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Health and Human Services Committee
January 30, 2013

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The Committee on Health and Human Services met at 1:30 p.m. on Wednesday, January 30, 2013, in Room 1510 of the State Capitol, Lincoln, Nebraska, for the purpose of special briefings and an orientation by the Department of Health and Human Services. Senators present: Kathy Campbell, Chairperson; Mike Gloor; Sara Howard; and Dan Watermeier. Senators absent: Bob Krist, Vice Chairperson; Tanya Cook; and Sue Crawford.

SENATOR CAMPBELL: (Recorder malfunction)...and welcome to the special briefings this afternoon before the Health and Human Services Committee. I'm Kathy Campbell and I serve the 25th Legislative District, which is east Lincoln and eastern Lancaster County. And we're awfully glad you're here. This is really an extension of a briefing that we started several weeks ago, and we so appreciate the three presenters coming back today because we were really getting short on time. So a reminder that if you have a cell phone, please double-check that you have turned it off or put it on silent so that we won't be disturbing anybody who testifies today. Today we're only accepting invited testimony, which means we have invited all the speakers to come before us. The public is welcome and you can stay. We will have the first part of this will be a briefing, a continuation from some groups based on what we had experienced through the bills, five bills last year. And then we will take a break and the Department of Health and Human Services had requested to provide an orientation to the committee. And we did this several years ago and it was very helpful. You're welcome to stay for the orientation, but certainly not required. That's why we're going to take the break. If you are testifying today, make sure that you complete an orange form so that the clerk, Diane, has the exact spelling of your name. And we will ask you to repeat your name and spell it when you come forward so the transcribers will hear it. We will not be on a light system today and a lot of relief I'm sure from the three people going, for once I don't have to watch the lights. All right. With that, we'll start with introductions. And I will say at the onset that Senator Crawford is...has a bill before the Revenue Committee so

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we have no idea when she will be coming. Senator Krist and Senator Cook will not be with us today. So we are a mighty but small crew today. Senator, would you like to start the introductions for me? []

SENATOR WATERMEIER: I am Senator Dan Watermeier, District 1, which is southeast Nebraska. []

SENATOR HOWARD: I'm Senator Sara Howard, I represent District 9 in midtown Omaha. []

MICHELLE CHAFFEE: I'm Michelle Chaffee, I serve as legal counsel to the committee. []

SENATOR GLOOR: Senator Mike Gloor, District 35, Grand Island. []

DIANE JOHNSON: And I'm Diane Johnson, the committee's clerk. []

SENATOR CAMPBELL: And we have Kaitlyn or Deven? Kaitlyn and Deven today as our pages. So if you need assistance, why the pages will be glad to help you. We'll begin this afternoon with a briefing for the committee by the Nebraska Families Collaborative, and Dave Newell is going to start off for us today. Welcome. []

DAVE NEWELL: (Exhibit 1) Thank you, Senator Campbell. And thank you, members of the HHS Committee. I wanted to thank you for inviting us to the briefing. My last name is Dave Newell, N-e-w-e-l-l. And NFC is very happy to be presenting this briefing to you today. I think we would all agree that we are starting this legislative session in a much better place than when we started last session. And I'm very happy to show the progress that we're making in the Eastern Service Area. So in your handouts--and I'll direct you to the slide show over here--and also, I'll be doing the introduction to this slide show and then our treasurer, Judy Rasmussen will be going over the financial aspect of

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the slide show. So a little bit about us is NFC was started by five partner agencies. And I would add to that...and you are very...anybody who is familiar with agencies in Nebraska knows them very well. These are all respected child-welfare agencies who several of them have been serving Nebraskans for over 100 years. And in addition to the agencies like Boys Town and Child Saving Institute and Nebraska Family Support Network and OMNI and Heartland Behavioral Health, NFC has also built on a Nebraska provider network of almost 50 providers. And they are vital partners in the community with us. In the Eastern Service Area, which is Douglas and Sarpy Counties, we serve a little bit over 1,400 families at any time, and a little bit over 1,300 are court involved, and 109 are noncourt involved. And one of the important things about NFC's contract with the state of Nebraska is that it is an unconditional-care contract which basically means that it's a no-eject, no-reject policy. We don't determine which children and families come to us, we have to accept all of them. And we also don't determine whether or not they're removed from their home. So the department and law enforcement maintain their vital functions in those areas. (Slide presentation begins.) This gives you a little bit of a picture of what the population in Nebraska looks like as far as child welfare and juvenile justice. And you can see that in the Eastern Service Area the vast majority of children are served in the Eastern Service Area which is approximately today around 38 percent of the population of wards and noncourt youth combined. I hope you're impressed with this slide. It gets worse. This just gives you another picture in the Eastern Service Area. And I'm very purposely using the term "Eastern Service Area" because I think one of the things that I would like you to take away today is that while NFC is a lead agency in the Eastern Service Area, all the work that's happening is in combination with the department, with law enforcement, with Project Harmony, with our provider network, the court system. None of the things happening in the Eastern Service Area would be happening without the partnership of all these groups. And I think that what we're seeing in the Eastern Service Area is some very nice things. So when NFC started its contract, the ESA was around 42 percent of the total service population in Nebraska and it has now come down to about 38 percent or thereabouts. Of the recent reductions in total cases statewide, 70 percent of those have occurred in the Eastern

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Service Area. And 59 percent of the reduction of out-of-home cases statewide have also occurred in the Eastern Service Area. And as far as wards-only data is concerned, 56 percent of the reduction in wards statewide has occurred in the Eastern Service Area. Fifty-nine percent of the reduction of out-of-home wards has happened there, and 46 percent of the reduction of in-home wards statewide has happened in the Eastern Service Area. And once again, this is to the credit of all the different groups that are working together in ESA. And here we go again, let's cycle through this. And this next slide is just another visual for you. It's the same information that you just saw and, there again, the blue line is NFC and you can see that reduction in total cases. A large percentage has been in the Eastern Service Area. These are the kind of things, that we...as this committee well knows, that the three areas that we really focus on in child welfare and juvenile justice are safety, permanency, and well-being. And these are just some of the performance areas. And as you're well aware, the federal government is increasingly focusing on child well-being and we think that that's a very positive direction. And I know the committee feels that way as well. And I think we're making good progress there. One of the major things that I would like you to take away from this slide...these are some process measures that are in NFC's contract. Like a lot of targets, one of the things that I would say to you is that for many of these measures, while our goal would always be to be 100 percent, in reality a lot of times you're not going to see 100 percent. So in regards to caseload size, as an example, what I would tell you--and this is a strong compliment to this committee and to the Legislature--NFC is in compliance with the new caseload standards that were established in LB961. And one of the reasons why you don't see it at 100 percent is there is a variety of things. We get a caseload report every week that details how many staff are slightly over. All of our staff are slightly over as far as the percentages that are over, just by like one or two cases. And you go, well, how does that happen? Well, I was looking at this week's report as an example, and a number of our families had babies, as an example. A baby was born and they went over. We don't transfer cases. Another thing that happens is that we are anticipating a case closure. And we don't want to close a case if we know in the next several weeks a case is going to close. We'll leave that family with that worker

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so that they don't have to have another worker and we can close the case. And so we monitor that very closely and we are in compliance. So we're very excited about this. Also, as far as monthly child visits, there's been a lot of research to show that that's one of the most important measures that you can focus on for child safety. And you can see that we are meeting the federal standard on monthly child visits and we're very excited about that. But the big thing that I would like you to take away from this slide--this is one of the things that I think NFC and the pilot project brings to the state of Nebraska--is that you also see how we're doing in eastern and how that compares to the state average. And I think that this is a real value to the state of Nebraska. There are many states, Wisconsin, Missouri, that have systems where there's both a strong private and public presence, and this is an example of what Nebraska gets by having a comparison. Sometimes the state does it better than we do and sometimes we do better than they do. The goal is always on the kids and families and when the department is doing something better than something on NFC, we're looking at that and seeing if that's something that we can apply in the Eastern Service Area. And vice versa, I think. So two things regarding this, we have a great board of directors at NFC and it recently changed. So the founding board of NFC was created by the five partner agencies. And in December we redesigned the board of directors to also comply with a law that was passed last session. And so now our current board of directors has a 51 percent community representation that are nonpartners. And you can see the names of the board members on there, and I'm sure you recognize several of those names. They are all leaders in the Omaha, greater Omaha community, and we are thrilled that they have joined our board. We just had a board meeting recently and it was a highly energized board meeting, and we are very thrilled to have these new board members join us. I should have also put on this slide, we also have a community advisory board that meets monthly in the Eastern Service Area as well. And all those folks are volunteers in the stakeholder community who are also vital partners to NFC and its mission. One of the systems that we're implementing this year is a new management information system called FAMCare--it's on the right here. And we're very excited by the possibility--we talked to Director Pristow the other day--we would really like to have what's called an

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electronic data interface with N-FOCUS. And if we had that, FAMCare is really a cutting-edge, modern, MIS system that would be far more responsive to our staff's needs. Most of the expensive implementation...well, all of the expensive implementation would be covered by NFC with the exception of that there might be some work for the EDI on the state side if we were to have it. One of the advantages if we piloted FAMCare in the Eastern Service Area--it's also a highly affordable system--is that if the state liked what it saw, I think that FAMCare could easily be expanded to the rest of the state as a very affordable option. So we're excited by that opportunity to partner with the department and we're hoping we can do that. And this is...you'll see on the grants that have been awarded to NFC, the dollar amount is not significant. And it's not, but here what I would like you to take away on the grants and community partnerships is most of the grants that NFC pursues are grants that are not necessarily just for us. They might be for other community partners in Omaha. And so, as an example, the Fostering Healthy Homes grant is our first federal grant, so I'm excited about that. It's only for \$25,000 but, as you know, your first federal grant can be the bridge to your next federal grant. And what that is, is to help reduce hazardous substances in foster homes. And so the EPA is also very excited about this, and the very first foster home that we went out to--Omaha actually has one of the highest lead pollution rates in the nation--the very first home that we went out to actually had a lead problem and now that's going to be in the process of being fixed. And so...and we just welcomed a new community-development grant director at NFC this week. And I think that she is going to be fantastic. And with that, we're going to be once again looking at grant opportunities not only for us but for other community partners. And then with this next slide--which is going to make you dizzy--I'm going to turn the rest of the presentation to NFC's treasurer, Judy Rasmussen. []

SENATOR CAMPBELL: Just a minute, Mr. Newell. Are there any questions before we go on? []

SENATOR HOWARD: I do have a question. []

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DAVE NEWELL: Okay. []

SENATOR CAMPBELL: Senator Howard. []

SENATOR HOWARD: Can you...on the Data At A Glance slide, the one with the bar graphs, can you tell us the time frame for that? []

DAVE NEWELL: Uh-huh. So that is through...from July 1, 2012, through now. []

SENATOR HOWARD: Okay. And then, is there...are there any specifics on the time frame for the...this one as well? Is that just a month? []

DAVE NEWELL: That's the most recent one, yes. []

SENATOR HOWARD: Okay. []

DAVE NEWELL: So that's December, I believe. Yes, that's for December. []

SENATOR HOWARD: All right, thank you. []

DAVE NEWELL: And we've been consistently ranking high on all those measures. []

SENATOR HOWARD: Okay. Thank you. []

SENATOR CAMPBELL: Did you have a follow-up? []

SENATOR HOWARD: Nope, I'm good. Thank you. []

SENATOR CAMPBELL: Senator Gloor. []

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SENATOR GLOOR: Thank you, Senator Campbell. Is the unconditional care contract working out okay? In other words, do you feel that those children who are referred to you are a fair mixture of what you would expect to have gotten as opposed to siding more on the side of the most challenged cases to work with? []

DAVE NEWELL: That is...let me answer that question in two ways. One is, I think this type of contract has to be an unconditional care contract and so, in that sense, I would say the answer is yes. Any child or family that comes to us, we have to serve them. The complexity of that question comes in where, as an example, in the Eastern Service Area we're implementing a new evidence-based tool called Structured Decision Making. And so...and I think it's a very positive thing that Nebraska has done. But as you implement any new tool, there is a learning curve that goes with that. And so...and the intent behind an instrument like Structured Decision Making is you only want to serve the children and families who really need the service. And so fidelity becomes a real issue. So I think that the implementation is going in a positive way, but there is a learning curve. And so does that mean that every child and family that comes into the system perhaps should? I think we're still working on that. Just one other thing I would add is with law enforcement, remember that law enforcement in Nebraska also determines who comes in. And it's well documented in Omaha that we have a very high child removal rate. And I think we need to look at that, we need to look at more family preservation systems. So one would be a question, does every child and family that come in, do they all need to come in? I think we need to study that. I think we also need to study is every child who's removed, do they really need to be removed? And I think we need to study that more too, because I think sometimes kids are removed unnecessarily. But there are no bad actors in this, it's really working altogether. And we just...I think we have some more work to do. []

SENATOR GLOOR: Okay. I'm pondering other questions, but I think I'll listen for a while before I start asking questions. So thanks, Dave. []

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DAVE NEWELL: Okay. Okay, thank you. []

SENATOR GLOOR: Appreciate it. []

SENATOR CAMPBELL: Mr. Newell, one of the questions I have or I guess just more of a statement, I'm really glad to hear that you're having conversations with the department on FAMCare. And I don't know whether you were here...I think you were here last time for the presentation from the three consultants on the computer IT system. And one of the things that was startling--well, not startling to me--but it was how interrelated N-FOCUS is also to Medicaid. And so it's not like we're to ditch...you know, we're going to have to think about that. So any system or any interface that we have, we need to make sure that we're keeping every player well abreast of what we're doing because that report calls into question how interrelated all these computer systems are, at the state level anyway. And so I just didn't know if you wanted to comment on anything that the computer contract said. []

DAVE NEWELL: (Exhibit 2) Sure. I'm so glad you brought that up, Senator. I actually brought another handout on this. This is a handout that was generated by NFC's vendor for FAMCare. And I think that this was in response to the Ummel Group report. I think the opportunity that Nebraska has with FAMCare is that you can continue to use N-FOCUS as a data warehouse. And by N-FOCUS from a user's standpoint, I don't know a nice way of saying this. I've worked in the field for about 20 years, over 20 years, and N-FOCUS is the worst management information system I've ever worked with. There are substantial problems with it from a user's standpoint. The system is almost as old as most of our workforce, and that is not a good thing for a workforce that has grown up with computers. And so when you look at a child welfare management information system, it has to work for this body, it has to work for the department, it has to work for us. And N-FOCUS really isn't achieving any of those things. And it actually contributes to things like workforce turnover because when you have a Generation Y

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who is used to computer systems that work, N-FOCUS is very slow, it's very difficult to remotely control into, and also the Generation Y workforce likes to self manage by reporting on themselves. And these are all things that N-FOCUS can't do. So I think that options like this are, you know, exciting options that I'm hoping that we can pilot here in Nebraska and see what we can do with it. []

SENATOR CAMPBELL: And we've tried to share that report and we'll be glad to share any other information with the Appropriations Committee because I didn't want to see a lot of money spent on one system over here when, in reality, it affects another system. And it has to do with Medicaid... []

DAVE NEWELL: Uh-huh. Yes, absolutely. []

SENATOR CAMPBELL: ...as you can well imagine...the interest of this committee. So appreciate the handout. For the audience, I don't think Mr. Newell goes anywhere without at least two handouts. See? A lot of smiles in the audience. []

DAVE NEWELL: I have more. []

SENATOR CAMPBELL: I'm sure you do too. Any other questions from the senators before we go on? Thank you, Mr. Newell. []

DAVE NEWELL: Okay, thank you. []

SENATOR CAMPBELL: And we will have you once again state your name for the record. []

JUDY RASMUSSEN: Okay. I'm Judy Rasmussen, R-a-s-m-u-s-s-e-n, and I am the treasurer of Nebraska Families Collaborative. And I'm also the chief financial officer, executive vice president of Father Flanagan's Boys Home, Boys Town. Okay? I'm going

