. It's K-i-m H-a-w-e-k-o-t-t-e, and I am the executive director at the Foster Care Review Office and we are here to offer our support of LB936. As each of you know, the Foster Care Review Office is an independent state agency, so we're not under Health and Human Services or the court, and we are charged with tracking children in foster care, reviewing their cases, and reporting on outcomes. It's our belief that this proposed State Ward Permanency Pilot Project would help answer some key questions about children in our system that have developmental disabilities. A lot of them are in the foster care system. We need to know as a state: How do we optimize these children's supports? How do we better respond to their unique needs? How do we promote safe and timely permanency? So we really need the research and analytic portion of this project that's put before you. First off I want to say to Senator Bolz and Lathrop and Campbell, we do appreciate as a Foster Care Review Office the confidence that the senators have in our office in the ability to analyze data and to make recommendations as an independent agency. The only thing that we would ask is twofold with regards to this bill. The first is that as we go forward with it that we are part of the very beginning of developing these

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benchmarks that you will be governing instead of just looking at the very end of the data. It's much more helpful if you're there at the very beginning, ensuring that you're collecting all the relevant outcomes to make sure that you're going forward. And the second thing is with regards to a fiscal note. There was a fiscal note that our office did submit with regards to this where we are looking specifically at the creation of the requisite database in order to house these youth, the requisite analytical programming of SPSS which would then be used, and then also a research analyst that could be used on this project and also other projects as they are coming forward for our office. So I am here to ask...answer any questions, but we do appreciate the confidence that has been put forward in this bill with our office. [LB936]

SENATOR HARMS: Thank you for your testimony. Do we have any questions? Seeing none, thank you. [LB936]

KIM HAWEKOTTE: Thank you. [LB936]

SENATOR HARMS: Do we have any other proponents? Welcome. [LB936]

ROBERT McEWEN: (Exhibit 17) Thank you, Senator Harms and the rest of the Appropriations Committee. My name is Robert McEwen, R-o-b-e-r-t M-c-E-w-e-n. I also go by Robbie (phonetic), so feel free to call me Robbie. And I'm a staff attorney in the child welfare program at Nebraska Appleseed. And on behalf of Nebraska Appleseed, I'm here to testify in support of LB936. The Developmental Disabilities Services Act is codified at 83-1201 et seq. in the Nebraska Revised Statutes, and the statutory authority to operate the Nebraska Division of Developmental Disabilities is there. The types of services offered by DD are invaluable to many children and families in Nebraska. However, as the 1915(c) waiver program, there are a limited number of individuals that can participate in the program. In order to ensure that an individual has access to these services, they must generally receive priority one status, and the committee has already heard that. While state wards in Nebraska were previously granted this status, we understand that there has been a recent policy change which precludes children in foster care from receiving priority status and as a result in many cases from accessing the invaluable services under this waiver. After speaking with attorneys who represent children in juvenile court, it's clear that these services provided by the Division of Developmental Disabilities would help children achieve permanency in Nebraska; in fact, in some cases, it would be possible to close children's juvenile court case files if only they could access these services. We support LB936 because it would provide the resources to the Division of Developmental Disabilities to help facilitate children in foster care receiving services that appropriately address their special needs. In addition, the assessment and data-reporting requirements of the bill will allow the Foster Care Review Office to measure the impact of the pilot, which will hopefully result in more permanency for children in foster care. In conclusion, we'd like to thank Senator Bolz and the committee for your time today. We respectfully request

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that you vote to advance LB936. [LB936]

SENATOR HARMS: Robbie, thank you for your testimony. Do we have any questions? Seeing none, again, thank you very much. [LB936]

ROBERT McEWEN: Thank you. [LB936]

SENATOR HARMS: Do we have any other proponents? Do we have any opponents? Seeing none, do we have anybody who would speak in the neutral capacity? Seeing none,...oh, yes, I see one, thank you. Welcome. [LB936]