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to kind of go through a few things on the financials, but before I get to that I'm going to just reiterate as one of the...as the treasurer and as one of the partners that we truly believe that this collaborative can make a big difference in the children's and families' lives. We've invested the dollars from the different partners that have formed the collaborative, and consciously so, because we wanted to be able to make changes and help the state take care of its children and families. Before I get to some of this data, I do want to talk about how we're looking forward to working with the department on another round of case-rate negotiation. We agreed that we're going to start doing that in February. And, hopefully, within 30 days we'll get that accomplished so we can have some information for all parties, including the state and NFC. We want to be able to cover the reasonable and necessary costs for providing services for the children and families that we have. And I think that there is enough revenue within the budget of the department to be able to do this. There wouldn't be additional funds needed to be able to take care of those costs. NFC continues to reduce costs with their case-management services in the ESA. I'll show you in a little bit, a little bit about what it looks like, but at this time the revenue is not covering those costs even though we have reduced the cost down by millions of dollars. And that's what I wanted to talk to you about today to show you what we have. Payment methodology just that we're utilizing doesn't allow us to draw it down enough to do that. Kind of step on where...how did we get where we're at? In January--so a year ago--the NFC provided to the department financials of one-third of the Eastern Service Area, which is what they had at that time. And looked at it for a fiscal-year period and it looked like that it was that those costs were \$22 million. And then when we started looking at, okay, what would it look like for costs to be for 100 percent of the Eastern Service Area? The NFC projected that that would be \$63 million. So there would be some efficiencies by being able to be, you know, a bigger organization taking care of more kids, but you wouldn't need to triple the costs. And during that time, we were working with the state on this. And during that time we decided that we would work with the department for a \$61 million contract, that we felt that there were still efficiencies that could be made at the NFC. And so we entered into a contract that states that it's a not-to-exceed amount of \$61 million. And that's the

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number that I'm going to be referring to during my presentation here. We, at that time with the negotiation of the case rate, we've got some great data that we are able to utilize and great accountants. Not just me, you know. I'm the treasurer, I don't do the day-to-day. But we knew with what was being presented for the case rate wasn't going to meet the needs. And we told the department we don't believe that this is going to cover the reasonable and necessary costs and services for 100 percent of ESA. And at that time, the department director, Kerry Winterer, and the department said, well, let's look at this. Let's sign this, let's look at it in 90 days and we'll see where we're at. So that's why we signed the contract at that point in time because, you know, we work with the department very well, want to continue that relationship, and want to take care of the kids. We knew what Dave was presenting on what really matters on the kids side is having good outcomes. So...and we haven't had 100 percent of ESA so we'll go back, look at it in 90 days. So when we met in 90 days, the actual information that we showed did show--just as we had thought--that it didn't cover the costs of providing the services for the ESA. And so that's where we're kind of at right now. Based on current payment methodology, we're only going to be able to draw down about \$55 million. And remember, there's \$61 million that was entered into the contract not to exceed. But the cost for that is actually about \$57 million. So there's a \$2 million amount of costs that aren't being covered annually, based on our projects, from the department. And I'll get to that in a little bit. We have another slide. But like I said before, we do not believe there would be any additional appropriations that would be needed. The way it is right now, the NFC would lose \$2 million and there would be a budget surplus in the department of about \$6 million. That's the difference between, you know, the \$55 million and the \$61 million. And I don't believe, and NFC doesn't believe, it's really an expectation that a not-for-profit should have to continue to carry that kind of a load when we have good data to support. You know, we've been glad to do it for the period that we've done because we knew that we were going to make a difference and we could show and have the information. We have good financial data, which I know...I do believe that the department really does appreciate because they have data in one place for all costs, you know, including legal, including...I mean, all the different things that

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you have. And our administrative costs are about 5 percent, so they're very low when you look at what they're doing. So also...and one thing, like I said, I'm kind of a unique financial person I guess, a CFO working at Boys Town that I have for the past 15 years. What we're doing isn't about the money, it's about what we're doing with the kids. But we want to be able to have a sustainable system. And that's something that I think everybody in Nebraska would like to have, a sustainable system that has good outcomes. I have to go through all this just like we did here. I should have done this as I was going along. And then the next slide kind of shows you in a graphic form what I'm talking about. The blue line on top is the funds that were allocated if you just take the \$61 million and allocate it over a 12-month period, so easy enough. The red is the NFC expenses. And as you can see, those expenses have been going down a downward trend, which is a great thing. I mean, a lot of that has to do with the reduction in kids that Dave was talking about. And it also was the efficiencies that they've been able to incur having a longer period of time and having the whole 100 percent of the ESA. And the green is what we have been paid...NFC has been paid by the department. It just kind of shows, you know, we've done a great job of reducing costs. But the more we reduce costs, we still can't get to...the way the case rate is, we still can't get to a break-even point. And we won't. I mean, it won't happen unless we have zero kids. I mean, you know what I mean? So I guess that's the end of my presentation. If there's any questions, I'd be glad to answer them. []

SENATOR CAMPBELL: Questions? Senator Gloor. []

SENATOR GLOOR: Thank you. I want to make sure I understand when you say, we're never going to get to a break-even point. Does that mean under the... []

JUDY RASMUSSEN: Well, the way...the current case rate methodology...and that's why...and I mean, the department is willing...I mean, I am anticipating we're going to get to a good number that we can all live with. I mean, we've got...you know we have good data, I felt, at 90 days. But now that we've even got further, you know, months behind

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us, we can come up with a good rate, you know? []

SENATOR GLOOR: Weeks, months before you get to that? []

JUDY RASMUSSEN: I would like...personally, I would like to get it done within 30 days.
[]

SENATOR GLOOR: Okay. []

JUDY RASMUSSEN: I think that we've got the data. I mean, you can crunch numbers. If you have the data, the crunching of the numbers doesn't take that long. []

SENATOR GLOOR: Thank you. []

JUDY RASMUSSEN: That's what we would like to have happen. []

SENATOR CAMPBELL: Questions from the senators? Ms. Rasmussen, one question. []

JUDY RASMUSSEN: Uh-huh. []

SENATOR CAMPBELL: Just one quick question. When we reviewed their report, I mean, one of the questions that the consultant was very clear to us--not only in the report but when he came to testify--that we needed to find out if this was a revenue problem or an expense problem. And so you feel that the next case rate will address that question? []

JUDY RASMUSSEN: Yeah. And I think that if you're looking at...we've never had any issues with...I mean, the department...we've talked about our direct costs, you know, of treatment costs or direct costs to the providers. That's never been...I mean, their costs are similar to ours. I mean, I think that if you asked that question they would say they

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are not materially different. But it's on the administrative side because it's not an easy way to compare their administrative costs versus ours because they're in different areas. They're not all in the DHHS budget. And those people are going a lot of different things, not just for the child welfare, as you know. But that's why I was talking about the 5 percent of the...administrative rate of 5 percent is a very reasonable rate for an organization, anything really below seven. Seven is a good number. So... []

SENATOR CAMPBELL: Yeah, I'm trying to think what some of the charitable watchdogs talk about. []

JUDY RASMUSSEN: Well, and they are looking at...usually the watchdog groups include development in there. And there you're looking at about 25 percent together. Okay? So... []

SENATOR CAMPBELL: You are looking at a very different percentage. []

JUDY RASMUSSEN: Right. Right. And to give you an idea, Boys Town, we have it separated out. Boys Town has about over a 6 percent administration, general management and general. And then about another 6, 7 percent for development. But that gives you a good idea. []

SENATOR CAMPBELL: Any further questions? []

JUDY RASMUSSEN: Okay. []

SENATOR CAMPBELL: Okay. []

JUDY RASMUSSEN: Well, thank you very much for letting me talk. []

SENATOR CAMPBELL: Thank you. We'll just make a note of the fact that by legislation,

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the Health and Human Services Committee has to report to the Legislature on the project by April 1. I keep saying April 15. That's why I looked at the legal counsel, because I always make that error. And so, I'm sure we will be having additional conversations with NFC prior to that. []

JUDY RASMUSSEN: Okay. And there will be some work by the state by that time too. []

SENATOR CAMPBELL: Absolutely. We should know a lot more information if your crystal ball is on target. []

JUDY RASMUSSEN: Uh-huh. Yeah, exactly. Thank you. []

SENATOR CAMPBELL: Thank you. We will proceed to the next presenters, and the first is the Foster Care Review Office, Kim Hawekotte and Linda Cox. Good afternoon and welcome. []

KIM HAWEKOTTE: (Exhibit 3) Well, thank you all. Good afternoon, Senators. It's nice to see everyone. My name is Kim Hawekotte, it's K-i-m, last name is H-a-w-e-k-o-t-t-e. And I'm the recently appointed executive director of the Foster Care Review Office. It's been a week, and I'm really excited to be there. And I want to thank you for this opportunity to provide an overview of the contents of the annual report from the Foster Care Review Office. I do have in our testimony where the full report is available because there's a lot of data and information that I won't be covering today, but we want to give some highlights. As a little bit of background information, on June 30, 2012, here in the state there were 4,341 children in out-of-home care here in Nebraska. What we did then is looked at demographics by age because we all know how important age is. Twenty-nine percent of that figure were 0-5, 24 percent were 0-12, 18 percent were aged 13-15, and 29 percent were 16-18. So about 53 percent of the youth were 12 years and under that were in out-of-home care. As you know, it's part of the responsibility of the Foster Care Review Office under statute to track children's outcomes and to do...and to facilitate

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reviews. We have local board members and volunteers who do a wonderful job throughout the state. What we did is we took a look...in 2011 they reviewed 4,632 reviews across the state. We also looked at the first six months of 2012 where they conducted about 2,400, 2,500 reviews. In looking at all those reviews, we came up with some recommendations that we would like to put forward to this committee and back it up with some of the data. And most of these recommendations, I believe these are all things that all of us agree are essential for this system. First, we have to assure that kids and children do not linger in foster care. I mean, it's paramount to have a consistent, relentless focus on the best interests of the youth to achieve permanency based upon their safety and well-being met while in foster care. It's more than just safety, it's also well-being. How are they doing? Foster care as we all know, is designed to be a temporary solution, not a permanent. So due to a variety of reasons, we felt it was very important to look at how long youth had been placed out of home. So, you know, as of June 30, 2012, the average length of time that a youth had been placed out of home here in Nebraska was 485 days, over one year. This figure, just to be clear, does not include days that they might have been placed out of home during a prior removal. This was just for that period of time of removal. We also then wanted to look at...let's look at youth that are under the age of ten, because we all know that with younger youth time passes very fastly too. So for children under the age of ten--out-of-home care as of June 30, 2012--the average length of stay was 459 days so still over one year. Second area that we found was that we need to ensure and secure the needed documentation so that all the parties involved can be fact based. For those of us that have sat in court, we know that documentation is vital. If we don't have good documentation, you're not making good decisions and you're not directing that case appropriately. So in a file review what we found was that 44 percent of the children's files reviewed in the first half of 2012 contained all the needed information about visitation of their mother...with their parent. What that means, though on the flip-side is that 56 percent did not. Only 61 percent of the file reviews, the children's assessments or evaluations were in the file at the time of the review, and only 41 percent of the files had the children's therapy records. And if you're talking about a system and information

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needed for the judicial system, these are three main areas that the judges and the attorneys and all the responsible parties need to have to make good decisions. Third thing, which I know we've all heard a lot about, is to reduce caseworker changes to stabilize management of children's cases. We all know that the retention of caseworkers, whether they work directly for HHS or for a lead agency, is critical to really ensuring that children's safety and well-being is met and that we achieve permanency. What we found though that in the first half of 2012, that 50 percent of children in out-of-home care had 4 or more caseworkers. And what we did just to be clear, is this is only children who had not been in foster care prior to that time period. So we're not talking about kids that had previously been removed, we're talking about kids that were currently in care. We also then took a look at some subsets because we wanted to hone in on that data a little more. And what we found for the first half of 2012, that those in care for less than six months average two workers, but those in care for more than six months average five workers. So something between that six-months' time period we need to look at as a system as to what is happening. Fourth area we looked at and that we feel strongly about is to create and implement appropriate and realistic case plans. You know, that we hold parents accountable but also that we can return the rate of children returning to foster care. As part of a Foster Care Review Office local board review process, they do look at permanency plans and they look at time frames and they look at services. From January through June of 2012, what we found was that 38 percent of the children that were in out-of-home care on June 30, 2012, had been in out-of-home care before. So that was 38 percent that had been reentering out-of-home care. Only 49 percent of the children's cases reviewed in the first half of 2012 had a written permanency plan. Thirty-five percent of the children's cases reviewed in the first half of 2012 were not making progress towards permanency or at least there was not documentation of it being made. Again, this is a documentation issue that they were not shown within that system to go forward. The fifth area is, of course, stable placements for children. Nothing is more important for a child than having a stable placement and knowing where they're going to live or where they're going to go tonight. Disrupting a child's environment, whether it's a foster home or whether it is their parents home, is

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very traumatic for that child. And we all know that with trauma comes a lot of behavioral and mental health issues. So what we wanted to take a look at was how many placement changes had happened for youth. What we found in the first half of 2012 is that 50 percent of the children had 4 or more out-of-home placements over their lifetime. And that's excluding respites or hospitalizations, those brief time periods. We're talking placement changes. One question that we know came up, Senator Campbell, on the January 16 hearing was really looking at that 0-5 age range on the number of placement changes. So Linda Cox did a wonderful job and pulled that data. And on June 30, 2012, we found that there were 1,266 children in the 0-5 age group in out-of-home care. Of that 1,266 youth, 19 percent of those young children had experienced 4 or more placements, and that 5 percent had experienced 6 or more placements. And I do have the numbers included in the testimony, too, as to the number of youth that we were, but we felt it was very important that we also concentrated on the 0-5 so you knew what was going on there. The sixth thing is to ensure that children receive the critical services they need to heal from prior abuse and neglect and to become successful adults. We know, as a system, that we still have problems with obtaining managed-care approval, obtaining financing for needed services not covered by managed care, waiting lists, lack of service availability in a lot of parts and geographic areas of this state. And we know how difficult it can be to get those behavioral and mental health services, but we also know how important it is. And the research is very clear that these youth do have...suffered trauma and we need that mental and behavioral health services. So what we did is we looked at the data with regards to the mental and behavioral health issues that we could find from the data. What we found was that 18 percent of the children in the first half of 2012, did have a DSM-IV psychiatric diagnosis at the time they came in. We then wanted to look at, well, how many of the youth that we received in the first half of 2012 came in because of behavioral and mental health issues. Twenty-seven percent of the children reviewed in the first half of 2012 entered care due to their behavioral and mental health issues. We really then wanted to hone in...let's look at the ages because I think what most people commonly go to is, well, it's teenagers. It's teenagers with that. Well, the data didn't

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necessarily show that. It showed that 12 percent of the 657 children entered care due to behavioral and mental health issues were under the age of 6. Twenty-four percent of the children who entered care due to behavioral and mental health issues were 6 to 12. And the remaining 64 percent then would be the teenagers that came in due to behavioral or mental health issues. So it isn't just strictly a teenage issue with regards to the mental and behavioral health. The other data that we felt is important in this area is to look at the number of youth that will be aging out of our system while they're in care of HHS. What we found, that in 2011, 7 percent of our youth left care due to aging out due to majority. And I know we've heard a lot of testimony for the last couple of months with regards to how important that transition to adulthood is and why it is so important. But I wanted to make sure and let you know how many youth in 2011 we were dealing with. Last, is to closely monitor contract service providers to ensure children's best interests are met. I mean, we know as of the end of June of 2012, about 44 percent of the cases were in the lead pilot area. It's now down to 38 percent. But in the other areas, we do have contractors for all other types of services and we need to monitor and look at outcomes based upon those contracts. I also wanted to touch a little bit about some of our other major recommendations that are contained within the annual report. We do discuss children's educational areas, which are extremely important, court practices, paternity identification, sibling connections, special needs of very young children. Also looked at law violators, the juvenile justice population. But there were some trend findings that we wanted to bring up today from our annual report for the senators. And first, that in the past ten years there are significantly fewer children in out-of-home care than there were ten years ago. And there was a bar graph there, and you will see that in 2006 there was the largest decrease. And at that time for those of us that are around, we do remember that was with the Governor's initiative and Through the Eyes of a Child began. But you can see through this trend line that it has pretty much flattened since 2009. On another, when you look at the trend data, the percent of children with four or more placements over their lifetime is down slightly, but we're still at 50 percent. The percent of children with four or more case managers over their lifetime has dramatically increased since 2009. In 2008, it was 35 percent of them had four or

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more case managers. And now, as of June 30, it was 61 percent. Some other trend data that is on the increase is that children under the age of six, ten years ago was approximately 23 percent of our children in out-of-home care. As of the end of June it was 30 percent. As we all know, minority children in foster care are in foster care at a higher rate than their percentage in the general population in this state. Males in this state do tend to be overrepresented, but we really didn't see any change over the last ten years, it's about the same. Also not surprising over the last ten years is that most children enter care due to neglect. And I'm defining neglect as a failure to provide for the children's physical, medical, educational, or emotional needs. But I really want to end today on some positive things too, that we feel have really been occurring. First, the use of relative placements has doubled in the last ten years, which means that a child is not going to a stranger or someone they don't know. They're going to a relative or to a child-specific type placement. Also I think a positive thing that in spite of the current economic pressures on families, we haven't seen an increase in foster care compared to a year ago. The number of children in care who had prior removals from the home has slightly decreased. It's still at the 38 percent but we are seeing a downward trend, which is positive. We also want to give kudos to the senators and to the Unicameral for the attention that's been brought to the child welfare system and the need that we now have to communicate across all systems. We feel it's been extremely beneficial the last couple of years and the Through the Eyes of a Child initiative and numerous other meetings with stakeholders that we have gotten together and really started to make improvements in talking, which is a positive thing. Also with regards to Health and Human Services and to the lead agencies, we can say nothing but they've been extremely responsive. When we need something, when we see problems, we see issues, we do contact them. We talk to them when it's been raised and they have been very responsive in working together towards a solution, which really gets me to the next. I think that's one of the very positive things in the last year or two that has occurred is that we've gotten out of the "we need to blame somebody" mode into "we need to get into solutions and how to work to a solution" focused. And I feel that's very encouraging for all of us. And for the Foster Care Review Office, even through all the turmoil in the

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child welfare system for the past couple of years, I think it says a lot for the agency that they've retained almost 300 of their dedicated volunteer board members across the state. They continue to do those thousands of reviews every year. When we figured out the number of hours in 2011 that those volunteers gave the state it was over 37,000 hours. That is something to be commended by this state. We're one of the few states across the nation that do this and have such a great volunteer action. So thank you again for giving me the opportunity to talk with you some of the issues that we see impacting children and families. It's our goal as an agency to supply quality data to all of you so that we can all make informed decisions as stakeholders. And I'm open to any questions. []

SENATOR CAMPBELL: Questions from the senators? No questions? I would have to say that, yes, I...you are exactly right. I have started paying a lot more attention to that 0-to-2 and 0-to-5 population. And particularly when you look at 0-to-2, some of those have had two placements. And just think how much...how difficult all of that would be. Were you by any chance...I don't know that you were here or heard some of the testimony that we had at the other briefing or reviewed the reports in terms of our Medicaid analysis person saying, you know, we really needed to get into more preventative care. []

KIM HAWEKOTTE: Correct. []

SENATOR CAMPBELL: And try to get ahead of this all. But I'd have to say, I think we're going to have to pay a lot more attention to the basics and fundamentals as well as looking at, you know, new programs in new areas because what I always like about the reports we get from you all is that you all are dealing with the fundamental part of the system. And if it's not working, all of the new programs, all the new...is not going to have any meaning unless we can do the basics right for kids. []

KIM HAWEKOTTE: Thank you, Senator. And I just want to open it up that if there's ever

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any specific data that any of you need or a specific age group, we're more than willing to try to get that data for you so that good decisions can be made. []

SENATOR CAMPBELL: You know one of the things...you and I had an opportunity to have a short conversation. And one of the things that we talked about briefly was perhaps having you come back at a particular time and say to us--after you've been there for a while and can--are we following the right data? []

KIM HAWEKOTTE: Right. []

SENATOR CAMPBELL: And I think you and I talked about that and more than...we'll have to give you some time. Next week maybe, okay? []

KIM HAWEKOTTE: Okay. But, no, I know we had...right. []

SENATOR CAMPBELL: But I think some time for you to look at the system and say, are we watching the right data in order to make those long-term changes in the basic services that we do for children and families? And so, I'd really like you to feel free to let me know when you'd like to come back and visit with the committee, because I think that's an area we'd really like you to look at. []

KIM HAWEKOTTE: And I would appreciate that. I mean, a lot of this is quantitative data, which is extremely important. But we really need to get to the next step of looking at qualitative data. What are some outcomes, and are we really reaching the outcomes? []

SENATOR CAMPBELL: Right. []

KIM HAWEKOTTE: And that's some of the next steps we need to get to on the data. []

SENATOR CAMPBELL: And I think that's what a lot of the consultants were edging at

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when they talked to us, when they briefed us, that we need to be very sure of what outcomes we want to watch and what are most important and how the system can come together, all phases of it, to say this is really...these are the three or five things that we really ought to be tracking to some depth and analyzing them. []

KIM HAWEKOTTE: Yeah. All right. []

SENATOR CAMPBELL: So thank you very much for coming today. []

KIM HAWEKOTTE: Thank you. []

SENATOR CAMPBELL: And welcome to your new job. []

KIM HAWEKOTTE: Well, thank you. []

SENATOR CAMPBELL: All right. Our next and final briefing this afternoon comes from Julie Rogers, and Ms. Rogers is the Inspector General for Child Welfare. Good afternoon. []

JULIE ROGERS: (Exhibit 4) Good afternoon. []

SENATOR CAMPBELL: I hope you're feeling better today. []

JULIE ROGERS: Thank you. I am. []

SENATOR CAMPBELL: I was worried about you at the briefing and I thought, oh, we're looking at the flu here. []

JULIE ROGERS: Yes. I'm much better. []

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SENATOR CAMPBELL: It's good that you have recovered well. []

SENATOR CAMPBELL: Thank you. []

SENATOR CAMPBELL: So go ahead and introduce yourself and spell your name, and we're off. []

JULIE ROGERS: All right. My name is Julie Rogers, J-u-l-i-e R-o-g-e-r-s. I'm the Inspector General of Nebraska Child Welfare. Today I will give you an overview of the Office of Inspector General of Child Welfare, the act, especially since the office is a newly created legislative office, set forth how that office has been operating, and describe some systemwide observations that have come to my attention since I began the position six months ago. The Office of the Inspector General of Nebraska Child Welfare Act was part of LB821, enacted during the 2012 Legislative Session. The act sets forth that the office is to provide increased accountability and legislative oversight of the Nebraska child welfare system, assist in improving operations of Health and Human Services in the system, provide an independent form of inquiry for concerns, provide a process for investigation and review to determine whether individual complaints and issues inquiry reveal a system problem which may necessitate legislative action, and conduct investigations, audits, inspections, and other reviews of the system--essentially, strengthen legislative oversight when it comes to the Nebraska child welfare system. As far as investigations, the act specifies that...when a complaint is warranted and when a full investigation shall be investigated. Generally, an investigation will be completed when there are allegations or incidents of misconduct, misfeasance, malfeasance, violation of statute, or violation of rules and regs, or when there is a death or serious injury of a child in a foster home, private agency, childcare facility, or other that is under contract with the Department of Health and Human Services. In terms of meeting the qualifications the act requires, I have been certified as an Inspector General through the Association of Inspectors General. This included becoming proficient in standards for IG offices such as independence, planning,

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qualifications, direction and control, reporting, confidentiality, and quality assurance, as well as the various investigations IG offices do, such as procurement fraud, contract accountability, employee misconduct, and other and various investigation categories. Accountability is key to maintaining public trust. An inspector general is entrusted with fostering and promoting accountability and integrity in government, specifically, in this instance, the child welfare system. One of the crucial standards of the office is independence. I want to emphasize that the office takes very seriously that its independence and objectivity is of utmost importance, and the integrity of the office is its ability to remain objective. So the operation of the office: The office is within the Ombudsman's Office within the Legislature. Meetings and case staffings occur regularly between myself, the Ombudsman, Deputy Ombudsman for Public Welfare, and assistant ombudsmen who carry child welfare caseloads. The Ombudsman's staff have been very generous in assisting me with investigations. We also meet regularly to talk about any trends in complaints the office receives regarding children and families and to detail our processes. This all has been working very well. Processes have also been established with the Department of Health and Human Services. The office receives notice of any death or serious injury that necessitates a full investigation through the Department of Health and Human Services Division of Children and Family Services' critical incident reporting. Record requests needed for investigations are made through the Department of Health and Human Services' legal and regulatory services. I try to meet regularly--usually two times per month--with Thomas Pristow, the director of the Division of Children and Family Services, in order to get a better understanding of how the state's child welfare and juvenile services programs are operating or will operate in the future. To further understand the system I have attended various meetings, including the Children's Commission, the IV-E Demonstration Committee, the Foster Care Reimbursement Committee, the Nebraska Department of Education committee on education for Students in out-of-home placement, and Children and Family Coalition of Nebraska, among others. The Nebraska Supreme Court appointed me as a permanent member of the Supreme Court Commission on Children in the Courts. Some systemwide observations and issues: Through the operations of the office there are

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systemwide observations that you should be aware of. In attending as many meetings relating to child welfare as possible and staffing cases with the Ombudsman's staff, taking complaints, and conducting investigations, these systems issues have been identified. These are not, by far, the only issues that have come to my attention but just sort of overview of the office. First, due process for families: Whether it is a court case or noncourt case, families should be given fair treatment throughout the system. Many times the biological parent is confused at best during his or her case. These issues include very vague expectations of parents and case plans, their questions not being answered, and not understanding the process both generally and specifically. There needs to be clear specifics communicated to parents so they understand how they can be successful. Caseworkers should have the tools they need to be able to clearly articulate specific expectations and the reasons behind such expectations. Utilizing structured decision making, making sure it is applied with fidelity, and getting the caseworkers the training that they need should help this. Also, clearly documenting decisions would help greatly. Documentation is often missing or not complete in case files, as we've heard today. If documents are missing it is very difficult for parties to act and for judges and others, like LB1184 teams, to make appropriate decisions regarding children in the case. With caseloads now reasonable it is not acceptable to have missing or incomplete files in documentation. Competent and active guardians ad litem are critical in child welfare cases, as are attorneys representing parents in juvenile cases. There was a study commissioned by the Legislature, released in 2010 by the National Association of Counsel for Children, that offered several recommendations in improving Nebraska's guardian ad litem, or GAL, system. Recommendations in the report include adopting clear duties and powers of GALs, requiring the attorneys to meet personally with the child at certain points in the process, significantly increasing and enhancing GAL trainings and networks, and establishing a centralized system for oversight of GAL services, among others. By making sure these due process safeguards are the best they can be, communicating clear expectations to parents, making sure caseworkers get sufficiently trained, following structured decision making with fidelity, ensuring documentation is detailed and complete, and improving the

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guardian ad litem system and strengthening parent representation would help provide checks and balances in child welfare cases. Due process, or fair treatment of children and their families, is crucial. The government's involvement in families' lives should not result in unfair or arbitrary treatment. A few other systemwide issues: Noncourt cases, or sometimes called voluntary cases, are those child welfare cases that have come to the attention of the department, and services are being provided in home to the family with a caseworker in place but no case has been filed in juvenile court. They are reviewed by review teams. Concerns articulated to my office include whether parents understand the "voluntariness" of these services, whether parents understand their rights, whether expectations are being clearly communicated to families, and whether there is appropriate oversight of these cases without infringing on parents' rights.

LB1184 teams: There have been reports to my office that in certain jurisdictions there may be an imbalance of power between the county attorney and the caseworker and/or guardian ad litem on some LB1184 teams and that the purpose of these teams, such as the coordination of services to families and inclusive decision making, might, in some instances, be second to gathering information about a case to either file or present further evidence in juvenile court.

Contract accountability: The Division of Children and Family Services contracts with private, nonprofit, and for-profit entities to provide services. There continues to be a lack of contract oversight to ensure that the services the state is paying for are quality services for our children. It is my understanding that the department will implement results-based accountability to assist in providing this oversight.

Finally, very high-risk and high-needs kids: There is a marginal group of high-needs children that are not able to access needed services, whether they are behavioral health or developmental services, to address their extremely aggressive behaviors. These children are the most at-risk population. Many must be placed out of state for services or they are simply not receiving the services they need. Finally, there is an anxiousness to get to a point when some of the problems identified in LR37, such as families experiencing several caseworkers or visitation workers, missing or incomplete documentation, multiple placements, and then inability to access appropriate services are rare events rather than common occurrences. The office or myself will

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continue to gather more information about each of these issues, among others, to help ascertain whether improvements are being made and whether changes in policies are necessary. I'm happy to answer any questions. []

SENATOR CAMPBELL: Thank you. Questions from the senators on the issues? Ms. Rogers, one of the things that...and would be helpful that you were on the state Supreme Court Commission on Children because that group has had an ongoing discussion about guardians ad litem and has had a subcommittee, I think,... []

JULIE ROGERS: Yep. []

SENATOR CAMPBELL: ...working on some of those issues. I have to say that I gave some consideration to introducing legislation this year on guardians ad litem but decided to wait and see what progressed here. But it continues to be an issue, I think, that we need to turn some attention to. So any background from other states or other issues as you see them would be helpful to us, I think. []

JULIE ROGERS: Okay, very good. []

SENATOR CAMPBELL: And the noncourt cases I think we're all trying to kind of figure and move our way through those. But again, your emphasis on point 5, of the very high-needs kids, I would have to say that Mr. Winterer and I have had numerous discussions on this. We realize this is a population that we need to be attentive to. It's like...but finding the right--what would I say--the right structure and putting it together is proving to be much more difficult. []

JULIE ROGERS: Um-hum. []

SENATOR CAMPBELL: So whatever help you could give us on that, too, would help the committee. []

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JULIE ROGERS: Okay, absolutely. []

SENATOR CAMPBELL: Senator Gloor. []

SENATOR GLOOR: Thank you, Senator Campbell. And don't think the lack of questions means we're not paying attention. []

JULIE ROGERS: Sure. []

SENATOR GLOOR: It's been six months, and your report is a nice update on where you're at. But I do know, at least for those of us who have been involved in this for a while, it's nice to have your position in place; it's nice to have you in that position. And we have a lot of comfort in the work you're doing, and this is an example of why. So thanks for your efforts. []

JULIE ROGERS: Okay, thank you. []

SENATOR CAMPBELL: Ms. Rogers, before you leave... []

JULIE ROGERS: Um-hum. []

SENATOR CAMPBELL: ...and for our two new senators, explain why you were the only, one-of-a-kind Inspector General in the country. []

JULIE ROGERS: Oh, yes. In as far as the Association of Inspectors General can find, this office is the only Inspector General's Office that is situated under the legislative branch of government. Otherwise, all the other inspectors' general offices are within the executive branch of government. The most parallel office would be the Government Accountability Office with the United States Congress, that the association can think of,

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so that...it is highly unique to be a part of the Legislature. []

SENATOR CAMPBELL: And I concur with Senator Gloor. We're awfully glad to have you in that position. Your report alone says to us how much this position is needed, and so thank you very much. []

JULIE ROGERS: Okay, thank you. []

SENATOR CAMPBELL: If there are no other questions that completes our briefings for the day, and we will take a 10-minute break. []