JODI FENNER: (Exhibits 18 and 19) Good afternoon. Good afternoon, what would be Senator Mello and now members of the Appropriations Committee. My name is Jodi Fenner, J-o-d-i F-e-n-n-e-r. I'm the director of the Division of Developmental Disabilities and I'm here today to testify in a neutral capacity. The purpose of LB936 is to fund a pilot project that prioritizes and funds developmental disability services to state wards in order to provide optimal habilitative supports and promote permanency. This was a concept initially proposed by the Division of Developmental Disabilities as a deficit appropriation request that was later rescinded. Currently the Developmental Disability Services Act and our Medicaid waiver provisions do not allow for us to prioritize individuals for services merely because they are state wards. Additionally, we must be cautious not to supplant state child welfare funds with federal developmental disability waiver funds because to do so could put our DD waiver funding at risk. Instead, the division must assess each request for priority funding in accordance with the statutory criteria. The Developmental Disability Services Act sets forth the criteria for priority funding to be available to persons in need of sufficient food, housing, clothing, medical care, protection from abuse/neglect, and protection from harm. In many cases state wards do not meet the criteria as their needs are capable of being met through child welfare services. In some situations the youth involved have significant needs related to their developmental disabilities that we can document and that require the support of specialized DD services to meet their safety and support needs. Essentially, we can document that. Were it not for the involvement of Children and Family Services, we would still have prioritized these individuals for services and in those cases we do prioritize the individual for services and then work with Children and Family Services to get those court cases closed. Until recently, the division has not had the staff or technology available to track data relating to at-risk youth. We now have a service coordination team that addresses targeted caseloads, such as at-risk youth. We also have a database where we've begun collecting information to assess the progress of individuals referred to our targeted caseload team, including individuals that we've prioritized and others for whom prioritization was denied. The division has also initiated efforts to better collaborate with the Division of Children and Family Services and its contractors. We have coordinated and paid for evaluations of state wards to obtain objective, professional assessments of their needs for specialized services which have

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resulted in some individuals being prioritized for services. We've offered to assign DD service coordinators from our targeted caseload team to all eligible state wards so that even if they cannot be prioritized we can assist them in accessing helpful training and supports in the community, such as economic assistance, behavioral health services, and other Medicaid programs for which they may be eligible. We've provided training to Children and Family Services and its contractors relating to DD eligibility and prioritization processes to better equip them to obtain timely and acceptable assessments that can assist them in expediting decisions and services related to the youth they support. We have provided access to the DD Division's on-line training and guidance materials to Children and Family Services and its contractors. We've connected Children and Family Services workers to local advocacy groups to assist them with issues, such as locating people willing to become guardians for at-risk youth, and also local advocates to ensure that youth are provided adequate quality education services in their local communities. And we've coordinated training programs throughout Nebraska, many of which are targeted at educators, families, and service providers who support children with developmental disabilities. A copy of that curriculum is being included with your handouts for reference. Many of these sessions will be very helpful to families, both biological and foster care families, in supporting children with challenging behaviors and conditions. In 2013 the division prioritized 21 at-risk youth for developmental disability services of which 15 were state wards. Of those 15 state wards, only 3 cases resulted in obtaining permanency in closing the related court cases. The remaining wards are either still in state custody or aged out of the system without obtaining permanency. Clearly, simply providing DD funding is insufficient to get us to the goal of permanency. In addition to the efforts I've just outlined, we're also working with the Division of Children and Family Services to get additional training for our targeted caseload team of DD service coordinators so that they may begin providing case management for youth who are prioritized for DD services. We believe having one case manager rather than several may result in better communication with the courts and continuity for families. This may further assist us in reaching our goal of permanency for youth. While we believe a program such as the proposed pilot may be helpful in addressing the challenges of at-risk youth who are state wards, we do not have sufficient information at this time to confirm that prioritization for DD funding will actually obtain the stated goal. The data we're currently collecting may provide us more information from which to base a future decision related to the potential for such a pilot program. We also need some time to provide the additional training needed for our targeted caseload team. Based on my history in the division, I appreciate your commitment to ensuring quality DD services are provided to Nebraska citizens and I take my responsibility to be a good steward of the taxpayers' funds very seriously. This effort is about more than simply asking for more DD aid to implement the pilot program. While this was initially proposed as a deficit request, the more we worked with the issue, we simply were not convinced that we would be able to implement the program at this time with a level of accountability that we know you expect. So we withdrew our request so that we could more thoroughly assess the program needs and plan for a more