BREAK

SENATOR CAMPBELL: All right.if the senators would find their places, and I know that all the department people I think are here. Okay, we're...for the senators' benefit, Mr. Winterer and I decided--at his suggestion--he said, you know, we did this a couple of years ago, we haven't done it for a while. Could we just come over and do a general briefing about the department and so that the returning senators would have a good idea what...get caught up? And for the new senators, it gives you an overview. So I said, great idea, and that's where we are. So we're going to let you kind of run the agenda however you want to, and we'll treat this pretty informally. So...but for the record, you do have to identify yourself and spell your name. []

KERRY WINTERER: (Exhibit 5) All right, I will do that. My name is Kerry Winterer, that's spelled K-e-r-r-y, last name is W-i-n-t-e-r-e-r. I am the CEO of the Department of Health and Human Services. The senator has turned this over to me, and so I have such a feeling of power at this point you can't believe. []

SENATOR CAMPBELL: The Campbell can return, but... []

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KERRY WINTERER: Oh, okay. Well, I will not overstep my bounds here then. As Senator Campbell mentioned, she and I had breakfast together a few weeks ago and one of the things we talked about was doing something for the committee that was kind of just, I guess for lack of a better word, an orientation talking about the department, what it does, and what we do, and so on. I think that for a lot of people, what we do can be kind of complicated, confusing, a deep, dark secret in some cases and particularly, I think, for the committee. And particularly for new senators of this committee, I think it would be...we thought it would be helpful just to talk in basic terms of what the committee or what the department does, how we're organized, programs that we administer, and so on. And our intention, I think, is to make that as really as informal as possible, almost conversational, if we can. But we also want to allow plenty of time for questions and answers, things that you may be interested in, and so on. We have a lot of opportunity before this committee on particular issues, particular legislative bills, and so on, but we don't have much of an opportunity just to have this kind of a conversation to talk just in general terms about the department. And that's really what this is intended to do. I'm going to do a basic orientation or introduction to the department, if you will. And then the six directors will follow me and they will talk briefly about each of their divisions, programs, and how they're structured and so on. Each of them will take five, maybe probably not more than ten minutes to do that. So we want to provide ample opportunity for questions as I said, so it's just kind of a very brief orientation. I do have some handouts here, and I'll refer to some of these as I go through some of my remarks. The first slide or page here is something I always like to use, particularly when I'm talking to public groups because this really appeared in the newspaper back in one of the previous iterations when the department was being reorganized. And periodically, the department gets reorganized. This was back in 1996, and I always like the sign over the lady's head that says Nebraska Department of Lots of Stuff, because I think that's essentially how people see this department. They know we've got lots of stuff there. They don't know exactly what it is, but we do lots of stuff. And so I think hopefully today we'll put some content to that idea of what that stuff is and so you can understand a little bit more about what that is. The current structure is the next page, and it is the current

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organizational structure. It's been in place since 2007, which really created the six divisions and then created the position that I have now. And so this is a relatively recent reorganization, if you will. Previous to that, the department was organized as the Health and Human Services System and had three areas, departments, if you will, Finance and Support, Regulation and Licensure, and Services. Those then became what you see here in terms of the department. Those that are outlined in red are appointed by the Governor. The six divisions' directors...six divisions have a director that's responsible for managing them and they in turn, report to the position of the CEO. So questions along the way? Happy to respond to anything that...any kind of questions. Just briefly, just to give you an idea of funding...source of funding, the next slide shows fiscal year 2013 budget of just under \$3.1 billion. And then it shows the breakdown between state General Funds and federal funds. Just over 50 percent of the money that we spend is federal funds. The rest of it is state General Funds which are tax dollars...state tax dollars, of course, and then cash funds, dollars that we collect in return for services that we provide. For example, licensing or Bureau of Vital Statistics when somebody wants a copy of a birth certificate. It's those things that we collect payments for the services that we provide. The next slide then shows numbers of employees, this was as of December 31, 2011. About 5,209 at that point, full-time equivalents. We have about a third of all state employees are in the Department of Health and Human Services.

Twenty-twelve...this doesn't reflect 2012 numbers. Our employment is up a little bit in 2012 as a result of, well, really a variety of things going on. The next slide shows you how our employment numbers have declined since 2007. We're down about 350 or so since 2007 in the department. I'd like to focus at this point on the mission of the department. We talk about our mission is helping people live better lives. Essentially, we provide virtually and are responsible for every human-service program that's provided by the state of Nebraska. It's all housed in this department, and we're responsible for delivering those services. As part of that I think, and understandably, we are subject to lots of scrutiny, if you will, in terms of how those programs are delivered. And we understand that. I think that really comes with the territory, and we're certainly willing to be responsible and accountable for the services that we deliver. These are highly--in

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many cases--emotionally-charged issues, and those are the kinds of issues that our people, our employees, our staff, our directors, deal with every day. So none of these jobs, I have to tell you, are easy in the sense that there are easy issues because every issue that we deal with has implications and impacts on people and people's lives. So it becomes really, day to day, very serious business that we deal with. Occasionally we will, as you might expect in any organization that has 5,200 employees, there will be instances in which an employee uses bad judgment, makes a mistake, makes an error. That's just bound to happen in this. One of the things I want to emphasize though, is that this is not due to bad employees or bad motivations or people who are incompetent. In fact, quite the contrary I will say, and I will address that a little bit later in terms of our employee base and who our employees are. We certainly have had challenges in the past; this committee knows those very well. Challenges in child-welfare reform, BSDC, others, and we've had ample opportunity to address those in the past. And I'm sure there will be issues that arise and, in fact, in this legislative session we will be addressing those formally and informally with the committee as they arise and such. What we want to concentrate on today is a more broader look at the agency and, in fact, the--for lack of a better term--the good things that we do, the accomplishments that we accomplish every day. And those things sometimes don't get as much attention as some of these others. We're certainly...if you've got questions about the other issues, we're certainly happy to respond to those and so on. Let me mention just a few things that I'd like to talk about in terms of operations and the operation of the department, in general. We continue to look at the effectiveness and efficiency of the agency, particularly in operations. Matt Clough, who is our chief operating officer, has done a lot in terms of looking at operations. By operations I mean things like finance, human resources, things that are common services that we provide to the other divisions. We've done a lot in consolidation of duties, we have eliminated a whole area in finance, we've done a lot as far as automation goes. We've done a lot of automation on...in OnBase, much more than most other agencies have done. And OnBase is a system that allows us to do a lot of things paperless, a lot of things more automated. Everything from payables to a variety of other recordkeeping that we have

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been doing a lot to take advantage of. In the last couple of years, we've reduced 46 FTEs just in operations. The other thing I'd like to comment about is customer-service training. One of the things that I thought when I first took this job--I've been here about three and a half years--is that the Department of Health and Human Services is a large customer-service organization. Effectively, that's what it is that we do. And so we need to focus on that and try to make everybody that is an employee as effective in terms of delivering customer service, as we can. A result of that is we developed our own customer-service curriculum, our own customer-service training, which is called Serving People With Excellence. And we're now in the process of essentially offering that to every employee in the department. It doesn't matter where they are in the organization, whether they may be a line...somebody on the line, maybe an administrator, maybe a clerk somewhere. We are offering that and doing that throughout the organization. And we're doing that by training our own people to, in turn, train and help people with the customer-service ideas. That's something I think that becomes very important for us. I'd just like to end by getting back to what I mentioned previously, and I want to talk about employees. I came into this job really from the private sector, never been involved in state business or in state government before. I came into this not really expecting...not really knowing what to expect from employees. You hear stories about (inaudible)...stories about state employees and how competent or incompetent they may be. So I came into this not really knowing what to expect. I want to tell you that from the beginning I have been more than impressed with the quality employees at the Department of Health and Human Services. And that goes for everybody. And you'll have the opportunity shortly to interact with each one of our directors. I will tell you that each one of these directors is extremely talented, knows their programs backwards and forwards, are very good in managing the programs in their divisions. And I'm very happy to be serving with them because they know what they're doing and they do an excellent job in terms of what they're doing. But it really goes really down below that in the organization. I call our employees mission driven, if you will, which I think is a distinction between my experience in the private sector and my experience in the public sector. People are committed to doing the job that they want to do. Are they always perfect? Do

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they always do everything 100 percent right? That's not the case, but I want to reinforce--and I try to do this when I talk to public groups--that our employees, I think, are as good as they come and are extremely good at what they do, and are dedicated to what they do. And the only...the last thing I might mention is your last page here is a representative letter from a client that we just got in the last couple days. And she said something interesting in the first paragraph. She says, well, I called up and talked to somebody on the phone and the first thing I said, I thanked them for doing the work and helping me. And the person, our employee, on the other end of the phone was taken aback and says, well, no one has ever thanked us before for that. And, I suspect that that's probably true. And I don't know that we necessarily expect thanks from everybody that calls up. But if you read this letter, she's certainly appreciative. And I suspect that there are many, many, many folks out there who have the same sentiments that we don't necessarily hear from. It's letters like this that I think our employees look at and say, well, that's why they're doing what they're doing. And so I think as directors, we can't lose sight of the idea that we need to be supporting those folks, those employees, in terms of delivering the services. So I guess I would like to leave it at that. The only other thing that I didn't mention was there is a page in here that shows how we're using social media. So if you want to Twitter or Facebook, and we have numerous videos on YouTube, so if any time you are a Twitterer or a Facebook person--whatever you call somebody on Facebook--you can find us there and we use those...that media regularly. So questions, anything I can help you with, any response? []

SENATOR CAMPBELL: Any questions that you have? Senator Gloor. We're being really informal so you can ask as many questions as you want. []

SENATOR GLOOR: Well, Kerry, I have a question for you. Once upon a time, the department had a very expensive--that's a slip--it may have been expensive, but it was a pretty extensive planning branch. And there was a state health plan and it was not just as relates to issues that we would consider traditional public health, immunization rates, and whatnot, but also got into staffing levels for physician/nurse levels, beds, long-term

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care, and whatnot. I don't think we do any of that anymore except for the public health side. Is that a fair comment? And doesn't that fall under Dr. Schaefer's Division of Public Health? []

KERRY WINTERER: Yeah, I think it would be a question for Dr. Schaefer. But I'm unaware of to the extent that you're talking about. []

SENATOR GLOOR: Well, and I'll talk to Dr. Schaefer to confirm or whoever is...there's Dr. Schaefer. []

KERRY WINTERER: Yeah, they all should be here somewhere. []

SENATOR CAMPBELL: She is. []

SENATOR GLOOR: But my comment is, some of us are having discussions about the need to talk a little bit more about policy decisions based upon some sort of a statewide planning approach. And it seems to me that the department needs to be part of that. And I'm not sure how except...whether we're talking about infant mortality or whether we're talking about a lack of primary care practitioners statewide, not just in rural Nebraska, but statewide. Some of that I think would be a lot easier for us to make policy decisions about or develop policy with some sort of planning document. And I...you know, this is I think a lot more acute with the Affordable Care Act and some of what may be visited upon us whether we like it or not. So that's for your consideration. And we're likely to move forward with at least some study resolutions, I think, talking about the need to plan. We have a Legislative Planning Committee, but it's not well enough equipped to get down in the weeds to the extent that I think the (inaudible) talking about or the process I'm talking about should, so for your consideration. []

KERRY WINTERER: Would this be something that borders on what used to be the certificate of need? Are you talking about something along those lines? []

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SENATOR GLOOR: No. Actually, we were planning long before certificate of need came about. And I think after certificate of need went away, there continued to be a little broader planning effort. But, you know, we can...we'll have an opportunity, I'm sure, to visit about it more in the future. But I plant the seed now for you to be thinking about. I think we'd be well served, I really do, in terms of how we manage our resources and maybe how we allocate our time when it comes to policy discussions and policy development. []

SENATOR CAMPBELL: A couple of things to follow-up on that. The Planning Committee of the Legislature that just did and continues to do a great job on their specific briefings. What, two or three of them really dealt with human service and health issues. And so it might be interesting at some point for you all to have a chance to review it--you and the directors--and then for the Health Committee to sit down with you and the affected directors and say, what should we be looking at here a little bit more proactive? The other thing is, Senator Gloor and I are putting forth LR22, I think--is that the right number? And basically, we're calling for, you know, a come together of a lot of the healthcare stakeholders for a conversation and study and look at what are some creative, innovative things that we should be looking at to assure access to healthcare. Senator Gloor has certainly been in the forefront of that, certainly that we'd like the department to be a part of that discussion, conversation. Any other follow-up comments? One last thing, Kerry, and I know that...I see former Senator Gay in the audience and I know that he would often ask and Senator Gloor usually asks, but you've taken some severe cuts. I mean, in terms of...and a lot of that's come down in staff. And have you been able to weather that? Are there areas that you really need to look at, boy, we're pretty thin in that area? []

KERRY WINTERER: Well, we have particular challenges in our whole operations budgets because that seems to be where the hits have come most recently and particularly in this biennium. So we continue to have a challenge in terms of continuing

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to manage to those numbers. And we are looking at everything from printing costs to postage costs to everything that there is because that is a challenge for us. It's a challenge to manage within that. There are probably a few programs out there have kind of similar issues, and directors can talk more specifically about each of those programs. But we do have issues in terms of just our basic operations. And you've seen, I mean, a lot of that has been we've tried to be more efficient and you've seen the decline in numbers in terms of employees. That's been basically by attrition but that's how we've tried to also manage the admin side of it, is to try to consolidate and make everything more efficient. []

SENATOR CAMPBELL: Any other questions? And I know you're going to stay around so... []

KERRY WINTERER: Yes. []

SENATOR CAMPBELL: ...there's some other time. And I think it's Jodi Fenner that's going...is that who's going next? []

KERRY WINTERER: Yes, Jodi has got visitors in town so she needs to come and go. Other directors will follow and I think most of them can stay to the end. So if there are questions that arise at the end, we can be around. []

SENATOR CAMPBELL: Okay, that would be great. []

KERRY WINTERER: Thank you. []

SENATOR CAMPBELL: Thank you. Jodi, you want to come forward? How are you today? []

JODI FENNER: (Exhibits 6, 7) Great. []

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SENATOR CAMPBELL: Good. Good. Go right ahead. []

JODI FENNER: I'm Jodi Fenner, J-o-d-i F-e-n-n-e-r. I'm the director for the Division of Developmental Disabilities. And essentially my division manages the services for people with developmental disabilities, both at BSDC and Bridges and in the community. We started a few years ago putting together an update which is sort of an overview of everything that we do. And then there are several tabs that talk about current challenges and areas that we're focusing on, and so you can have those today. Obviously, we have ten minutes so I won't go through all of those areas. []

SENATOR CAMPBELL: Page by page. []

JODI FENNER: Yes. But basically, we have about 250 service coordinators out in the community. And they help manage I think we're up to about 42 or 44 providers, really trying to coordinate person-centered practices, and making sure that people get the services that they need, and in a way that helps them lead the most independence and quality of life, basically. Our division is really focused on person-centered practices. And in DD, unlike many other programs, we...our priority is the person. We set...we do assessments on each individual that comes into services whether they're at BSDC or in the community and their budgets are theirs. They're to support their needs. They don't go to a provider, they go to the person. And then we work with the individuals to determine what it is that they need to support their life and then we coordinate those needs with various providers. And so that's basically what we do. Again, whether it's at BSDC or in the community, it really is the same goal. And we're very excited about Bridges, and that's in here as well. That's...we were so blessed to be funded for the expansion into the new homes of the Bridges Program. And those homes are about two weeks away from being completed so we're very excited about that, as are the people who will live in them. So that's something a little different than what we've had in the last few years. BSDC...we entered into the settlement agreement in 2008, had kind of a

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rocky first few years of a beginning. But we definitely have made progress and we believe we are in compliance with all of the terms of the settlement agreement. One of the big challenges that we have with the Department of Justice agreement is we were one of the first states to enter into the agreement and many have done so since then. And in the recent settlement agreements, the DOJ has really focused on community. Their goal is, quite frankly, to shut all ICFs and focus on expanded community services. And that's not a secret, so their director of DOJ will tell you that per the director it's...anyway, one of the challenges we have is our settlement agreement doesn't necessarily have all those components. We do have some limited oversight of the community inter-settlement agreement but DOJ would certainly like to see us meet all of the areas that they are requiring in the new agreements. It isn't that we don't want to do the things that other states are doing and, in fact, we have many initiatives that you'll see in the update that are going to make those eventualities. We just don't want to spend \$450,000 a year for DOJ to come watch us to make those accomplishments. So we are...DOJ is actually here this week, which is why my time is limited today. But we are talking to them, and we still have a very positive, collaborative relationship. But we would like to invite them to go spend their time in states like Georgia and Texas and Florida. So we're having those discussions. []

SENATOR GLOOR: For the new senators, we had a special committee in the Legislature, BSDC. And Senator Lathrop put in a resolution to continue that committee. And I spoke in favor of that, that as long as the department was working with the Justice Department, we would...Senator Lathrop felt it would be important that they finished out because they've had very long conversations with Jodi and all of her staff. What we have done in the last several years is that whenever Senator Lathrop has a meeting like that, the Health Committee is invited to sit in on those discussions. And I would highly encourage you to attend when he calls them, because that's how we will learn about the department because once that special committee goes away then all of that will come back under the auspices of this committee. So definitely the new senators will see that. One of the questions besides the Justice Department--and you and I talked about

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that--is how are we doing on the waiting list? []

JODI FENNER: Well, we're doing significantly better than we were a few years ago as far as individuals and services. If I can, I'm going to open the tab on the registry. We actually...there are a few spreadsheets in here that talk about the individuals. And I have to apologize a little bit. We realized we had some data challenges in our N-FOCUS programs and so the data that we're showing is from 2009 to present because we had to go back and summarize that manually. But since 2009 when you first funded the waiting list, we've been able to offer services to 2,400 people in services, and 1,669 individuals have actually accepted services. Some of that are people who are on the registry based on date of need, some of those individuals are people who were prioritized based on the DDSA. The Developmentally Disabled Services Act sets forth some parameters if individuals get into certain situations where they're missing core needs that we prioritize them; we call them priority ones. So some of those individuals are priority ones, and the report tells you how many those are. And then also we've moved many people from BSDC. I can't remember the exact number, but more than 150. So the challenge when you look at the waiting-list numbers is they still seem to be sort of stagnant, and so it appears as if we're not making progress. But the reality is, because of the public awareness I think we've been much more successful at getting people into services who traditionally wouldn't have put their name in the registry or who wouldn't even have had an eligibility determination. We've expanded our community partnerships with different school districts, different ESUs, and also organizations like PTI, so that we can help individuals recognize early whether they may or may not benefit from services and get those eligibility determinations in. So we're seeing more people come into services or come into the registry. So the numbers aren't...we still have...I think the current number of individuals on the registry is still about 2,200 who are past their designated date of need. But we are seeing many fewer what we would call priority one cases. I think the priority one cases have been less than 200 or around 200 since 2009. So... []

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SENATOR CAMPBELL: And Mosaic was here the other day testifying on a bill, and they indicated that they had almost all the slots in the homes which is...that's really good news too. []

JODI FENNER: Uh-huh. Yeah, it is. []

SENATOR CAMPBELL: Senator Gloor. []

SENATOR GLOOR: Actually in that, I'll follow along the lines of the Mosaics and the other specialized providers I think your tab says. []

JODI FENNER: Uh-huh, yes. []

SENATOR GLOOR: You know leading into the past four sessions, usually those specialized providers, community-based organizations have been in contact with me and I think some of the other senators. And I haven't heard from anybody this year. Does that mean everybody's happy? []

JODI FENNER: You know, I... []

SENATOR GLOOR: And we don't have the rate challenges that we've had in the past? []

JODI FENNER: I have to say--and I don't have experience in other states--but I think we have a phenomenal panel of providers. We've asked them to step outside their comfort zone significantly in the last few years. We went from a provider-driven system to an individual-driven system in a very short amount of time, but they lead that effort. I mean, that was the first thing. My first meeting with providers was we need a person-centered system. Well, now they got what they asked for, and it's been challenging. But we work very closely with them. And I won't say there aren't challenges, but I think what we do

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try to do is collaborate and meet those needs together. Sometimes that works better than others. []

SENATOR GLOOR: Sure. []

JODI FENNER: But we do have routine communications with them. And a lot of what we've learned through the Department of Justice process is areas in the community where in the last two decades we really have kind of lost sight of training and staying up to date with best practices. It's not that there are new concepts, but we haven't focused resources on them in at least a decade. And so things like functional behavioral assessments and positive behavioral support, those have been in the regulations for 20 years. But we really haven't focused on some of those and those are issues that are really core to having good outcomes for people. Through the Department of Justice process and reviewing the community, we've seen that those are places we need to place effort. And so the division has offered training and oversight. And when the training hasn't been effective, which you'll read in the report, some of those trainings where they've been somewhat effective haven't gotten us where we need to go. So we're going in and working alongside providers to help them get more up to speed on certain concepts. And so I won't speak on behalf of the providers, but I hope they're happy with that partnership; we certainly are. []

SENATOR GLOOR: Okay, thank you. []

JODI FENNER: You're welcome. []

SENATOR CAMPBELL: Any other questions? Jodi, please convey to your entire staff how appreciative we are of all the work that's been done since BSDC. And I know how committed you have been to that effort. So... []

JODI FENNER: Oh, thank you. []

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SENATOR CAMPBELL: ...thank you. It's good to see you. []

JODI FENNER: Thank you so much. []

SENATOR CAMPBELL: And soon you will return to...and we'll see a lot of you. When the Justice Department leaves, you'll be back here. []

JODI FENNER: I'm happy to come any time. Thank you. []

SENATOR CAMPBELL: Okay, thank you. Kerry, who's next? []

KERRY WINTERER: Dr. Schaefer. []

SENATOR CAMPBELL: The short-timer. []

SENATOR GLOOR: Yeah, I didn't recognize her because she looks so much younger. Now that she's made that decision, the years have just fallen. []

JOANN SCHAEFER: (Exhibit 8) That's a little handout with just a couple nuggets about the division and our organizational chart. So thanks for having us here. This is kind of like a hello and a goodbye at the same time. I'm not so sure how many times I'll be over here before the next...before I'm done. So thanks, it's been an honor to be over here for all those years. And I have a tremendous amount of respect for anybody who puts their name on a sign and runs for office, so thanks. Even though we haven't always agreed on things, I appreciate the discussions we've had over the years. So this is just...on that one handout that you have, it's just a couple of things about the Division of Public Health. We regulate and license all people that have anything to do with healthcare plus water well drillers, tattoo artists, cosmetologists, and we also license and regulate all the places where people receive these services. So you might have frequent contacts from

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constituents that are either very happy or not very happy with those services. So feel free to give us a call if we can help you satisfy any of those issues. And then we do a lot of safety-net programs that have to do with diseases in particular such as breast and cervical cancer, tuberculosis, HIV. And then we do some food programs, a commodity supplemental-food program for the elderly, and then the WIC, the Women, Infants and Children program. Some of those safety-net programs are going to go through quite a evolution through the ACA as it's rolled out. We're keeping our eye on that very closely for how that will change. And then we do have a lot of prevention and community health services. And then, of course, we do emergency response for all sorts of hazards; there's a public health role in that. You wouldn't think sometimes in ice storms and fires, but air quality issues, shelter set ups, we play a role in that. And then in ice storms, when we had the big ice storm several years ago, a huge number of our facilities were without power. And they needed our help in caring for folks and what rules they can bend and what rules they can adjust in getting generators to the facilities to care for folks are an issue, and we play a role in that. So we've had a lot of tests and trials over the years with fires, floods, ice storms, tornadoes, H1N1 pandemics. The Katrina survivors were my first day of the job, actually. The first weekend was when we flew in those 167 folks that came in from Louisiana. We actually learned a lot about infrastructure in healthcare and the importance of an immunization registry. When those folks came into the Civic Center we could get on-line and, although Louisiana did not have a lot of infrastructure and a lot of things that we saw on CNN, we did learn that they had an outstanding immunization registry. And Nebraska did not, so it's one of the things that I'm really proud of that we were able to do without any state funds, actually. We saved our federal funds, used them wisely, and took a system out of Wisconsin that many states use and developed an immunization registry here. And we took that system and "Nebraskatized" it, as I like to say. And it's very...fully functioning here. And we're actually in the process of hooking that up to the Health Information Exchange or NHIE here, and it's working extremely well. We're one of three states that has parental access. So I just wanted to point that out as an example of where we've taken an emergency that we've responded to and have played a role in, in the shelter, and then

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learned something that...and took it back into our state. And we've done that over and over and over again. In my resignation letter to the Governor I highlighted several of the successes over the time here that I've had, that being one of them. And our work--a lot of work--in the electronic world, because one of the things he asked us to do is make government available to the citizens at 2:00 a.m. in the morning, so we took that to heart. We've developed a lot of on-line processes, including on-line licenses for healthcare practitioners and practitioners. We never came to the Legislature and asked for any money to do that. We built that all within our budgets, within our licensure fees over time, and we just took on a little bit at a time. We just built it in over time. So we allow people to license on-line now--the majority--not all professions, but we have it staggered in over time so we can afford it. We do electronic registration of births and deaths. We're well within our electronic health-record world in working with NHIE. We've done things like improve our investigative surveys, our customer service on that, and our regulatory oversight. We have an outstanding record in the appellate world for the cases that we have been sued on and appealed on. And I believe that's because we have an outstanding public health law team over there that does consistent application of the law that we have. I think we have over 490, the last time I checked, laws and statutes that we're responsible for in the Division of Public Health alone. And we have a very good team that enforces those. And we have a very positive relationship with the media and the stakeholders that we have to work with every day. And I think we've done that diligently and methodically over time because it's really important that we work well with them in a crisis situation. And Mother Nature has given us many of those to work on over the years. I think most...what I'm most proud of is all the work that we've done in state wellness. Creating a culture of wellness has been the biggest focus area that I've had, both through the state employees' wellness program that I have worked with DAS on that has received a lot of national attention, and then our Governor's worksite Wellness Award, which we spend about \$50,000 in federal funds on every year. But we have gotten state and national attention on that, and we've been able to drive that policy change across the state. So those things I'm the most proud of what we've done as a whole, but I comment on those because we've done it with almost a nearly flat budget

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every year and then 10 percent fewer staff over that time. We've reorganized the division, we've streamlined it, we've made it more efficient, and we've accomplished a lot in that time. So I'm very proud of my team. And with that, I think I'll let you...either you had a question to follow-up with me in planning because we've done a lot in planning. So I'll let you ask your question again. And then I think we were going to wait for questions at the end and...or not. []

SENATOR CAMPBELL: Did you want to go with your question? []

SENATOR GLOOR: Well, since I missed the opening, were we going to wait till the end? []

SENATOR CAMPBELL: No, we can ask questions all through. []

JOANN SCHAEFER: Okay, that's up to you. []

SENATOR GLOOR: You know, once upon a time you could open a state health plan and you could look on a county-by-county basis at a number of issues that had to do with availability of long-term care beds, immunization rates, and that all ended up being prioritized with the recommendations of those things that were identified as critical to the state of Nebraska. And, frankly, I thought I still had a copy of an old state health plan someplace. But in transitioning my careers, I'm sure I threw away a lot of things that were old. That's a little more of the breadth of what I've been looking for. And I think we do a great job with limited resources with those things that have to do with, you know, you've talked about some of the surveillance issues on certain disease categories and whatnot. But I'm talking about something that's a little more proactive and a little broader in scope. []

JOANN SCHAEFER: Sure. []

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SENATOR GLOOR: And I don't know how long it's been since we've done something like that, but it's the sort of thing that I think we have to begin to look more and more at as we move forward. []

JOANN SCHAEFER: We actually are working on a state health improvement plan, and that's being driven largely by the efforts of whether or not we should become an accredited division of public health. Now that's different and separate than if the department were going to do one that's even bigger because, you know, when you start to parse out all of our different responsibilities, there's an awful lot of overlap. So our state health improvement plan does look at those things. And we are taking in... []

SENATOR GLOOR: Is it, I mean, is it literally a document like this that... []

JOANN SCHAEFER: Yeah, it is. And there are several key components to it that have objectives and strategy and stakeholder...it's a regular team that meets. And it's a plotted-out strategy on what the priorities are for improving the health of the state that looks at several different data points. And it's very deep, and it's long into its planning process. Again, I'm happy to give you a copy of it and where it's at. []

SENATOR GLOOR: Yeah, I'd love one. []

JOANN SCHAEFER: Now in terms of whether or not it looks at the number of beds and what beds are being...I think that's a different type of planning document. And I think that that is going to require some study. That's separate, and that's probably a different question than the improving the health of the state. The question I think you're asking is, what are we going to do with the beds that we have in this state? What are the future needs in the healthcare system of the state? And that's a different question that's being asked, and probably would be best served by kind of a listing of the questions that you have for the future and then seeing what data we need to pull to show...and actually doing the study. []

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SENATOR GLOOR: Yeah, I think looking at the plan would be helpful to me. But I guarantee you if we sat down and talked about this long enough, we would come up with a common agreement that there's enough carryover, taking a look at elder services... []

JOANN SCHAEFER: Uh-huh. []

SENATOR GLOOR: ...and those diagnostic groups, as an example, that would be important for us to be monitoring as it relates to services for elder care. And that may carry over into immunizations for herpes, for shingles. []

JOANN SCHAEFER: Right. []

SENATOR GLOOR: And then from there the other side of that is, and where are our long-term care beds? And where are our home-health nurses and home-care services that would help provide a degree of independence so that we didn't end up with Medicaid expenditures putting so many people in... []

JOANN SCHAEFER: Right. []

SENATOR GLOOR: ...long-term care services. You can easily make an argument, I think, that broadening it out is almost inevitable if we're really going to take a look at all of our challenges as well as all of the expenses that go hand in hand with that. []

JOANN SCHAEFER: Yeah. []

SENATOR GLOOR: Without it being world peace. []

JOANN SCHAEFER: And I think that's broader than what the department is currently

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looking at... []

SENATOR GLOOR: Absolutely. []

JOANN SCHAEFER: ...because I think that's just a much bigger question. And it's not that we do not have the data; the data is there. We know where everything is, we know how many beds are there, we know which ones are thriving, which ones are not. We're...you know, you combine that with the census data, where the population is, which counties are shrinking, which ones are growing. I mean, there's a study that needs to be done that is going to plan for these kind of things. That's not currently being done in my division. []

SENATOR GLOOR: Thank you. []

SENATOR CAMPBELL: And that's part of what we're looking at is...I think you've just articulated that, that the questions that we ask may be as important as then we can put all the data. []

JOANN SCHAEFER: That's right. []

SENATOR CAMPBELL: But what are those questions? How do we frame that? []

JOANN SCHAEFER: Right, because it comes along with service delivery too. You've got EMS out there, that is going to need a major overhaul at some point in the way those services are delivered. And it has to do with just the number of people that are going to be in the counties to actually provide the service. []

SENATOR CAMPBELL: Exactly. And how can we be creative about how we do that? []

JOANN SCHAEFER: Exactly. []

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SENATOR CAMPBELL: This is kind of a detailed question, Dr. Schaefer. But when we were sitting in our office--and I think it might have been talking about the childcare issues--and you talked about a map that you had been tracking with all these layers of information, is that in your division on the Web site? []

JOANN SCHAEFER: Yup. []

SENATOR CAMPBELL: Did we have problems finding that or just... []

JOANN SCHAEFER: I can get the link over to you. []

SENATOR CAMPBELL: Can you send us a link for that... []

JOANN SCHAEFER: You bet. []