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thoughtful implementation. We now believe it is more appropriate to continue as we are and consider our request for the biennial budget process. From a technical perspective, LB936 provides that a state ward would be eligible for the pilot if he or she qualifies for developmental disability services or has been assessed and needs habilitative supports. If LB936 is passed, this language should be revised to change the "or" to an "and." It's important that eligibility for DD services be a requirement for the pilot project or the division will not be able to utilize federal matching funds for services or the administrative and service coordination support for the pilot program. Additionally, while habilitation services are not unique to the developmental disability programs, the division's eligibility and evaluation criteria are based on the statutory and medical clinical definitions of developmental disabilities. We would not want to...we would not necessarily be equipped to identify whether habilitative services would benefit individuals who are not eligible for DD services. It's also important to note that the division is not involved in letters of agreement between DD providers and the Division of Children and Family Services. While some DD providers do have agreements to provide services to state wards, our experience is that those services are not the full array of habilitative services that we require in our DD regulations. They provide an enhanced level of foster care similar to situations where youth have significant medical issues or behavioral health issues. We'll also be considering where the responsibilities in funding issues that exist for children are being served through CFS, the CFS contract with Nebraska Families Collaborative. And we appreciate your thoughtful consideration of LB936 and your continued support for both state wards and people with developmental disabilities throughout Nebraska. Regardless, the division continues to remain committed to addressing the special needs of at-risk youth with developmental disabilities and we will continue the efforts that I have shared with you today. And with that, I'd be happy to answer any questions that you have. [LB936]

SENATOR HARMS: Thank you for your testimony, Jodi. Do we have any questions? Seeing none, thank you very much. [LB936]

JODI FENNER: Thank you. [LB936]

SENATOR HARMS: Do we have anyone else who would like to testify in a neutral capacity? Seeing none, Senator Bolz, would you like to close? [LB936]

SENATOR BOLZ: Colleagues, I know we have reached the end of our day so I'll keep my comments brief and just share with you a couple of notes. The first is that I appreciate the comments from the Division of Developmental Disabilities and I'll do my due diligence to circle back and clarify any details that I can for you. I recognize that this is a little bit of a unique piece of legislation to come in front of Appropriations. There are lots of Health and Human Services details here that members of this committee may or may not be familiar with, so I promise to circle back with all of you and articulate in greater detail some of what Jodi has shared with you and how I envision that in LB936.

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And so my final word will simply be that the core purpose of this piece of legislation is to continue this committee's commitment to ensuring that people with disabilities access services that help them live the lives that they want to live and that's the main purpose here and I look forward to working with you to further LB936 this session. Thank you. [LB936]

SENATOR HARMS: Thank you, Senator Bolz. Senator Nelson. [LB936]

SENATOR NELSON: Thank you, Senator Bolz. It will take me an hour to read through all of this material that we've got from providers and from DDS and from other people. The purpose of the pilot project is to provide developmental disability services to state wards to receive optimal supports, and then it goes on to say the project will collect data on the impact of the services. Well, is this primarily a data collection bill or how...who is going to do this, this coordination of these separate silos and everything like that? [LB936]

SENATOR BOLZ: Sure. Sure. So... [LB936]

SENATOR NELSON: Just help me understand this. [LB936]

SENATOR BOLZ: You bet. You bet. There are a couple of things wrapped up in there. The first is that it's both about providing services to kids with...kids who are in the child welfare system and that might mean...for a kid it might mean learning how to brush their teeth, someone who is trained to do that; or it might mean learning how to deal with their social-emotional needs; or it might mean vocational training. So those are the services we're talking about. It looks a little bit different for someone who has a developmental disability versus someone who is a high school kid or for you and me. So that's one place to start. The question that we're trying to answer by tracking the data is, does providing those special supports, called habilitative supports, does providing those supports get kids into a stable home more quickly? And whether that's a foster care home or back with their biological parents or in an adoptive home situation is a question, certainly. But the heart of the matter is, how do we get kids into a family that loves them where they can thrive and grow? So that's the purpose of the data question. And I'm afraid, Senator Nelson, that I've lost the third question you posed to me in giving you that answer. [LB936]