SENATOR CAMPBELL: ...because there is some just excellent information from what your description was. And it probably would be helpful with some of the questions that Senator Gloor is asking. []

JOANN SCHAEFER: Yeah. That...talk about a map that shows you where resources should be focused and prioritized, that's it. I mean, many of us are focusing on that. I know Thomas works on that map...off that map as well. []

SENATOR CAMPBELL: And I've often talked about the map. And so I got to thinking maybe I ought to really look at this map a lot more thoroughly because of the layers of information that you said is there. []

JOANN SCHAEFER: Yeah. No, you bet. We'll get that to you. []

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SENATOR CAMPBELL: Okay. Any other questions from the senators? We wish you just the very best. []

JOANN SCHAEFER: Thank you. []

SENATOR CAMPBELL: And you can always come down and testify, we're always here. []

JOANN SCHAEFER: All right. []

SENATOR CAMPBELL: So best of luck to you. Thanks for everything. []

JOANN SCHAEFER: Thank you very much. []

SENATOR CAMPBELL: Good afternoon. []

THOMAS PRISTOW: (Exhibit 9) Afternoon, Senator Campbell, members of the committee. []

SENATOR CAMPBELL: How are your allergies? []

THOMAS PRISTOW: Perfect. Cold weather just kills them all. []

SENATOR CAMPBELL: I wish I could say the same for mine. []

THOMAS PRISTOW: My name is Thomas Pristow, T-h-o-m-a-s P-r-i-s-t-o-w. I'm the director for Children and Family Services for DHHS. The handout you're getting has an overview, a general overview, has my basic organizational structure so I'm not really going to go over that. It has some general information about where we've been over some of our data. I do want to build on what Kerry left off with when he spoke. I want to

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talk a little bit about my staff. They are extraordinarily valuable and they do an excellent job across the state. When I got here, I made an attempt to visit all staff; I got to most of them. I met with--and I've testified to this before--met with them in groups of 50 and got to hear from them what's going on and got to understand what the problems are and what this...and how they're working throughout the state. Since I've been here, we've revamped our training. We're working with our operations officer, with Matt, to maybe do a pilot with some tablets so that we can get instant access to our server out in the field so folks don't have to take notes, bring it back, sit down at their computer, plug in and go. So we are working very diligently with that. We developed a 360 review protocol that's in place now so that folks can give feedback on how they...how their supervisors are doing. And I also connect with my staff every week with a Friday e-mail that describes what's been going on and what I've been doing throughout the week. I want to talk a little bit about child welfare and then I'll finish up with ACCESSNebraska. Child welfare: we must focus on the future to enhance our services provided to all children and families, some initiatives that have been undertaken over the past number of months. Prevention protocols are a must. We are strengthening prevention initiatives with my colleagues Dr. Adams and Dr. Schaefer to get out in the community more with our community partners so we can have a cross-divisional prevention model. We do have an April prevention summit planned at this point. Best practice in trauma-informed care initiatives across the state: my staff and our community partners, we want to focus on the basics of that trauma care and best practice so that what we're really looking at is family engagement. How do we engage the family? How do we treat them with respect? And how do we work with them with whatever issues they're going through? As most of you know, alternative response is a protocol that we are looking forward to implementing in January of 2014. NAR is a model that we use so that the families that fit that type of model can be seen without going through the formal system that we have. We've implemented something called the 40-day focus, and that's a strategy to continue to develop and sustain consistent best practice initiatives across the state. Our first focus ended on August of this past year, and we had over 1,200 children in out-of-home care for over 60 days. Twelve hundred children, wards of the state in out-of-home care

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for over 60 days, outrageous amount of number. We focused on that across the five service areas and we safely reduced wardships by 421 children in 40 days, and we worked with the courts to do that. Our second 40-day focus just started. And we want to be able to move safely children from out-of-home to in-home, and that's a huge a number. We have over 1,260 3a and 3b youth and children that are in out-of-home care. And right now we are going through all those 1,200 children to see if...what it takes to safely put them back in their home and then to safely remove them from wardship. Applied for the Title IV-E Waiver: As most of you know, that time frame got moved up from July to this past two weeks ago. We did make the application and the information we received from D.C. is that it was received very well, so we are very hopeful and positive about that. That waiver is going to allow us to have flexible dollars so that we can do more prevention and intervention services to our children and families instead of just straight out-of-home care. I have a statewide provider panel that I work with. I formed it three weeks after I came on the job. And again, the focus there are on best-practice initiatives through foster care. And we need to shift our system of care to a healthier position and posture, and the provider panel is working with me as we go through the various changes and shifts that we're attempting in operations. We've improved and healed our working relationships with our federal partner, the Administration for Children and Families both out of Kansas City and Washington, D.C. That relationship was awful when I came on board and through the work of my staff and a lot of time spent in Kansas City, we've been able to work with them and we have a very positive working relationship with them now. Results-based accountability: you heard the IG talk about that when she was up here. That is a major tenet in my plan over the next year. Results-based accountability will take all our contracts that we have--and we're going to start with child welfare first--and look at how do we know that what they're doing is making a positive result with children? And we're looking to implement that July 1. ACCESSNebraska: we've redesigned our training to focus on staff dedicated to specific programs like TANF, SNAP, and Medicaid. We have...our communication expense has been skyrocketing. We have two strategies to take that under control. I implemented one of those, but the one has taken a little bit more time

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around the Omaha area. And we brought back a consultant that worked with us last year to review and assess our progress in programs and what we've been doing since I've been here in the past ten months. We are working diligently and very hard with ACCESSNebraska. I have a deputy director, Jill Schreck, who's in charge of that. As you know, Deputy Director Vicki Maca is in charge of Child Welfare. Both deputies are extraordinarily competent and working very hard to make the system work. And that's all that I have. I'd be glad to answer any questions. []

SENATOR CAMPBELL: Questions? Questions? []

THOMAS PRISTOW: Oh, wow. This is great. []

SENATOR CAMPBELL: No, no. I have a question. I have a couple of questions. ACCESSNebraska, is that the one chart in here on the expenditures, Thomas? Is that page 26? Is it this one that you wanted us to...that you're talking about? []

THOMAS PRISTOW: SNAP expenditures going up? []

SENATOR CAMPBELL: Yes. []

THOMAS PRISTOW: That's the amount of people receiving SNAP benefits. []

SENATOR CAMPBELL: And I thought there was a chart here that had to do with ACCESS, but not... []

THOMAS PRISTOW: Just in general? []

SENATOR CAMPBELL: Oh, yes. Just in general. No? []

THOMAS PRISTOW: No, Ma'am. But I could get that for you if you'd like. []

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SENATOR CAMPBELL: That's okay. But ACCESSNebraska is going to run over budget, is it not this year? []

THOMAS PRISTOW: Well, we just did a...we're working with a budget to do a transfer of about \$3.3 million so that we can...and that was a communication expense that is going to be running over. And we have a plan to fix that, and we have a plan to...within budget to ask for that money to be transferred from one line to another. []

SENATOR CAMPBELL: Have we got enough staff there? []

THOMAS PRISTOW: We're actually, Senator...I just got a report today. I was working with my senior analyst. We're looking at terminations and transfers to ACCESSNebraska. What I've been struggling with is filling the vacancies. And the customer-service centers, as of this morning, we had across the four customer-service centers, we had 32 vacancies. That averages about eight per center. I can't give a definitive answer about staffing until I can get that number to about 10 statewide as far as customer-service center vacancies. If I can get ten vacancies across four centers and run at full capacity for a number of months, look at the data, I can then definitely say at that point I need more staff or I've got what I need. So that's what I'm working on. []

SENATOR CAMPBELL: Okay... []

THOMAS PRISTOW: So that's what I'm working on right now. []

SENATOR CAMPBELL: ...because we talked about that this summer about that the numbers were down and so you're still seeing that kind of vacancy? []

THOMAS PRISTOW: But I see...those numbers are much better than I anticipated. []

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SENATOR CAMPBELL: Okay. []

THOMAS PRISTOW: Much better. I mean, I was anticipating a much higher number than 32, to be honest. []

SENATOR CAMPBELL: Did we ever solve the problem of being able to answer the phone in one place or, you know, take calls if it's not quite in that call-center region? Do you remember that question? []

THOMAS PRISTOW: Yes. Actually, how we answer the calls and that whole protocol has been redefined. And it's...I'm not getting as many complaints coming about it. Our call-wait times are trending downward. Our job tasks are being completed in a much more timely fashion. Everyone is scrambling as hard as they can to find the answers to make this...I mean, call centers are...I mean, they're everywhere. And just...but we're dealing with, as Kerry said when he opened up, we're dealing with huge issues and huge problems. And making that connection with them is important. We're not just doing widgets, we're not selling watches or whatever. We're dealing with people who have problems and they...one of the biggest changes we've made in the past 60 days was once an application gets with a worker, it stays with a worker through completion. Whereas before, we would get halfway done and we'd transfer it out, and now it stays all the way through. So sometimes our call-wait times go up because we're staying with that person or citizen a little bit longer just to make sure it gets done correctly. []

SENATOR CAMPBELL: And I'm assuming that we took care of Senator Gloor's...we no longer say "call at 10:00 o'clock," for everybody to call at 10:00 o'clock. []

THOMAS PRISTOW: No, no. Look, some of the system changes we made were pretty easy to make, Senator. []

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SENATOR CAMPBELL: Good, good. Well, I mean, I have to say that it's like Senator Gloor said, we're not getting as many calls at least on ACCESSNebraska. So I think the major issue was whether you had the positions filled and the money issue, that you need to transfer that. And is that because we've got overtime issues? []

THOMAS PRISTOW: No, ma'am. It's because when the budget was first designed for ACCESSNebraska, it was underestimated, the cost for communications. It was budgeted for \$700,000. And it just...I mean, our cost...if you look at our data over...since we've been implementing, our call volume is just going up, the number of calls. But we...again, I have strategies. I'd be glad to talk to you in more detail in another venue about all the strategies we're doing with that to let you know. []

SENATOR CAMPBELL: Okay. And I can ask Director Chaumont this question too but as you go to the ACA, will the Medicaid portion of ACCESS transfer to a different system? She's nodding. []

THOMAS PRISTOW: Yeah, I'll let Vivianne talk more about that. []

SENATOR CAMPBELL: Okay. Okay. []

THOMAS PRISTOW: But I will tell you that, yes, we have a plan for that. And we're working very closely with my colleague from Medicaid to make that happen. []

SENATOR CAMPBELL: Okay. And you kind of talked a little bit about foster care and where you think...we've got Senator Dubas' bill coming up. []

THOMAS PRISTOW: Yes, ma'am. []

SENATOR CAMPBELL: And I think she's worked all that out with the department on that bill. []

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THOMAS PRISTOW: We are working on the fiscal note right now. []

SENATOR CAMPBELL: Okay, good. All right, because that's... []

THOMAS PRISTOW: I don't know if the hearing has been set yet, but we're working on reviewing it. []

SENATOR CAMPBELL: Do you know that? []

MICHELLE CHAFFEE: It's been set, I don't know when it is. []

SENATOR CAMPBELL: You don't know the exact date. Okay, any other questions from the senators? Thank you, Thomas. []

THOMAS PRISTOW: Thank you very much. []

KERRY WINTERER: Senator, there is a deficit request. I don't know whether you got that specific answer, but there is a deficit request. []

SENATOR CAMPBELL: Okay. That's in Appropriations? []

KERRY WINTERER: Yes. []

SENATOR CAMPBELL: Okay. That's gone to Appropriations. Senator Hilgert. []

JOHN HILGERT: (Exhibit 10) Hey, good afternoon. []

SENATOR CAMPBELL: How are you? []

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JOHN HILGERT: I'm doing very fine. []

SENATOR CAMPBELL: Good, good. We don't get to see you at all almost. []

JOHN HILGERT: Oh, I'm always willing to come over if I'm invited. []

SENATOR CAMPBELL: Oh, I know. But we just haven't had issues. And we haven't... []

JOHN HILGERT: Well, that's a good thing maybe, too. []

SENATOR CAMPBELL: Well, but we haven't had bills either with regard to that. []

JOHN HILGERT: Yes. Well, it's more indicative of my lack of presence before your committee. My name is John Hilgert, J-o-h-n H-i-l-g-e-r-t. And I want to start out since this is an informal setting, one of the...some of the questions that often get proposed about our veterans' homes is that those are VA homes, right? And the terminology, the accountability gets foggy real quick. So I'm going to do a one-minute one-on-one on how we fit into veterans' services in the United States. You have the USVA, United States Department of Veterans Affairs is divided into three sections: the National Cemetery Administration, Veterans Benefits Administration, and Veterans Health Administration. Now how Nebraska fits into those three areas is the Nebraska Department of Veterans' Affairs has a cemetery in Alliance, Nebraska. You're all invited to go visit it, it's a wonderful facility. That links up with the National Cemetery Administration. That's our only state veterans' cemetery--there's a national cemetery in McPherson, they're building one in Sarpy County, another national cemetery--but this is a state veterans' cemetery. Our Veterans Benefit Administration, we link up because our state service office, again under the Nebraska Department of Veterans' Affairs, has 36,000 powers of attorney of living Nebraska veterans that we advocate for before the USVA Veterans Benefits Administration. In fact, our office is housed in their regional office so my staff can actually walk--well, I was going to say down the hall but it's

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actually upstairs--we walk upstairs and actually talk to that federal individual that's making that rating for that veteran. Wonderful opportunity for access. And then the Veterans Health Administration, those are like the Omaha Medical Center, VA Medical Center, the CBOC that are out in Holdrege and then the quasi-medical center in Grand Island and in Lincoln, the CBOC--community-based outpatient clinics. The Veterans Health Administration, Nebraska fits into that by the Department of Health and Human Services - Veterans' Home Division having four veterans' homes. Those are state facilities. We do partner with the VA to help us with some of our prescription medicines. They give us a per diem. And they are very generous in helping us build new facilities, Senator Gloor. So the Veterans Health Administration is how we fit in. The Department of Health and Human Services - Veterans' Home Division is one program. Unlike Joann Schaefer, Dr. Schaefer, has about 2,000 different programs, I have one. It's more than one though, and I have just one; it's 519. And our program delivers assisted living and long-term care for our veterans, and we have four facilities. So that's why I'm here before you today. If there's a question about a veterans' benefit, anything else basically, the long-term care goes up to Nebraska Department of Veterans' Affairs, and I switch hats and I'll try to get an answer to your question. So today, it's just about the Nebraska Veterans' Homes, and we have four. We have one, WNVH, Western Nebraska Veterans' Home in Scottsbluff, Nebraska. We have the Grand Island Veterans' Home in Grand Island, Nebraska. We have the Norfolk Veterans' Home in Norfolk, Nebraska. And we have the Eastern Nebraska Veterans' Home in Bellevue, Nebraska. So there are four veterans' homes. We serve approximately 500 plus veterans on a given day, we have our census that's published regularly on our Web site. We have 699 FTEs currently filled. We're authorized more, we have job openings, and we do have some overtime. In some places like Norfolk, Nebraska, it's more of a challenge than in other places, for example eastern Nebraska. So that's something that's always, always present. I can talk about five years ago and how many deficiencies were in each facility. But I can...let's fast forward and just say right now, we have three of our facilities that were deficiency free on their first examination. We get surveyed every year by the United States Department of Veterans Affairs, one of our funding partners that helps us