SENATOR NELSON: Well, I've had some contact with a case where there is a person with severe disabilities, a young person, and also a lot of other problems, and yet they don't necessarily qualify in any of those areas for the support. [LB936]

SENATOR BOLZ: Um-hum. [LB936]

SENATOR NELSON: Is this going to address that sort of thing? [LB936]

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SENATOR BOLZ: Yes. So the language that we put into the bill says kids who are assessed to be in need of habilitative supports. And to me that means exactly what you're talking about: that kid who doesn't fit neatly in any of our service boxes, not because we're doing anything wrong, but just because there are some people who are part of our community who are just unique. And so we wanted to include the opportunity for those folks to access habilitative services, vocational, social-emotional, other kinds of supports through the DD system if the caseworkers could identify that that might be of benefit to them. Does that answer your question, Senator? [LB936]

SENATOR NELSON: Well, but who runs the pilot project? [LB936]

SENATOR BOLZ: Um-hum. It...so the language in the bill says that it will be a collaboration between child welfare, the special ed department, the Division of Developmental Disabilities, etcetera, lead agencies like the Nebraska Families Collaborative. But at the end of the day, Senator, a kid who is in our child welfare system will maintain a child welfare caseworker because that's court involved, that's sort of primary. So while all of those other partners we envision them being collaborators, at the end of the day there is some accountability within the child welfare system. Does that help? [LB936]

SENATOR NELSON: A little bit, yes. [LB936]

SENATOR BOLZ: Okay. [LB936]

SENATOR NELSON: And I don't want to pursue this, but I just want to under...why...is this...is there going to be a provider that we contract with to do all of this work, this coordination and this data collection? Is that where the money goes? Or does it go to Health and Human Services and they do that within their own agency? [LB936]

SENATOR BOLZ: The primary purpose for the funding is to purchase the services. [LB936]

SENATOR NELSON: Okay. [LB936]

SENATOR BOLZ: That means hiring a job coach. Or my job in college actually was working at a group home for girls with disabilities, so the person who goes in and makes sure that the kids brush their teeth and that they're being nice to each other and much, much more professional than that, also teaching them how to engage with society, teaching them vocational skills. That's where the bulk of the money goes. But without tracking whether or not our intervention helps, we don't have the accountability that I like to see in all kinds of legislation. [LB936]

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SENATOR NELSON: All right. Thank you very much. [LB936]

SENATOR HARMS: Thank you, Senator Nelson. Do we have any other questions? [LB936]

SENATOR KINTNER: I just found one. [LB936]

SENATOR NELSON: Yes, Senator Kintner. [LB936]

SENATOR KINTNER: I got a fiscal note and a fiscal note and I'm trying to figure it out, and a bunch of money here, bunch of money there. On the last one it says, \$528,000 in General Funds and \$1.5 million in federal funds for a grand total of \$2 million. Why don't we just skip the General Funds and do the \$1.5 million and call it a day? [LB936]

SENATOR BOLZ: So you're right, the fiscal notes are a little bit complex. They envision transferring funds from Children and Family Services, adding General Funds, and putting that pool together to match up and draw down more federal funds. And the reason that that is the target is that we have a pool of kids that we can identify as already being of particularly high need, kids who are already in the child welfare system who might be in, for example, the Nebraska Families Collaborative. You heard from Dave Newell. They might be managed by his organization and they might be developing contracts with, just as an example, Disability Services Nebraska, which is a provider of developmental disability services in our state. So they might be providing that partnership. We can identify a lot of those kids who are already in need of that level of care, and that's the general target for the overall pilot. [LB936]

SENATOR KINTNER: Thank you. [LB936]

SENATOR BOLZ: Sure. [LB936]

SENATOR HARMS: Thank you, Senator Kintner. Do we have any other questions? Seeing none, thank you, Senator Bolz. [LB936]

SENATOR BOLZ: Thank you. [LB936]

SENATOR HARMS: This closes the hearing for LB936, also closes our daily activities here in the committee. Thank you. [LB936]