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with the per diem and so forth. So they have a vested interest in how we operate our homes. And they're very...they're getting closer and closer to seeing CMS standards, but every year they survey us. And at Norfolk and at Western and at Eastern we were deficiency free. We were very close in Grand Island, but we had an event with a smoker. So we had to change some rules and policies regarding that, but we're very close. We have four administrators that have all been on the job now for some time; we have a stable leadership. We have done mock surveys. We've done a lot of work in preparing for these surveys. Our focus has initially been on the cares, you know, because that is our program, that's our task, that's our job. Let's focus on cares. We focus on staff. And we are going to have to refocus on that because it's becoming a little bit of a challenge. We have enough resources to do our job, we need to hire more staff members. We need to retain the ones that we have, and we need to hire more. So that's our challenges, that's the division in a nutshell. And if you have any specific questions, I'd be more than happy to dive into them and familiarize yourself more. And you're all invited to any of our facilities any time. They are 24/7 facilities, meaning they're open 24/7. We don't ever close really because we have people that live there. So you know senators, you're welcome any time day or night. And we'll set up a tour and make sure that you're welcome, and you'll be able to see our services. []

SENATOR CAMPBELL: Senator Gloor. []

SENATOR GLOOR: Thank you, John. And I might make a comment for the education of the committee and then ask you... []

JOHN HILGERT: Sure. []

SENATOR GLOOR: ...to elaborate on something along the same lines. The Governor's proposed budget calls for replacement of the Grand Island facility. So assuming that survives the Appropriations Committee--I think...I'm hopeful that it will--you'll find the budget that comes forward has a replacement of that facility--doesn't mean it will be

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replaced in Grand Island. I think there's a--is it called an SSP that comes out March 1?
[]

JOHN HILGERT: Yeah. Well, in March. I'm not sure it's the first of March. But yes, sir,
Senator. []

SENATOR GLOOR: Yeah, it could be around the first to middle part. []

JOHN HILGERT: Yes. []

SENATOR GLOOR: But that just is something to watch for within the budget. And one
of the things that I find is not understood by a lot of folks, at least in the Grand Island
community, is they don't just provide care to people who have been in the service but
also for spouses. []

JOHN HILGERT: Yes. []

SENATOR GLOOR: You might make some comment about what percentage that is of,
you know... []

JOHN HILGERT: Sure. []

SENATOR GLOOR: ...just some of the specifics around that in terms of qualifications
and whatnot. Because I think in Grand Island, it may be 15 or even as high as 20
percent of the folks who are there. []

JOHN HILGERT: Yes. And in Scottsbluff, I can tell you we're just 1 under 25 percent. []

SENATOR GLOOR: Wow. []

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JOHN HILGERT: And I'll start with that if you don't mind, the eligibility for being in a veterans' home. It used to be a wartime veteran. We opened up, with the guidance of the Legislature, a policy through a change in statute and we've opened up to peacetime veterans. So right now we have 30 peacetime veterans within our veterans' homes that we serve. And that was a wonderful change in the law and that was welcomed, I think, and embraced by all. The Senator is certainly correct, it can be a spouse of a veteran, honorably-discharged veteran, and you too are eligible for placement in the Nebraska Veterans' Homes system. We do have a waiting list, if you will, and we do have preferences. For example, veterans come first. Before spouses come in...we say if the veteran and the spouse come in together, we count that as the veteran. If the spouse comes and joins a veteran that's already there, they would take precedence over a spouse that is a widowed spouse, let's say, that's technically eligible but her husband or wife was never in the veterans' home. So we do have some preferences. Even though we have waiting lists and even though that in some places it's extensive, I would put that in some sort of a context that to some it's a placeholder. I'm not ready to move into the home today but I may tomorrow. So part of our job...and we have staff that diligently when there's an opening, go through that list. You may hear from a county veterans' service officer or a veterans' service organization member that, well, because of that list don't put in an application. I encourage everyone to put an application in. For example, if you were a female veteran and you applied today for a veterans' home and there is 100 people in front of you, you may be the next one in because we have a room open. We don't mix male and female unless there's the marital bond, and a female spouse, a surviving spouse is in the home and there is a "female" bed that's open. The next person that's on the list would be a female but veterans have preference. So that veteran female could shoot right up and come into the home. There's also a question of acuity. If there is an opening in a secure-Alzheimer unit and the next person on the list is for assisted living, we're not going to wait until all those folks are served. We're going to go straight to the next person who needs a secure-unit placement. So there's some art to it. But one of the things that I've built into the system, I've had the Nebraska Department of Veterans' Affairs maintain that waiting list along with each of the facilities

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in the Department of Health and Human Services. And every--I believe--month, they coordinate and reconcile those lists. So those lists are consistent, and they do work out any questions that might come about. The United States Department of Veterans Affairs contributes also to the construction of new facilities. In this case, the \$121 million projected facility, Central Nebraska Veterans' Home, is...\$47 million of that would be the state's share. There are some things that the federal government will partner in with and pay for, some things they won't participate in. They won't, for example, participate in site acquisition. That's something the state has to come up with. So the cost of the site we would have to come up with. The actual building, they'll chip in 65 percent. There are some unique aspects to the Grand Island Veterans' Home like a wood shop, like a very large chapel that I think the community enjoys. The federal government has their regulations that are limited. If you want to build it bigger, you either have to prove a justification or have someone else contribute for that square footage. So there are some things the federal government will pay for and some things they won't. But they will pay for all but \$47 million. That \$47 million is in the Governor's budget request. It is using the Cash Reserve in such a way that over time that state commitment transfers from a General Fund expenditure--and an immediate expenditure--to a Cash Reserve commitment. What the federal government has to see from the state of Nebraska to proceed with the construction of that facility is they have to see legislation in place or some sort of legal document that says you have your share. And that's what we're asking the Legislature to provide for this year. Once the Legislature provides that assurance that that money is there for this purpose and the state is good for it, then we will put ourselves onto a waiting list. And I hope that we will be very high up on that waiting list and be able to be funded rather quickly. So that's a little bit of background. And that veterans' home, the Grand Island community has served that...our veterans' home since 1887--20 years after statehood--long time. Eighteen eighty-seven, that's when the United States got the lease for Pearl Harbor to build a naval base there. I mean, it's a long time. And we weren't...obviously, we're not looking to move the home. But if other communities are interested, have to open up and formulate a process called a site selection process. And we will go forward and evaluate what interest there is from

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other communities and pick the best place for the state of Nebraska and its taxpayers. []

SENATOR CAMPBELL: Questions from the senators? Okay. Thank you very much, it was helpful. []

JOHN HILGERT: Well, thank you, and any time. And if you have any questions, let me know. []

SENATOR CAMPBELL: Thanks a lot. Our next person? Good afternoon. []

SCOT ADAMS: (Exhibit 11) Good afternoon, everybody. My name is Scot Adams, S-c-o-t A-d-a-m-s. And I serve as the director of the Division of the Behavioral Health and soon to become the longest-running director in the group today after Dr. Schaefer leaves. Welcome to your jobs and to a new year, and I wish you a fine time and all the success that you can. It's an interesting position. A little bit about me. I am almost six years into this job now, and I am a social worker by background and training. My doctorate is community and human resources, a dissertation in late-onset alcoholism. The mission of the Division of Behavioral Health is to provide leadership and resources for systems of care and that promote resiliency and recovery for Nebraskans. Our primary service populations include those persons who are mentally ill, who experience a substance use disorder, problem gamblers, and sex offenders in treatment settings. We are the group that serves and provides funding for that tweener zone between those Medicaid-eligible persons and for persons who have healthcare insurance. And so our role, function, and purpose is in evolution as a result of healthcare reform currently. We have a strategic plan that is on the Web site. It is also midterm strategically and looks like that. You can go to the Behavioral Health Division, see it. You can also see a midterm update with regard to that strategic plan. We are appropriated about \$160 million per year. We have 800 staff. The Division of Behavioral Health serves about 350 persons at 3 regional-center hospitals across the state in Hastings, Norfolk, and Lincoln. One hundred twenty beds of sex-offender treatment in Norfolk, Hastings has currently

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40 beds of juvenile chemical treatment, and roughly 220 beds at the Lincoln Regional Center with a mixed-use population, adult and adolescents, sex offenders, and psychiatry. Sort of the Bible of our work is LB1083 that was passed in 2004, which initiated change from state hospital-based resources to community-based resources. Some of the key thoughts that guide our work is living the most integrated setting within a community. That is guiding language from the Olmstead decision several years back. We are organized along a regional system so that we work cooperatively with county employees and collections of counties known as regions. These regional behavioral health authorities contract with the state to deliver services through a closed panel of providers. An important element--and I think one of the successful elements about the division--is that we provide often nonmedically necessary services but which are extremely effective in keeping people out of deeper-end medical services. Things like supportive housing, supportive employment, peer services that other insurances or other health coverages will not pay for, have not paid for, but which help people to stay out of hospitals. SAMHSA, the Substance Abuse and Mental Health Services Administration, is our federal agency with which we most frequently interact, but we have other federal interactions as well. Some recent bright spots that I would call attention to as bragging rights would include I think, the Nebraska Family Helpline which was established through LB603 a few years ago, I think has made a great deal of difference. The Network of Care provides for a resource statewide in terms of access to services. Everything here is listed there. I would also note that the readmission rate to the State Hospital, Lincoln Regional Center, is the lowest in the nation. It stands at 4.56 percent in a 180-day period compared to the national average of 20 to 21 percent. That is significant and worth cheering about. One of the other things that I am most proud about is that the wait list to get into the Lincoln Regional Center on July of '04 when LB1083 went in there, was measured by months and measured in the hundreds and today is measured either in days, a week, maybe a couple for most part. And then people get into the care, especially the necessary care. Happy to respond to any questions you may have. []

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SENATOR CAMPBELL: I, too, think LB603 was certainly an excellent way for us to draw together a number of services. And I have introduced a resolution, Scot, to continue the LB603 committee for another year until we can transition all of that oversight and taking a look at that area to the Children's Commission. So we will see if the Legislature agrees with that. But I think they're just at that...you know, it's just at that crest of really taking off, and I hope we can continue that through the LB603. The Helpline numbers have held through the last couple of months, would you say? []

SCOT ADAMS: I'm sorry? []

SENATOR CAMPBELL: The Helpline numbers have held. I mean, we're still seeing a fairly good... []

SCOT ADAMS: It still remains significantly under the estimates upon which the Helpline was based. There remains good advertising and marketing. I mean, I see the ads on television about every couple of months during key times, news and other kinds of things, but it remains underutilized. We reduced resources to that and accommodated that but it was...it remains underutilized--there is no other way to say it--compared to what everybody thought was going to happen. []

SENATOR CAMPBELL: Do we need to do some additional work in preventative services for kids in the communities? []

SCOT ADAMS: You know, preventative services are one of those things that are...in fact, I was just reading an article about it today. Everybody thinks preventative services are a wonderful thing, and it's kind of hard to argue against them. It's like mom and apple pie kind of thing. They are tremendously expensive, oftentimes difficult to measure the impact because you're looking for nothing to happen and trying to see those kinds of things. The Division of Behavioral Health has been involved in substance use prevention programming for decades as part of the substance abuse and

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prevention and treatment block grant from the federal government. And I think some very neat things have come out of that. An example being that I think in your county, Senator Gloor, every server is trained in identification and how to card young kids. Well, to prevent people from drinking underage that's a great strategy. Can't tell you any numbers if it's made much of a difference. So to your question with regard to a great strategy, you know, I think that's one of those things that it's hard to argue against. Everybody seems to think it intuitively makes sense, but it's also true that data to support changes of actual behavior are difficult to pinpoint to those kinds of strategies that may or may not make a difference. []

SENATOR CAMPBELL: Based on what we've seen in the LB603 package, do we need more community services? I'm not just saying in prevention, but... []

SCOT ADAMS: Well, what you have in the Hornby Zeller report is a description of folks through that process of the evaluation where most folks felt most of the folks were feeling pretty good about the services they received. So it depends to what degree you want satisfaction. Hornby Zeller spoke about a 90 percent satisfaction rate. Of course, that includes all the easy stuff, I would presume, as with most things. And so the last 10 percent becomes a more difficult push, if you will. You know, it depends...I suppose an argument can be made on both sides as to what is the percentage of meeting total need that the state wants to get to. []

SENATOR CAMPBELL: Okay. Senator Gloor. []

SENATOR GLOOR: Scot, what...remind me. When it comes to the essential benefits, how is behavioral health touched on in the essential benefits package? []

SCOT ADAMS: The essential benefits package includes behavioral health disorders as part of what's got to be as one of the ten. In addition to that, many of the things inpatient services, for example, outpatient services... []

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SENATOR GLOOR: Substance abuse. []

SCOT ADAMS: ...some of the other kinds of things, include tangentially that kind of thing. But it's one of the named ten as well. []

SENATOR GLOOR: So what impact would you think that will have on the department and the provision of services funds for regional, you know, not regional centers but the regional... []

SCOT ADAMS: Yeah. []

SENATOR GLOOR: ...mental health groupings? []

SCOT ADAMS: I think it is an area that will have a great deal of conversation as to the role and function all across the country. As I mentioned earlier in my opening remarks, we are the tweener zone between Medicaid-eligible people and insurance people. And so as one or both of those expands to the middle, there would be fewer people in the tweener zone. I also said, though, that many of the services that we support and offer are services not paid for by traditional insurance packages. It is unlikely that an insurer is going to pay for supported employment. However, it may be exactly the kind of thing, supported employment, that keeps a person with a serious and persistent mental illness out of the hospital because they're leading a meaningful life. So I think there's a lot of gray and a lot of conversation on that topic yet to come. []

SENATOR GLOOR: Okay, thank you. []

SCOT ADAMS: But it is of concern all across the country. There are folks who want to take all the money, there are folks who want to redirect the money, both of which by the way, upset the current system. And this is a fragile system I think, as you all know. And

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so either end of that conversation, right or left, up or down, causes us headaches. It's going to be an interesting time. []

SENATOR CAMPBELL: Other questions? Thank you, Scot. []

SCOT ADAMS: Thanks so very much. []

SENATOR CAMPBELL: Director Chaumont, I don't want to say every time you come to see us, but I noticed that you have a cast on your hand. []

VIVIANNE CHAUMONT: (Exhibit 12) Yes. []

SENATOR CAMPBELL: How are you doing? []

VIVIANNE CHAUMONT: Huh? []

SENATOR CAMPBELL: How are you doing? []

VIVIANNE CHAUMONT: I am doing much better, thank you. []

SENATOR CAMPBELL: And when do you get the cast off? []

VIVIANNE CHAUMONT: February 12 at 8:50 a.m., 12.5 days away. []

SENATOR CAMPBELL: Not as if you're counting. []

VIVIANNE CHAUMONT: What? []

SENATOR CAMPBELL: Not as if you're counting. []

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VIVIANNE CHAUMONT: No, not at all. Thank you. I'm Vivianne Chaumont, I'm the Director of Medicaid and Long-Term Care. Nice to see you all again and nice to see some new faces. As the handouts show here, the Division of Medicaid and Long-Term Care has a budget of a little over \$1.8 billion and approximately 145 current, staffed positions. We do have some vacancies that we're trying to fill. And there's, as you can also see there, the Medicaid budget. The expenditures in the Medicaid budget are about \$1.6 billion, so there's a little difference there. And that would be some other programs that are managed in the division such as the Medically Handicapped Children's Program, some...actually, that isn't in my budget although we do manage the Medically Handicapped Children's Program. []

SENATOR GLOOR: I was going to call you on that because... []

VIVIANNE CHAUMONT: I know. Thank you. The respite subsidies are also managed by my staff but not in the budget. The other differences...the differences that the division administers, the program of aging, the state unit on aging which oversees the Area Agencies on Aging, the triple A's they're called, are in the division. And some care-management programs that have to do with the triple A's. But the big elephant in my division is obviously the Medicaid program. Medicaid, as I'm sure you know, is a program to provide medically necessary medical services to some of the neediest people in the state. And in Nebraska we cover low-income people under...over 65--the aged--people with disabilities, pregnant women, and kids under 19. We've seen a sharp increase in enrollment since 2007 when I came. At that time, it had been a pretty flat about 202,000 people. The economy after 9/11 caused a lot of the...well, actually, it wasn't that one. It was the next crisis that came caused an upswing in Medicaid eligibility. And it has been higher than this but it sort of goes up and down about 1,000 every month, so it's been pretty steady. And when...a thing that people don't realize I think, is that the large majority of Medicaid clients are children, probably about two-thirds of them. And another thing that I think surprises people is that Medicaid pays for...last year paid for approximately 37 percent of all births in the state of Nebraska,

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which is actually way lower than most states. So one of the things that I know Senator Campbell likes--and so I'm going to push it because if I don't, she will... []

SENATOR CAMPBELL: That's right. []

VIVIANNE CHAUMONT: ...is the Medicaid Annual Report. It's on our Web site. It contains a whole lot of information about where that \$1.6 billion goes, the kind of clients that we serve, and what projects we are working on. One of the...one...so then I want to talk about some of the things that we've done in the last couple of years because we have been, I think, very successful considering the increase in eligibles in keeping costs...keeping the Medicaid program fairly flat. It had not been flat, definitely, but keeping the costs contained while seeing an increase in eligibles with really fairly minimal decrease in benefits to our clients. No changes...actually, increases in the number of categories that are eligibles, so no decreases in eligible categories and fairly minimal provider rates. I go to Medicaid director meetings and when you see what the other 50--plus Washington, D.C. and the territories--what they're contending with, we've done a very good job at containing costs without really negatively impacting clients. And of that, I am very proud. Some of the ways that we have done this, I think, have been to manage the care that's being provided to clients. And we have gone to managed care. Initially, we went to managed care in three counties, to at-risk managed care for physical health, and we went to at-risk managed care in ten counties. And July 1, 2012, we implemented at-risk managed care for physical health in...across the whole state. The numbers show that managed care has saved money, same benefits, probably better access, and more case management for those people that need it, than we would be able to provide in a fee-for-service world. And we have worked hard to try to make our community services more available, more readily available to clients so that they can have the choice of going to receive their long-term care services in the community in their home, as opposed to nursing facilities. The nursing-facility budget numbers have stayed pretty flat as a result of that, which is a win/win because clients get the care that they need and tend to prefer to be at home or in a community. So as far as those kind of

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programs is concerned, we are getting ready to implement, finally, the program for all-inclusive care for the elderly which is, I think, an incredible program. Yes, I agree with that. Very...it's the only current program that's like in cement in federal law that actually provides care to coordinated, holistic care to dual eligibles. Dual eligibles are folks who are Medicare eligible but also Medicaid eligible, some of the highest-cost folks in the state. So this program, we have a three-way contract which is in the final stages of approval. I think CMS came up with something there at the end with the Centers for Medicare and Medicaid Services, which is our federal counterparts. For a dual eligible, Medicare pays a payment--monthly capitation rate--per member per month rate for each client. The Medicare pays it. If they're duals, the Medicaid pays and that company has to manage the entire care of that client so that you don't have the competing interests between Medicare and Medicaid for the cost of that client; behavioral health, everything is in that rate. And the provider is Immanuel. In Omaha, it will be Immanuel who will start that site and then their plan is, what they've talked to us about, is once they have the site in Omaha open they might open a second site in Omaha and then move to Lincoln. It's a program, as those of you who have been here have heard me say, is...was very, very successful. Very high consumer satisfaction from the clients and their families in Colorado and Denver. And so I'm thrilled to finally get to bring it to Nebraska. I think it's a fiscally responsible program that provides, you know, great care and care coordination to clients. So once it opens in Omaha, I would invite all of you to let's go on a field trip, let's go on a road trip, let's go to Omaha, and let's visit the site. Immanuel tells me they would be thrilled to have you, and I think that would be a really good thing to do. Let's see, what do we...oh, we are implementing at-risk behavioral health in September of 2013. We have just posted the intent to award the contract to Magellan. And we are also working very diligently on implementation of the ACA. The Affordable Care Act, as you know, has a lot of changes to the Medicaid program. It completely redoes the way you calculate eligibility for children and pregnant women and adults, not for the aged and disabled, but for every other category. There's a lot of work to do there also, so instead of the way you normally...you would currently determine eligibility, eligibility will be based on a modified adjusted gross income like on your income tax

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return. But there's just a...so you have to convert our current system to the new system. That is something that's being worked on. Obviously, the Medicaid program has to converse with the Exchange which is going to be, in Nebraska, a federally facilitated Exchange. So we're working on the systems required for that and working--because by October 1, '13, which is when you have to be ready to start taking applications--we will not have a new system. So we're working very hard to do the workarounds so that clients get what they need starting October 1, '13, and then with implementation on January 1, '14. That's our short-term solution. And then a new eligibility system is...for Medicaid is the long-term solution we've been...we'll have to do an RFP and get that. And so those are kind of the more in the news ones about the ACA, but there's also a lot of work...a lot of other work associated with the ACA that is not quite as prone to be on the front page. We have to pay primary care physicians. Not primary care physicians, physicians who provide primary care, which might be internists and some...and pediatricians and family doctors and a variety of specialists. We need to pay them at 100 percent of the Medicare rate starting January 1, 2014. The federal government finally gave us instructions...partial instructions on how to do that in December of...sorry, that's implemented January 1, '13. I'm so used to the January 1, '14 date, I have that emblazoned on my brain. January '13, and they gave us the guidance December 2012, and then gave us some more later earlier this month. That is a more difficult task than you would think. You have to compare some Medicare rates and a lot of the rates that are associated with the Medicare population are not Medicare and do not intend to be Medicare rates because Medicare doesn't have a lot of children and it has very few pregnant women. So... []

SENATOR GLOOR: A few, but very few. []

VIVIANNE CHAUMONT: Very few. So there's just a lot of work that needs to be done, so we're working to implement that. The...we've kept providers apprised of our process. We will...providers need to sign up, need to attest to certain things. And we will, once we are able to pay the rates, pay them back to January 1, '13, so they're not out any

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money. That bump is covered the first two years by the federally...wholly by the federal government. Since we have managed care, we have to redo rates in order to make sure that the managed-care companies are paying...are able to pay those rates. That's going to take a while longer because the federal guidance on that just came out very recently and they need to review contracts and rates. But that...again, the doctors will be reimbursed back to January 1, '13, so those are...and then there's a lot of technical computer things with coding and administrative simplification. Any time the federal government says administrative simplification, be very, very nervous because it's probably not at all simple. So...and we're working on all...dozens of projects related to the ACA. And I'll stop there and let you ask any questions. []

SENATOR CAMPBELL: Questions? Senator Gloor. []

SENATOR GLOOR: Even though a huge percentage of your clients are kids, a much, much smaller correspondingly percentage of your clients are elderly or in long-term care. What percentage, right off hand, of your budget is that? And I know I've seen a pie chart once upon a time. I mean... []

VIVIANNE CHAUMONT: I'm sorry. What percentage of the clients are long-term care? []

SENATOR GLOOR: What percentage in long-term care of your budget overall? Isn't it somewhere around 30-some percent or 25 percent? I know it's a huge percentage. []

VIVIANNE CHAUMONT: Yes. And nursing facilities... []

SENATOR GLOOR: Yes. []

VIVIANNE CHAUMONT: ...which is not all long-term care services... []

SENATOR GLOOR: Sure. []

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VIVIANNE CHAUMONT: ...that's institutional long-term--are approximately 19 percent of the budget, \$300 million. ICFMRs are approximately \$48 million. That will probably--I can't remember--that will probably still go up now with BSDC being able to bill Medicaid.

[]

SENATOR GLOOR: Well... []

VIVIANNE CHAUMONT: But with waivers and other... []

SENATOR GLOOR: Yeah. []

VIVIANNE CHAUMONT: ...4.1, it probably adds up to about 30 percent of the budget. And that's not counting any, you know, physicians, drugs, all of that kind of thing. So...or inpatient hospitals. So a big chunk. []

SENATOR GLOOR: But your provision of...well, your payment methodology for that is basically unchanged, though, for decades and decades. With all the things...you know, you're good at looking at what's happening in other states and trying to bring some of that into Nebraska. That's one of the reasons you're here. []

VIVIANNE CHAUMONT: Uh-huh. []

SENATOR GLOOR: How about looking at changes in methodology of paying for the traditional long-term care services. Is that something on your radar screen? []

VIVIANNE CHAUMONT: Well, what we are looking at... []

SENATOR GLOOR: I mean, you're dual eligible, I understand is part of that... []

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VIVIAN CHAUMONT: Yes, right. []

SENATOR GLOOR: ...but beyond that. []

VIVIANNE CHAUMONT: What we are looking at is--and have started to talk to industry folks and to the Medical Assistance Advisory Council which meets monthly which is providers and consumer-advocate people--is that we need to start talking about long-term care, managed care. That's where other states have gone with...and what happens is they...the way it tends to work is they increase...with case management, they increase community services. And you are never going to do away with nursing homes. They're a necessary part of the system, continuum of care for that. But if you can keep people at home longer...so we're looking at moving with a date planned of December 2015 of bringing long-term care, managed care. That's how...that's the trend. That's what other states are doing. And then states that already have long-term care, managed care, are more in line to be able to do special pilots with CMS to do the duals, to bring the duals in and bring the Medicare and Medicaid together to have the proper incentives. You know, currently, I don't know if...but Medicare pays for inpatient hospitals, Medicaid pays for custodial long-term care, so nursing-facility care, those kinds of things. And so the incentives between the two programs aren't aligned. And I've said this before, but one of my favorite things is that about two years ago the federal government--CMS--came out with an office of innovations. And the innovation is to have their Medicare program staff to talk to the Medicaid program staff down the hall from one another. So...but this needs to happen. These are the most expensive people in the system, and I think there's a lot of opportunity to provide both better care and more efficient care, not just for state budgets but also for the federal budget. So we are starting to look at that and come with a plan to be able to do that. []

SENATOR GLOOR: Well, you know it's one of those things that we should stay in close contact about... []

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VIVIANNE CHAUMONT: Uh-huh. []

SENATOR GLOOR: ...because I think the opportunities for there to make a change...I think even the industry has an expectation. []

VIVIANNE CHAUMONT: Yes. []

SENATOR GLOOR: I think as we end up with more of the facilities owned by larger corporations, they recognize that it really doesn't do them any good to manage their costs tighter because they overall...and that affects their cost report... []

VIVIANNE CHAUMONT: Uh-huh. []

SENATOR GLOOR: ...which affects their reimbursement... []

VIVIANNE CHAUMONT: Uh-huh. []

SENATOR GLOOR: ...which isn't necessarily going to help them. It might even hurt them. []

VIVIANNE CHAUMONT: Yeah. []

SENATOR GLOOR: And so, you know, to the extent that we can build incentives into the system to encourage efficiencies, and maybe the managed-care approach is the best way to do that. But I'm happy to carry...wave the flag for this from a Legislative standpoint. []

VIVIANNE CHAUMONT: Yeah. []

SENATOR GLOOR: But it's an area that we ought to be looking at. []

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VIVIANNE CHAUMONT: There is a lot of work that needs to be done in that area. And after talking to both associations, they are aware of that. []

SENATOR GLOOR: Yeah. []

VIVIANNE CHAUMONT: And our support is just how do we do it in the best way? []

SENATOR GLOOR: Sure. The devil is in the details. []

VIVIANNE CHAUMONT: That's exactly right. It's definitely an area... []

SENATOR GLOOR: When the associations are talking about we really need to look at this, you know that it's time. []

VIVIANNE CHAUMONT: Right. Right. Uh-huh. []

SENATOR GLOOR: Good. []

SENATOR CAMPBELL: It's dangerous. We've just been around long enough to pick up a little information. But this summer during an interim hearing in which we were talking about the communities wanting to take over a care facility and Senator Gloor and I are going, do you really know how much this costs every day? I mean, it is a very costly service and a lot of people don't realize the high cost to long-term care that exists across... []

SENATOR GLOOR: Or the regulatory expectations or the problems in staffing or... []

SENATOR CAMPBELL: Yes. Yes. And every day and every day. []

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VIVIANNE CHAUMONT: Right. Right. I mean, if you look at Senator Campbell's very favorite document, the Medicaid Annual Report, you will see what the average cost is for a child, for an adult, for the aged, and for the disabled. And the most expensive population is actually the disabled. And so we need to be able to take care of their needs in a more cost-efficient manner. You know, we've managed all the cheap people, it's time to bite the bullet and start managing the expensive people. And I think it's an opportunity. I think it's a good thing. It might be painful to get to, but I think it's a good thing. []

SENATOR CAMPBELL: But looking at the dual eligible and starting to work on that will help us greatly because there's a high cost to that too. []

VIVIANNE CHAUMONT: It's...those are the highest costs. I just want to say that part of the reason that we have...I mean, I would love to be able to tell you that we're going to have...we're going to be there, you know--what year are we in--July '13 or July '14 or July '15. But with all of the work that needs to be done with the ACA and all of the system changes that anytime anything happens has to be done to the MMIS system, I can tell you that it's that system that's holding us back. []

SENATOR CAMPBELL: Yeah. I think we were also very aware of that when we had the consultants' report with regard to child welfare and how connected that is with Medicaid. And I think they were trying to stress to us, look at how this all ties together, don't think of them singly. []

VIVIANNE CHAUMONT: Right. You just have to be able to remember that the eligibility part is... []

SENATOR CAMPBELL: Right. []

VIVIANNE CHAUMONT: ...the N-FOCUS part. Medicaid has in the budget as a result of

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the ACA a new eligibility system for Medicaid which is 90/10 funding, which is very unusual... []

SENATOR CAMPBELL: Exactly. []

VIVIANNE CHAUMONT: ...90/10 funding until 2015. And then on top of that there's or in addition to that, there's the MMIS system which is the claims-payment system which is also quite old. []

SENATOR CAMPBELL: Yes, it is. And we're still doing it ourselves, are we not? Paying... []

VIVIANNE CHAUMONT: Yes. And I have to commend the IT staff and the staff that work on that system because the fact that we pay claims in a...you know, we have our glitches like when we implemented 5010 or when there's some of these things. But the fact that they keep that system going and that Medicaid bills are...meet the standard--which is to pay 90 percent of clean claims within 30 days and 99 percent of clean claims within 90 days--the fact that that staff is able to do that is commendable. But the system is dragging us down. []

SENATOR CAMPBELL: I remember the very first time that I met you I was on the Medicaid Reform Council and was not in the Legislature. And one of the first things that you said was, we need to do something about the MMIS system. And we are continuing to say that are we not, Director. []

VIVIANNE CHAUMONT: Yes. We were having lunch at the Cornhusker. []

SENATOR CAMPBELL: Yes. Okay. Any other questions? Thank you very much. []

VIVIANNE CHAUMONT: Thank you. []

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SENATOR CAMPBELL: Did you have any final thoughts that you wanted? Are there any follow-up questions from the senators? []

KERRY WINTERER: Any other questions for anybody? There's still some folks around to answer questions. []

SENATOR CAMPBELL: Did you have any questions, Senator Gloor? []

SENATOR GLOOR: No, I'll visit with Mr. Hilgert. []

SENATOR CAMPBELL: Okay. I really appreciate the department putting the orientation together for us. I think it certainly will help the new senators, good refresher for the continuing senators on the committee, and I think it will help us. If we think of an area, we can always have people come back and chat with us. We've had Medicaid 101 that the Director did, and I've actually had a request for a repeat of that for senators who missed it. So I'll be in touch with you all. []

VIVIANNE CHAUMONT: Twenty bucks each. []

SENATOR GLOOR: []

VIVIANNE CHAUMONT: Prepaid. []

SENATOR CAMPBELL: You may want to rethink that since the request came from the Speaker. So... []

VIVIANNE CHAUMONT: Okay. []

_____: Forty bucks. []

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SENATOR CAMPBELL: Forty bucks. []

KERRY WINTERER: I would just invite anybody on the committee, if you've got questions for anybody here that occur to you afterwards, give them a call and we're happy to (inaudible.) []

SENATOR CAMPBELL: Absolutely. With that, we'll conclude the orientation for the day, and everyone travel very safely. []